

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF ELSA BERHAD ("ELSA" OR THE "COMPANY") DATED 21 MAY 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 Tricor Investor & Issuing House Services 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 Elsa 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 21 May 2026 and will close at 5.00 p.m. on 3 June 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.



ELSA BERHAD
(Registration No. 202001028117 (1384437-H))
(Incorporated in Malaysia under the Companies Act 2016)

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(Registration No. 202001028117 (1384437-H))
(Incorporated in Malaysia under the Companies Act 2016)

Menara G-Vestor, Pavilion Embassy,
200 Jalan Ampang, 50450 Kuala Lumpur
Tel : +603-21815550

WWW.ELSA.COM.MY

PROSPECTUS

PROSPECTUS



ELSA BERHAD

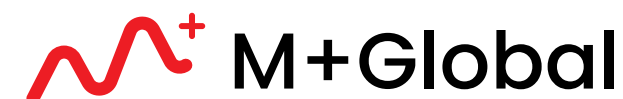
(Registration No. 202001028117 (1384437-H))
(Incorporated in Malaysia under the Companies Act 2016)

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

- (A) **PUBLIC ISSUE OF 118,400,000 NEW ORDINARY SHARES IN ELSA ("SHARES") IN THE FOLLOWING MANNER:**
- (I) **26,920,000 NEW SHARES AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;**
 - (II) **10,768,000 NEW SHARES AVAILABLE FOR APPLICATION BY OUR ELIGIBLE PERSONS; AND**
 - (III) **80,712,000 NEW SHARES AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS, AND**
- (B) **OFFER FOR SALE OF 36,400,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS,**

AT AN ISSUE/OFFER PRICE OF RM0.23 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

Principal Adviser, Sponsor, Underwriter and
Placement Agent



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

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

BURSA SECURITIES HAS APPROVED THE ADMISSION OF OUR COMPANY TO THE OFFICIAL LIST OF BURSA SECURITIES AND THE LISTING OF AND QUOTATION FOR OUR ENTIRE ENLARGED ISSUED SHARE CAPITAL ON THE ACE MARKET OF BURSA SECURITIES. THIS PROSPECTUS HAS BEEN REGISTERED BY BURSA SECURITIES. THE APPROVAL FOR THE ADMISSION OF OUR COMPANY TO THE OFFICIAL LIST OF BURSA SECURITIES AND THE LISTING OF AND QUOTATION FOR OUR ENTIRE ENLARGED SHARE CAPITAL ON THE ACE MARKET OF BURSA SECURITIES, AND THE REGISTRATION OF THIS PROSPECTUS SHOULD NOT BE TAKEN TO INDICATE THAT BURSA SECURITIES RECOMMENDS OUR IPO OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. BURSA SECURITIES HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF THE SECURITIES BEING OFFERED FOR INVESTMENT.

BURSA SECURITIES IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF OUR COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER. FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, PLEASE SEE "RISK FACTORS" COMMENCING ON PAGE 227.

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 ("SC") UNDER SECTION 212(8) OF THE CAPITAL MARKETS AND SERVICES ACT 2007 ("CMSA").

THIS PROSPECTUS IS DATED 21 MAY 2026

All defined terms used in this Prospectus are defined under “Definitions” commencing on page vii, “Glossary of Technical Terms” commencing on page xvi and “Presentation of Financial and Other Information” commencing on page v.

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 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 obtained from Bursa Securities on 23 January 2026 for our Listing. 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 representations as to its accuracy or completeness and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus.

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

OTHER STATEMENTS

You should take 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 the Prospectus or the conduct of any other person in relation to our Group.

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 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 application securities or equivalent legislation or with or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

We will not, prior to acting on any acceptance in respect of our IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection therewith. This Prospectus is prepared and published solely for our IPO in Malaysia under the laws of Malaysia. Our Shares are issued in Malaysia solely based on the contents of this Prospectus. Our Directors, Promoters, Selling Shareholders, Principal Adviser, Sponsor, Underwriter and Placement Agent take no responsibility for the 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 or to make any representation 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 and Promoter, Selling Shareholders, Principal Adviser, Sponsor, Underwriter and Placement Agent, any of their respective directors, or any other persons involved in our IPO.

It shall be your sole responsibility, if you are or may be subjected to the laws of any countries or jurisdictions other than Malaysia, to consult your professional advisers as to whether your application for our IPO would result in the contravention of any laws of such countries or jurisdictions. Neither we nor our Principal Adviser nor any other advisers in relation to our IPO shall accept responsibility or liability in the event that any application made by you shall become illegal, unenforceable, voidable or void in any such country or jurisdiction. Further, it shall be your sole responsibility to ensure that your application for our IPO would be in compliance with the terms of our IPO and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subjected to. We will further assume that you have accepted our IPO in Malaysia and will be subjected only to the laws of Malaysia in connection therewith.

However, we reserve the right, in our absolute discretion, to treat any acceptances as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements. This Prospectus may not be used for the purpose of and does not constitute an offer to sell or an invitation to buy our Shares in any jurisdiction in any circumstances in which such an offer or invitation is not authorised or is unlawful. This Prospectus shall also not be used to make an offer of or invitation to buy our Shares to any person to whom it is unlawful to do so. Our Company, Promoters, Selling Shareholders and Principal Adviser require you to inform yourselves of and to observe such restrictions.

ELECTRONIC PROSPECTUS

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

You are advised that the internet is not a fully secured medium and that your Internet Share Application is subject to the risk of problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions or Participating Securities Firms. These risks cannot be borne by the Internet Participating Financial Institutions or Participating Securities Firms. If you are in doubt as to the validity or integrity of an Electronic Prospectus, you should immediately request from us, our Principal Adviser or the Issuing House, a paper/printed copy of this Prospectus. In the event of any discrepancies arising between the contents of the Electronic Prospectus and the contents of the paper/printed copy of this Prospectus for any reason whatsoever, the contents of the paper/printed copy of this Prospectus, which is identical to the copy of the Prospectus registered by Bursa Securities, shall prevail.

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

- (i) we and our Principal Adviser do not endorse and are not affiliated in any way to the Third Party Internet Sites and are not responsible for the availability of, or the contents or any data, information, files or other material provided in the Third Party Internet Sites. You shall bear all risks associated with the access to or use of the Third Party Internet Sites;
- (ii) we and our Principal Adviser are not responsible for the quality of products or services in the Third Party Internet Sites, particularly in fulfilling any of the terms of your agreements with the Third Party Internet Sites. We and our Principal Adviser are also not responsible for any loss, damage or cost that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance on any data, information, files or other material provided by such parties; and

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

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

- (i) the Internet Participating Financial Institutions or Participating Securities Firms are liable in respect of the integrity of the contents of the Electronic Prospectus, i.e. to the extent of the contents of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions or Participating Securities Firms which may be viewed via your web browser or other relevant software. Internet Participating Financial Institutions or Participating Securities Firms shall not be responsible for the integrity of the contents of the Electronic Prospectus which has been obtained from the web server of the Internet Participating Financial Institutions or Participating Securities Firms and subsequently 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 the 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 that you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in the Electronic Prospectus which may arise in connection with or as a result of any fault with web browsers or other relevant software, any fault on your or any third party's personal computer, operating system the website of the Internet Participating Financial Institutions or Participating Securities Firms, and/or problems occurring during data or other software viruses or other security threats, unauthorised access to information or systems in relation to 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 indicative times and/or dates:

Event	Indicative Date
Issuance of this Prospectus/Opening of the Application	21 May 2026
Closing of the Application	3 June 2026
Balloting of the Applications	5 June 2026
Allotment of IPO Shares to successful applicants	12 June 2026
Listing on the ACE Market of Bursa Securities	16 June 2026

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

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to the “Company” and “Elsa” in this Prospectus are to Elsa Berhad, while references to the “Group” are to our Company and our subsidiaries taken as a whole. References to “we”, “us”, “our” and “ourselves” are to our Company or our Group or any member of our Group, as the context requires. Unless the context otherwise requires, references to “Management” are to our Managing Director, Executive Chairman and Key Senior Management as disclosed in this Prospectus and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

All references to “you” are to our prospective investors.

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

In this Prospectus, references to the “Government” are to the Government of Malaysia, and references to “RM” and “sen” are to the lawful currency of Malaysia. Certain numbers presented in this Prospectus have been rounded off to the nearest million or thousand or 2 decimal places, where applicable and hence may not be exact. Any discrepancies in the tables included in this Prospectus between the amounts listed and the total thereof are due to rounding.

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

Any reference to any statute and legislation in this Prospectus shall be a reference to the statute or legislation of Malaysia and includes any statutory modification, amendment or re-enactment thereof, unless otherwise indicated.

This Prospectus includes statistical data provided by us and various third parties and cites third party projections regarding the growth and performance of the market and industry in which our Group operates or is exposed to. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus. Where no source is stated, it can be assumed that the information originates from us or is extracted from the IMR Report prepared by Smith Zander International Sdn Bhd (“**SMITH ZANDER**”) which is included in Section 8 of this Prospectus. In compiling its data for the review, SMITH ZANDER had relied on its research methodologies, industry sources, published materials, its own private databases and direct contacts within the industry.

In particular, certain information in this Prospectus is extracted or derived from the IMR Report. We believe that the statistical data and projections cited in this Prospectus are useful in helping you understand the major trends in the industry in which we operate.

If there are any discrepancies or inconsistencies between the English and Bahasa Malaysia versions of this document, the English version shall prevail. The information on our website, or any website directly and indirectly linked to such website does not form part of this Prospectus and you should not rely on it.

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FORWARD-LOOKING STATEMENTS

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

Forward-looking statements can be identified by the use of forward-looking terminology such as the words "expect", "believe", "plan", "intend", "estimate", "anticipate", "aim", "forecast", "may", "will", "would", and "could" or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- (i) our future overall business development and operations;
- (ii) our future financial performance and financing plans including earnings, cash flow and liquidity;
- (iii) potential growth opportunities;
- (iv) our business strategies, trends and competitive position and the effect of such competition;
- (v) the plans and objectives of our Company for future operations;
- (vi) the general industry environment, including the demand and supply for our products and services;
- (vii) our ability to pay dividends; and
- (viii) the regulatory environment and the effects of future regulation.

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

- (i) the general economic, business, social, political and investment environment in Malaysia and globally; and
- (ii) government policy, legislation and regulation.

Additional factors that could cause actual results, performance 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 give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the latest practicable date prior to the registration of this Prospectus.

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

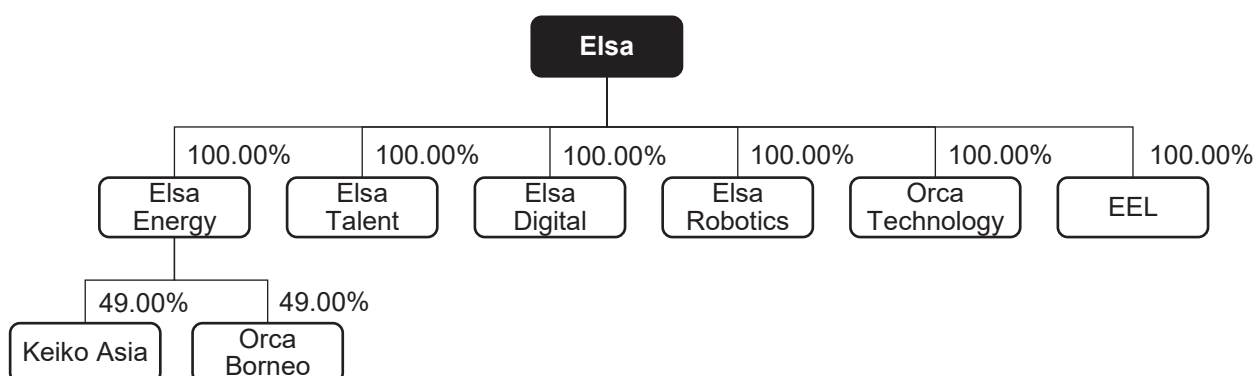
DEFINITIONS

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

Companies within our Group

EEL	:	Elsa Energy Limited (Registration No. LL14444)
Elsa or Company	:	Elsa Berhad (Registration No. 202001028117 (1384437-H))
Elsa Digital	:	Elsa Digital Sdn Bhd (Registration No. 202001028230 (1384550-P))
Elsa Energy	:	Elsa Energy Sdn Bhd (Registration No. 200501001718 (678764-M))
Elsa Group or Group	:	Elsa and its subsidiaries, namely EEL, Elsa Digital, Elsa Energy, Elsa Robotics, Elsa Talent and Orca Technology
Elsa Robotics	:	Elsa Robotics Sdn Bhd (Registration No. 202001043357 (1399678-M))
Elsa Talent	:	Agensi Pekerjaan Elsa Talent Solutions Sdn Bhd (formerly known as Elsa Talent Solutions Sdn Bhd) (Registration No. 202001028232 (1384552-H))
Keiko Asia	:	Keiko Asia Sdn Bhd, a 49.00%-owned associate of Elsa (Registration No. 202501004637 (1606050-D))
Orca Borneo	:	Orca Borneo Sdn Bhd, a 49.00%-owned associate of Elsa (Registration No. 202501004634 (1606047-D))
Orca Technology	:	Orca Technology Sdn Bhd (Registration No. 202001011050 (1367370-K))

A diagrammatic illustration of our Group as at the LPD is as follows:



DEFINITIONS *(Cont'd)*

General

ACE Market	:	ACE Market of Bursa Securities
Act	:	Companies Act 2016
ADA	:	Authorised Depository Agent, a person appointed by Bursa Depository under the Rules
AGM	:	Annual General Meeting
Amiruddin	:	Amiruddin Bin Mohd Zain
Application(s)	:	Application for our Issue Shares by way of Application Form, Electronic Share Application and/or Internet Share Application
Application Form(s)	:	Printed application form(s) for the application of our Issue Shares accompanying this Prospectus
ATM	:	Automated teller machine
Authorised Financial Institution(s)	:	Authorised financial institution(s) participating in the Internet Share Application in respect of the payments for the Issue Shares
Board	:	Board of Directors of Elsa
Bonus Issue of Shares	:	Bonus issue of 419,000,000 new Shares on the basis of 419 Bonus Shares for every 1 existing Share in our Company, as set out in Section 6.1 of this Prospectus
Bonus Shares	:	New Shares issued pursuant to the Bonus Issue of Shares
Bumiputera	:	In the context of: (a) individuals, Malays and the aborigines and the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia; (b) companies, companies which fulfil, among others, the following criteria or such other criteria as may be imposed by the MITI: (i) registered under the Act as a private company; (ii) its shareholders are 100.00% Bumiputera; and (iii) its board of directors (including its staff) are at least 51.00% Bumiputera; and (c) cooperatives, cooperatives whose shareholders or cooperative members are at least 95.00% Bumiputera or such other criteria as may be imposed by the MITI
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (Registration No.: 198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))
CA 1965	:	Companies Act 1965

DEFINITIONS *(Cont'd)*

CCC	:	Certificate of Completion and Compliance
CCM	:	Companies Commission of Malaysia
CDS	:	Central Depository System
CDS Account	:	An account established by Bursa Depository for a depositor for the recording of securities and for dealing in such securities by the depositor
CF	:	Certificate of Fitness
CMSA	:	Capital Markets and Services Act 2007
Constitution	:	Constitution of Elsa
COVID-19	:	Novel coronavirus disease 2019, an infectious respiratory disease which first broke out in 2019
Daniel	:	Daniel Ilham Khong
Depositor	:	A holder of the CDS Account
Director(s)	:	Member(s) of our Board and within the meaning given in Section 2(1) of the CMSA
EBIT	:	Earnings before interest and tax
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
Electronic Prospectus	:	Copy of this Prospectus that is issued, circulated or disseminated via the internet and/or an electronic storage medium
Electronic Share Application	:	Application for our Issue Shares through a Participating Financial Institution's ATM
Eligible Persons	:	Collectively, our eligible Directors, Key Senior Management and employees of our Group who are eligible to participate in the Pink Form Allocations
EPC	:	Engineering, procurement and construction
EPCC	:	Engineering, procurement, construction and commissioning
EPCIC	:	Engineering, procurement, construction, installation and commissioning
EPS	:	Earnings per Share
ESG	:	Environmental, social and governance
Financial Years Under Review	:	FYE 2022, FYE 2023, FYE 2024 and FYE 2025, collectively
FYE(s)	:	Financial year ended/ending 31 December, as the case may be
Government	:	Government of Malaysia
GP	:	Gross profit

DEFINITIONS *(Cont'd)*

HR	:	Human resource
ICT	:	Information and communications technology
IFRS	:	International Financial Reporting Standards
IMR or SMITH ZANDER	:	Smith Zander International Sdn Bhd (Registration No.: 201301028298 (1058128-V))
IMR Report	:	Independent Market Research Report titled “Oil and Gas Services and Equipment (“ OGSE ”) Industry in Malaysia” dated 6 May 2026 prepared by SMITH ZANDER
Internet Participating Financial Institution(s) or Participating Securities Firm(s)	:	Participating financial institution(s) or participating securities firm(s) for the Internet Share Application, as listed in Section 16 of this Prospectus
Internet Share Application	:	Application for Issue Shares through an online share application service provided by the 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 RM0.23 per Share under our Public Issue and Offer for Sale
IPO Share(s)	:	Collectively, the Issue Share(s) and the Offer Share(s)
ISO	:	International Organisation for Standardisation
Issue Share(s)	:	New Share(s) to be issued under the Public Issue
Issuing House or Share Registrar	:	Tricor Investor & Issuing House Services Sdn Bhd (Registration No.: 197101000970 (11324-H))
IT	:	Information technology
Key Senior Management	:	Key senior management as set out in Section 5.3 of this Prospectus
Listing	:	Admission of Elsa to the Official List of Bursa Securities and the listing and quotation of our entire enlarged issued share capital comprising 538,400,000 Shares on the ACE Market
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities, as amended from time to time
LPD	:	23 April 2026, being the latest practicable date prior to the issuance of this Prospectus
MAICSA	:	Malaysian Institute of Chartered Secretaries and Administrators

DEFINITIONS *(Cont'd)*

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 exclude 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
MITI	:	Ministry of Investment, Trade and Industry, Malaysia
MOF	:	Ministry of Finance, Malaysia
NA	:	Net assets
NBV	:	Net book value
N.E.C	:	Not elsewhere classified
Nurul Syakinah	:	Nurul Syakinah Binti Abdul Rafar
Offer for Sale	:	Offer for sale by the Selling Shareholders of 36,400,000 Offer Shares at the IPO Price
Offer Share(s)	:	The 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 and not removed
OGSE	:	Oil and gas services and equipment
O&G	:	Oil and gas
Participating Financial Institutions	:	Participating financial institutions for the Electronic Share Application as listed in Section 16 of this Prospectus
PAT	:	Profit after taxation
PBT	:	Profit before taxation
PE Multiple	:	Price-to-earnings multiple
PETRONAS	:	Petroleum Nasional Berhad (Registration No.: 197401002911 (20076-K))
Pink Form Allocations	:	Allocation of 10,768,000 Issue Shares for subscription by our Eligible Persons

DEFINITIONS *(Cont'd)*

Promoters or Specified Shareholders	:	Collectively, Sparkle Success, Daniel, Nurul Syakinah, Chow Sheng Jon and Amiruddin
Prospectus	:	This Prospectus dated 21 May 2026 in relation to our IPO
Prospectus Guidelines	:	Prospectus Guidelines issued by the SC
PTTEP Malaysia Assets	:	Collectively, comprises of PTTEP HK Offshore Limited, PTTEP Sabah Oil Limited, and PTTEP Sarawak Oil Limited
Public Issue	:	Public issue of 118,400,000 Issue Shares at the IPO Price
Rules	:	Rules of Bursa Depository as issued under the SICDA
SAC	:	Shariah Advisory Council of the SC
SC	:	Securities Commission Malaysia
Selling Shareholders	:	Collectively, Daniel, Chow Sheng Jon and Amiruddin
Share(s)	:	Ordinary shares in Elsa
SICDA	:	Securities Industry (Central Depositories) Act 1991
Sparkle Success	:	Sparkle Success Sdn Bhd (Registration No.: 202001018824 (1375144-W))
SWEC	:	Standardised work and equipment categories, used by PETRONAS to classify types of work or services and equipment
Underwriting Agreement	:	Underwriting agreement dated 31 March 2026 entered into between our Company and the Underwriter pursuant to our IPO

Currencies, units and others

JPY	:	Japanese Yen
km	:	Kilometer
RM and sen	:	Ringgit Malaysia and sen, respectively
sq ft	:	Square feet
THB	:	Thai Baht
USD	:	United States Dollar
%	:	Per centum

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DEFINITIONS *(Cont'd)*

Major Customers and Major Suppliers of our Group

Customer A group of companies : Customer A group of companies comprises 3 companies, namely Company A United Kingdom, Company B Malaysia and Company C Brunei. The 3 companies are incorporated in the United Kingdom, Malaysia and Brunei respectively, and are involved in the petrochemical industry. Company A United Kingdom, Company B Malaysia and Company C Brunei are not listed on any stock exchange.

Company A United Kingdom and Company B Malaysia are subsidiaries of a holding company incorporated in 2002 in the United Kingdom which is listed on the Amsterdam Stock Exchange, London Stock Exchange and New York (ADS) Stock Exchange. Company C Brunei is a related undertaking of the same holding company.

The holding company of Customer A group of companies is involved in the global energy petrochemical industry through the exploration for, production, refinement and sale of O&G. For its latest financial year ended 31 December 2025, the holding company of Customer A group of companies generated revenue of USD266.89 billion, total assets of USD370.35 billion and net assets of USD174.39 billion, and had a total number of approximately 85,000 employees.

Although the companies which comprise Customer A group of companies are incorporated in the United Kingdom, Malaysia and Brunei, the products and services sold to Customer A group of companies were delivered in Malaysia.

Our attempts to obtain Customer A group of companies' consent to disclose its information in this Prospectus were denied. As such, Customer A group of companies' names have not been disclosed.

Customer B : Customer B is a company incorporated in the United States which is involved in exploration, development and production of petroleum. It is not listed on any stock exchange. Customer B is a subsidiary of a holding company incorporated in 1882 in the United States which is listed on the New York Stock Exchange.

The holding company of Customer B is involved in exploration for, and production of, crude oil and natural gas; manufacturing, trade, transport and sale of crude oil, natural gas, petroleum products, petrochemicals, and a wide variety of specialty products; and pursuit of lower-emission business opportunities including carbon capture and storage, hydrogen, lower-emission fuels, and lithium. For its latest financial year ended 31 December 2025, the holding company of Customer B generated revenue of USD323.91 billion, total assets of USD448.98 billion and net assets of USD259.39 billion, and had a total number of approximately 58,000 employees.

Although Customer B is incorporated in the United States, the products and services sold to Customer B were delivered in Malaysia.

Our attempts to obtain Customer B's consent to disclose its information in this Prospectus were denied. As such, Customer B's name has not been disclosed.

DEFINITIONS *(Cont'd)*

Customer C : Customer C is a company incorporated in Malaysia which is involved in serving as an operator in respect of exploration and exploitation of petroleum for contract areas located in the Malaysia-Thailand Joint Development Area. It is not listed on any stock exchange. Customer C serves as an operator under a joint operating agreement between a company incorporated in Mauritius and a company incorporated in Thailand, which are not listed on any stock exchange.

The companies under which Customer C serves as an operator are involved in the petroleum industry. The revenue, total assets, total liabilities and total number of employees for Customer C and the companies under which it serves as an operator in its latest financial year are not publicly available.

Our attempts to obtain Customer C's consent to disclose its information in this Prospectus were denied. As such, Customer C's name has not been disclosed.

Principal A : Principal A is a company incorporated in Malaysia which is not listed on any stock exchange. Principal A is a subsidiary of a holding company incorporated in 1993 in the United States which is not listed on any stock exchange.

Principal A and its holding company are involved in the establishment, organisation, management, promotion, development and operation of oilfield services, production optimisation, flow assurance, digital oilfield integration, software development, and other related services. The revenue, total assets, total liabilities, and total number of employees for the holding company of Principal A in its latest financial year are not publicly available.

Our attempts to obtain Principal A's consent to disclose its information in this Prospectus were denied. As such, Principal A's name has not been disclosed.

Principal B : Principal B is a company incorporated in the United States which is involved in the provision of software and services. It is not listed on any stock exchange. Principal B is a subsidiary of a holding company incorporated in 2017 in the United States which is listed on the Nasdaq Stock Market LLC.

The holding company of Principal B is involved in the provision of technologies and services that span the energy and industrial value chain. For its latest financial year ended 31 December 2025, the holding company of Principal B generated revenue of USD27.73 billion, total assets of USD40.88 billion and net assets of USD18.83 billion, and had a total number of approximately 56,000 employees.

Our attempts to obtain Principal B's consent to disclose its information in this Prospectus were denied. As such, Principal B's name has not been disclosed.

DEFINITIONS *(Cont'd)*

Supplier A : Supplier A is a company incorporated in Malaysia which is involved in marketing of computers, peripherals and software, and provision of computer maintenance services. It is not listed on any stock exchange. It is a subsidiary of a holding company incorporated in 1985 in Malaysia which is listed on the Main Market of Bursa Securities.

The holding company of Supplier A is involved in provision of information and communications technology products. For its latest financial year ended 31 December 2025, the holding company of Supplier A generated revenue of RM3.61 billion, total assets of RM1.09 billion and net assets of RM573.46 million, and had a total number of approximately 441 employees.

Our attempts to obtain Supplier A's consent to disclose its information in the Prospectus were denied. As such, Supplier A's name has not been disclosed.

Supplier B : Supplier B is a company incorporated in Malaysia which is involved in the rental of information and communications technology as well as test and measurement equipment. It is not listed on any stock exchange. It is a subsidiary of a holding company incorporated in 1964 in Japan which is listed on the Tokyo Stock Exchange and New York Stock Exchange.

The holding company of Supplier B is involved in the financing and investment, life insurance, banking, asset management, real estate, concession, environment and energy, automobile-related services, industrial and information and communications technology equipment, ships, and aircraft industries. For its latest financial year ended 31 March 2025, the holding company of Supplier B generated revenue of JPY2,874.82 billion, total assets of JPY16,866.25 billion and net assets of JPY4,089.78 billion, and had a total number of approximately 33,982 employees.

Our attempts to obtain Supplier B's consent to disclose its information in this Prospectus were denied. As such, Supplier B's name has not been disclosed.

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GLOSSARY OF TECHNICAL TERMS

This glossary contains an explanation of certain terms used throughout this Prospectus in connection with our Group's business. The terminologies and their meanings may not correspond to the standard industry meanings or usage of these terms.

Autonomous underwater vehicle ("AUV")	:	A robotic submersible vehicle utilised for remote underwater inspection and data collection.
Cloud computing	:	A method of delivering computing services such as servers, storage, databases, software and analytics over the internet. This method reduces cost as it eliminates additional expenses of buying and setting up hardware and software, as well as enhances speed and performance as it runs on a worldwide network of data centres that are updated regularly with the newest and most efficient computing hardware.
Cloud storage	:	A type of cloud computing service that stores digital data on the internet. Cloud storage providers are responsible for keeping the data available, accessible, secured and running.
Disaster recovery-as-a-service	:	A type of cloud computing service that replicates and hosts physical or virtual servers through an offsite centre, to provide failover in the event of a natural disaster, power outage, cyber-attack or other forms of disruptions. Failover refers to the ability to switch automatically and seamlessly to a reliable backup system. Disaster recovery planning is critical to business continuity.
Downhole tool	:	A string of equipment assembled on a rig or platform at the bottom of a conveyance (e.g. a drill pipe for drilling rigs) and slickline, for thru tubing operations.
Electrical submersible pump ("ESP")	:	A type of artificial lift in the form of a pump installed inside an oil well to pump out oil at a higher flow rate.
Field development plan	:	A plan prepared during subsurface development, typically prior to commencement of production, comprising a comprehensive study that provides technical solutions and guidance for optimising oil field development and production over the entire lifecycle of the oilfield. A field development plan provides O&G operators with information on production facilities and infrastructure, well design and construction, and economic and risk assessments, to make decisions regarding the oilfield development.
Full field review	:	A study conducted during subsurface development which provides O&G operators with accurate and current data on an existing oilfield (i.e. which has been in production for 5 or more years), to develop an optimal production strategy. Changes to temperature, pressure, production rates, and the O&G to water ratio can alter the understanding and expectations of O&G operators about the oilfield.
Gas lift optimisation	:	A process that maximises the oil production and profitability of gas lifted wells. It involves optimising the flow rates of lift gas injections, prioritising lift gas supply, monitoring lift gas compressors, as well as allocating lift gas and assigning priority to wells.

GLOSSARY OF TECHNICAL TERMS *(Cont'd)*

Gas lift valve	:	A type of artificial lift that uses gas injection from the surface down to the production tubing, which then causes bubbling that pushes upwards, thus providing the lifting force to keep oil flowing.
Geological modelling	:	Computerised or digitalised representations of portions of the earth's crust based on geophysical and geological observations of the earth's subsurface. Geological modelling is conducted during subsurface assessment to define and predict the volume and concentration of minerals (e.g. sand and clay) present in the subsurface, as well as to serve as a guide for forecasting the value of a prospective oilfield.
HR management system	:	A software which combines various systems and processes to ensure the easy management of HR, business processes and data (e.g. employee data, payroll management, applicant tracking, employment performance management, and employee competency tracking).
Learning management system	:	A software which provides a learning experience platform that manages digital learning by enabling content management, course delivery and progress tracking.
Oilfield	:	An area under the earth's surface which contains oil. The lifespan of an oilfield typically ranges between 30 to 40 years, beginning from the onset of discovery and exploration of a potential oilfield to the plugging and decommissioning of a retiring oil well.
Production well performance review	:	A study conducted on the entire production system of an oilfield, beginning with the reservoir to the well bore, production string design, lifting design and production strategy for surface flow assurance optimisation. The study is designed to ensure that the entire system is operating at optimal level across various parameters, and to identify any required actions to improve the efficiency of production. When an oilfield surpasses its optimum production life of 20 to 30 years, the pressure in the reservoir inevitably declines, causing more water than oil to be extracted. To continue maximising the potential of an oil well, it is necessary to review and adjust the production strategies according to the changing environment.
Seismic exploration	:	Seismic exploration comprises 3 distinct stages: (i) Data acquisition Seismic data acquisition is carried out through a series of seismic surveys at locations believed to hold O&G potential. Seismic surveys are conducted to investigate underground properties and rock patterns by sending shock waves deep into the earth. The seismic waves generated and recorded from these seismic surveys produce seismic data.

GLOSSARY OF TECHNICAL TERMS (*Cont'd*)

(ii) Data processing

After seismic data acquisition, the data is processed to enhance signals by suppressing surrounding noise and migrating seismic events to the appropriate location in space. During processing, analyses of velocities, frequencies and static corrections are conducted. Seismic data processing facilitates better interpretation of data because it enables subsurface structure and reflections to transmit more distinctly.

(iii) Data interpretation

The final stage of seismic exploration is seismic interpretation, in which subsurface geological information is extracted from the collected seismic data. The geological information extracted is used as foundational knowledge when creating geological models of the subsurface.

Subsurface : The area below the earth's surface.

Subsurface assessment : An appraisal of a prospective oilfield from data collected during subsurface finding involving definitively establishing the volume of O&G available in an O&G reserve for extraction, to determine the economic value of the reserve.

If the results of the subsurface assessment are successful, O&G operators will begin strategising subsurface development plans. However, if results from the assessments are inconclusive, O&G operators will begin subsurface finding again. Examples of subsurface assessments are geological modelling, reservoir characterisation and resource assessment.

Subsurface development : Implementation of plans and procedures at an oilfield in preparation for commencement of production. Examples of activities conducted during subsurface development are field development planning and full field review.

Surface jet pump : A device that utilises high pressure fluid as a force to boost the pressure in low-pressure wells to enhance production.

Reservoir characterisation : A method of categorising a reservoir based on its ability to store and produce O&G, conducted during subsurface assessment and used to indicate the behaviour of reservoir fluids under different circumstances to understand optimal production techniques for maximising production.

High quality rock and fluid data are critical components for developing reliable geological models, reservoir engineering calculations and accurate performance approximates for subsequent economic analysis through field or block valuations.

GLOSSARY OF TECHNICAL TERMS *(Cont'd)*

Resource assessment	:	A process of estimating the amount of O&G that is potentially recoverable from a specific area such as basin or field. This involves evaluating geological, geophysical and reservoir engineering data to determine the size, location and recoverability of O&G deposits. The assessment helps in understanding the potential for future production and guiding investment decision in exploration and development.
Talent analytics platform	:	A platform which produces insights into all areas of the workforce (e.g. hiring pool potential and personnel performance), which are used to understand the strengths of personnel and prospective talent as well as identify areas for improvement.
Training management system	:	A software which offers similar functions to a learning management system, as well as additional functions on career progression, succession planning, performance and appraisal analytics, recruitment and job requisitions.

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1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Designation	Gender	Nationality	Address
Amiruddin	Executive Chairman	Male	Malaysian	11A, Jalan USJ 3/1B 47600 Subang Jaya Selangor Darul Ehsan
Daniel	Managing Director	Male	Malaysian	A-46-2, Residensi Lot 118 18, Jalan P. Ramlee 50250 Kuala Lumpur Wilayah Persekutuan
Nurul Syakinah	Non-Independent Non-Executive Director	Female	Malaysian	A-46-2, Residensi Lot 118 18, Jalan P. Ramlee 50250 Kuala Lumpur Wilayah Persekutuan
Mohd Shahrman Bin Mohd Sidek	Independent Non- Executive Director	Male	Malaysian	25, Jalan Permata 7/1 Seksyen 7 40000 Shah Alam Selangor Darul Ehsan
Maliki Kamal Bin Mohd Yasin	Independent Non- Executive Director	Male	Malaysian	15, Jalan Cassia P12/4 Presint 12 62000 Putrajaya Wilayah Persekutuan Putrajaya
Aliza Binti Ashari	Independent Non- Executive Director	Female	Malaysian	No. 7, Jalan Putra Perdana 10 The Glades Putra Heights 47650 Subang Jaya Selangor Darul Ehsan
Azuraida Binti Shahadan	Independent Non- Executive Director	Female	Malaysian	No 40, Jalan Meranti Bukit Sierramas West 47000 Sungai Buloh Selangor Darul Ehsan

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1. CORPORATE DIRECTORY (Cont'd)

AUDIT COMMITTEE

Name	Designation	Directorship
Aliza Binti Ashari	Chairperson	Independent Non-Executive Director
Mohd Shahrman Bin Mohd Sidek	Member	Independent Non-Executive Director
Maliki Kamal Bin Mohd Yasin	Member	Independent Non-Executive Director
Azuraida Binti Shahadan	Member	Independent Non-Executive Director

NOMINATION AND REMUNERATION COMMITTEE

Name	Designation	Directorship
Maliki Kamal Bin Mohd Yasin	Chairperson	Independent Non-Executive Director
Mohd Shahrman Bin Mohd Sidek	Member	Independent Non-Executive Director
Aliza Binti Ashari	Member	Independent Non-Executive Director
Azuraida Binti Shahadan	Member	Independent Non-Executive Director

SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Mohd Shahrman Bin Mohd Sidek	Chairperson	Independent Non-Executive Director
Aliza Binti Ashari	Member	Independent Non-Executive Director
Maliki Kamal Bin Mohd Yasin	Member	Independent Non-Executive Director
Azuraida Binti Shahadan	Member	Independent Non-Executive Director

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1. CORPORATE DIRECTORY (Cont'd)

COMPANY SECRETARY	: Tan Tong Lang (MAICSA 7045482) CCM Practicing Certificate No. 202208000250 <i>(Chartered Secretary, Associate Member of the Malaysian Institute of Chartered Secretaries & Administrators)</i> Thien Lee Mee (LS0010621) CCM Practicing Certificate No. 201908002254 B-21-1, Level 21, Tower B Northpoint Mid Valley City No. 1, Medan Syed Putra Utara 59200 Kuala Lumpur Tel No. : +603 9770 2200 Fax No. : +603 2201 7774
REGISTERED OFFICE	: B-21-1, Level 21, Tower B Northpoint Mid Valley City No. 1, Medan Syed Putra Utara 59200 Kuala Lumpur Tel No. : +603 9770 2200 Fax No. : +603 2201 7774
PRINCIPAL PLACE OF BUSINESS	: B-21-02, Menara G-Vestor Kompleks Pavilion Ampang 200 Jalan Ampang 50450 Kuala Lumpur Tel No. : +603 2181 5550 Website : https://www.elsa.com.my/ Email : inquiry@elsa-energy.com
PRINCIPAL ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT	: Malacca Securities Sdn Bhd (Registration No.: 197301002760 (16121-H)) B01-A-13A, Level 13A, Menara 2 No. 3, Jalan Bangsar KL Eco City 59200 Kuala Lumpur Tel No. : +603 2201 2100

1. CORPORATE DIRECTORY (Cont'd)

AUDITORS AND REPORTING ACCOUNTANTS	: Crowe Malaysia PLT (201906000005 (LLP0018817-LCA) & AF 1018)) Suite 50-3, Setia Avenue No.2, Jalan Setia Prima S U13/S Setia Alam, Seksyen U13 40170 Shah Alam Selangor Darul Ehsan Tel No. : +603 3343 0730 Partner-in-charge : Tan Wai Wah Approval No. : 03621/11/2027 J Professional Qualification : Chartered Accountant - Member of Malaysian Institute of Accountants ("MIA") (MIA Membership No. CA 40281)
SOLICITORS	: Messrs. Ben & Partners 7-2, Level 2, Block D2 Dataran Prima Jalan PJU 1/39 47301 Petaling Jaya Selangor Darul Ehsan Tel No. : +603 7805 2922
INDEPENDENT MARKET RESEARCHER	: Smith Zander International Sdn Bhd (Registration No.: 201301028298 (1058128-V)) 15-01, Level 15, Menara MBBM 1, Jalan Syed Putra 58000 Kuala Lumpur Tel No. : +603 2732 7537 Person-in-charge : Ng Ee Munn Professional Qualification : Bachelor of Science (Hons) in Chemistry from University Tunku Abdul Rahman, Malaysia
SHARE REGISTRAR AND ISSUING HOUSE	: Tricor Investor & Issuing House Services Sdn Bhd (Registration No.: 1971010000970 (11324-H)) Unit 32-01, Level 32, Tower A Vertical Business Suite Avenue 3, Bangsar South No. 8, Jalan Kerinchi 59200 Kuala Lumpur Tel No. : +603 2783 9299
LISTING SOUGHT	: ACE Market of Bursa Securities
SHARIAH STATUS	: Approved by the Shariah Advisory Council of the SC

2. APPROVALS AND CONDITIONS

2.1 Approvals from Relevant Authorities

2.1.1 Bursa Securities

Bursa Securities had, via its letter dated 23 January 2026, approved:

- (i) the admission of our Company to the Official List of the ACE Market;
- (ii) the listing and quotation of our entire enlarged issued share capital comprising 538,400,000 Shares on the ACE Market; and
- (iii) the approval-in-principle for the registration of the Prospectus.

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

No.	Details of conditions imposed	Status of compliance
1.	Submission of the following information with respect to the moratorium on the shareholdings of the Specified Shareholders to Bursa Depository: (i) name of shareholders; (ii) number of Shares; and (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 Elsa 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, together with a copy of the Mandatory Accreditation Programme certificates;	Complied

2. APPROVALS AND CONDITIONS (Cont'd)

No.	Details of conditions imposed	Status of compliance
7.	In relation to the public offering to be undertaken by Elsa, please announce at least 2 market days prior to the listing date, the result of the offering including the following: (i) level of subscription of public balloting and placement; (ii) basis of allotment/allocation; (iii) a table showing the distribution of placement tranche; and (iv) disclosure of placees who become substantial shareholders of Elsa arising from the public offering, if any. Please be reminded that Malacca Securities must ensure that the overall distribution of Elsa's securities is properly carried out to mitigate any disorderly trading in the secondary market; and	To be complied
8.	Elsa/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 Elsa to the Official List of the ACE Market.	To be complied

2.1.2 SC

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

The SC had, vide its letter dated 12 February 2026, approved our application which had been made under the Bumiputera equity requirement for public listed companies pursuant to the Listing. In addition, Elsa is to make available at least 50% of the Shares offered to the Malaysian public investors via balloting to Bumiputera public investors.

Status of compliance
Elsa is to make available at least 50% of the Shares offered to the Malaysian public investors via balloting to Bumiputera public investors.
To be complied

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2. APPROVALS AND CONDITIONS (Cont'd)

The SC had noted the effects of our Listing on the equity structure of our Company as follows:

Category of shareholders	As at the LPD		After our IPO	
	No. of Shares	(1)%	No. of Shares	(2)%
Malaysian				
Bumiputera				
- Bumiputera shareholders	(3)315,000,000	75.00	(3)312,800,000	58.10
- Bumiputera public investors via balloting	-	-	(4)13,460,000	2.50
Non-Bumiputera	105,000,000	25.00	(5)212,140,000	39.40
Total Malaysian	420,000,000	100.00	538,400,000	100.00
Foreigner	-	-	-	-
Total	420,000,000	100.00	538,400,000	100.00

Notes:

- (1) Based on our issued share capital of 420,000,000 Shares as at the LPD.
- (2) Based on enlarged issued share capital of 538,400,000 Shares after our IPO.
- (3) The Bumiputera shareholders are as follows:

Bumiputera shareholders	As at the LPD		After the Proposed Listing	
	No. of Shares	(a)%	No. of Shares	(b)%
Sparkle Success	126,000,000	30.00	126,000,000	23.40
Nurul Syakinah	84,000,000	20.00	84,000,000	15.60
Amiruddin	21,000,000	5.00	16,600,000	3.09
Prestasi Emas Sdn Bhd	84,000,000	20.00	84,000,000	15.60
Mohd Shahriman Bin Mohd Sidek	-	-	500,000	0.09
Maliki Kamal Bin Mohd Yasin	-	-	250,000	0.05
Aliza Binti Ashari	-	-	250,000	0.05
Azril Hisham Bin Abu Hassan	-	-	500,000	0.09
Huzaini Bin Abdul Wahab	-	-	200,000	0.04
Azuraida Binti Shahadan	-	-	500,000	0.09
	315,000,000	75.00	312,800,000	58.10

Notes:

- (a) Based on our issued share capital of 420,000,000 Shares as at the LPD.
- (b) Based on enlarged issued share capital of 538,400,000 Shares after our IPO.

Out of the 10,768,000 Issue Shares reserved for application by the Eligible Persons as set out in Section 4.3.1(ii) of this Prospectus, 2,200,000 Issue Shares are assumed to be taken up by Bumiputera individuals. The remaining 8,568,000 Issue Shares are assumed to be taken up by non-Bumiputera individuals.

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

- (4) Assuming all the Shares allocated to Bumiputera Malaysian Public via balloting are fully subscribed.
- (5) The non-Bumiputera shareholders are as follows:-

	After Proposed Listing	
	No. of Shares	(a)%
Enlarged issue share capital	538,400,000	100.00
Less: Bumiputera shareholders (please refer to Note 3 above)	(312,800,000)	(58.10)
Less: Malaysian Public – Bumiputera public investors	(13,460,000)	(2.50)
	212,140,000	39.40

Note:

- (a) Based on the enlarged issued share capital of 538,400,000 Shares after the Proposed Listing.

For information, our Company is classified as a Bumiputera status company in view that our Company is having and will be having Bumiputera shareholdings of more than 50% as at the LPD and after the Proposed Listing.

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2. APPROVALS AND CONDITIONS (Cont'd)

2.2 Moratorium on Our Shares

2.2.1 Specified Shareholders

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 our Shares held by the Specified Shareholders which will be subject to moratorium are as follows:

Specified Shareholders	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	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%
Sparkle Success	126,000,000	23.40	101,893,458	18.93	67,928,972	12.62	33,964,486	6.31
Daniel	42,000,000	7.80	33,964,486	6.31	22,642,991	4.21	11,321,495	2.10
Nurul Syakinah	84,000,000	15.60	67,928,972	12.62	45,285,981	8.41	22,642,991	4.21
Chow Sheng Jon	31,000,000	5.76	25,069,025	4.65	16,712,684	3.10	8,356,342	1.55
Amiruddin	16,600,000	3.09	13,424,059	2.49	8,949,372	1.66	4,474,686	0.83
	299,600,000	55.65	242,280,000	45.00	161,520,000	30.00	80,760,000	15.00

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

(1) Based on our enlarged issued share capital of 538,400,000 Shares after our IPO.

The moratorium has been fully accepted by our Specified Shareholders, who have provided written undertakings that they will not sell, transfer or assign their shareholdings under moratorium during the abovementioned moratorium period. The moratorium restrictions are specifically endorsed on the share certificates representing the Shares under moratorium held by our Specified Shareholders to ensure that our Share Registrar does not register any transfer that contravenes such restrictions.

In accordance with Rule 3.19(2) of the Listing Requirements, the ultimate shareholder of Sparkle Success, namely Nurul Syakinah, has undertaken not to sell, transfer or assign her shareholdings in Sparkle Success during the abovementioned moratorium period.

2.2.2 Moratorium shareholder

Further, Prestasi Emas Sdn Bhd has voluntarily provided its written undertaking to apply a moratorium on its entire shareholdings in our Company for a period of 6 months from the date of our admission to the Official List of the ACE Market. The details of the moratorium by Prestasi Emas Sdn Bhd who hold Shares in our Company are as follows:

Moratorium shareholder	Moratorium shares for a 6-month period after Listing	
	No. of Shares	(1)%
Prestasi Emas Sdn Bhd	84,000,000	15.60
	84,000,000	15.60

Note:

(1) Based on our enlarged issued share capital of 538,400,000 Shares after our IPO.

Prestasi Emas Sdn Bhd has undertaken to not sell, transfer or assign its shareholdings under moratorium during the abovementioned moratorium period. The moratorium restriction is specifically endorsed on the share certificate representing the Shares under moratorium held by Prestasi Emas Sdn Bhd to ensure that our Share Registrar does not register any transfer that contravenes such restriction.

In accordance with Rule 3.19(2) of the Listing Requirements, the ultimate shareholder of Prestasi Emas Sdn Bhd, namely Dato' Ahmad Redza Bin Abdullah, has undertaken not to sell, transfer or assign his shareholding in Prestasi Emas Sdn Bhd during the abovementioned moratorium period.

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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 WHETHER TO INVEST IN OUR SHARES.

3.1 Details of Our IPO

3.1.1 Allocation

Our IPO comprises the Public Issue of 118,400,000 Issue Shares and the Offer for Sale by the Selling Shareholders of 36,400,000 Offer Shares at the IPO Price, payable in full on application and is subject to the terms and conditions of this Prospectus. The IPO Shares are expected to be allocated in the manner described below, subject to the underwriting and placement arrangement as set out in Section 4.9 of this Prospectus:

	No. of Shares	(1)%
Public Issue		
Malaysian Public ⁽²⁾	26,920,000	5.00
Eligible Persons	10,768,000	2.00
Placement to selected investors	80,712,000	14.99
	118,400,000	21.99
Offer for Sale		
Placement to selected investors	36,400,000	6.76
Total	36,400,000	6.76

Notes:

(1) Based on our enlarged issued share capital of 538,400,000 Shares after our IPO.

(2) 50.00% will be set aside for Bumiputera public investors.

Further details on our IPO are set out in Section 4 of this Prospectus.

3.1.2 The principal statistics of our IPO

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

	No. of Shares	RM
Issued share capital as at the date of this Prospectus	420,000,000	1,000,000
Shares to be issued pursuant to our Public Issue	118,400,000	27,232,000
Estimated listing expenses directly attributable to the Public Issue	-	(1,300,000)
Enlarged issued share capital upon Listing	538,400,000	26,932,000
Shares to be offered under the Offer for Sale	36,400,000	8,372,000
IPO Price		0.23
Pro forma consolidated NA per Share as at 31 December 2025		0.13
<i>(based on the enlarged issued share capital upon Listing and after the intended utilisation of proceeds raised from our Public Issue)</i>		
Market capitalisation upon Listing		123,832,000

3. PROSPECTUS SUMMARY (Cont'd)

3.1.3 Moratorium on our Shares

Our Specified Shareholders' entire shareholdings after our IPO will be held under moratorium for 6 months from the date of our admission to the Official List of the ACE Market. Thereafter, their shareholdings amounting to 45.00% of our share capital will remain under moratorium for another 6 months. Our Specified Shareholders may sell, transfer or assign up to a maximum of 1/3 per annum (on a straight-line basis) of their Shares held under moratorium upon expiry of the second 6 months period.

In accordance with Rule 3.19(2) of the Listing Requirements, the ultimate shareholder of Sparkle Success, namely Nurul Syakinah, has undertaken not to sell, transfer or assign her shareholdings in Sparkle Success during the abovementioned moratorium period.

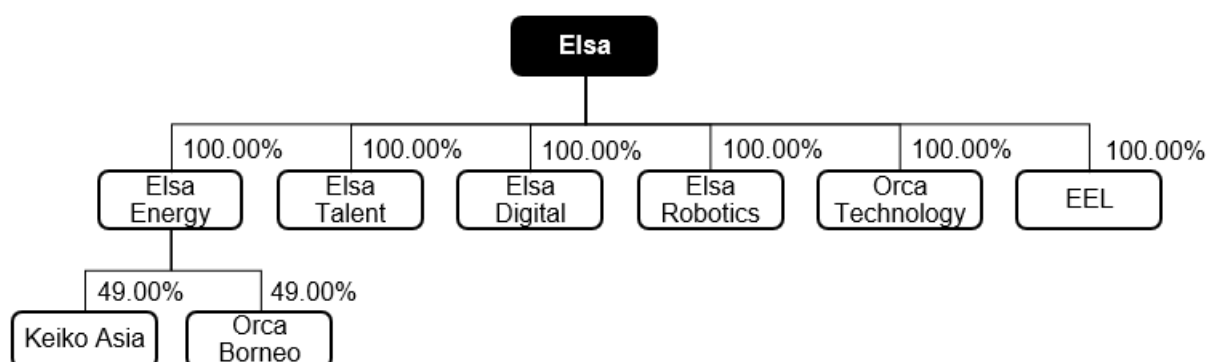
Further, Prestasi Emas Sdn Bhd has voluntarily provided its written undertaking to apply a moratorium on its entire shareholdings in our Company for a period of 6 months from the date of our admission to the Official List of the ACE Market.

In accordance with Rule 3.19(2) of the Listing Requirements, the ultimate shareholder of Prestasi Emas Sdn Bhd, namely Dato' Ahmad Redza Bin Abdullah, has undertaken not to sell, transfer or assign his shareholding in Prestasi Emas Sdn Bhd during the abovementioned moratorium period.

Further details on the moratorium on our Shares are set out in Section 2.2 of this Prospectus.

3.2 Our Group

Our Company was incorporated in Malaysia under the Act on 14 September 2020 as a private limited company under the name of Elsa Sdn Bhd. Subsequently, our Company was converted to a public limited company on 15 March 2024. Our Company is an investment holding company. Through our subsidiaries, our Group is principally involved in the provision of O&G service and equipment solutions which include, amongst others, oilfield service solutions, talent solutions, digital solutions as well as robotics and engineering solutions.



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

3. PROSPECTUS SUMMARY (Cont'd)**3.3 Principal Activities and Business Model**

Our Group is principally involved in the provision of O&G service and equipment solutions, where our main business segments comprise the following:

- (i) Oilfield service solutions – supporting activities throughout the lifecycle of an oilfield, mainly in subsurface geoscience and petroleum engineering services, production optimisation services and well services subsegments;
- (ii) Talent solutions – talent sourcing and HR management services, to provide our customers with contracted consultants for our customers' projects, as well as with HR management services such as management of salary payroll;
- (iii) Digital solutions – sourcing, design, supply, and implementation of IT infrastructure systems, cybersecurity, digital learning services, digital outsourcing services and software applications; and
- (iv) Robotics and engineering solutions – provision of engineering services comprising robotics inspection and surveillance, and equipment supply.

Please refer to Section 7.2.1.1 of this Prospectus for further information on our business segments.

Our business model is summarised below:

Business activities	Provision of oil and gas service and equipment solutions • Main contractor for primarily O&G projects, involved in project management and implementation. • A PETRONAS registered and licensed provider of products and services for the provision of customised solutions according to the requirements of projects secured.			
Business segments	Oilfield service solutions • Subsurface geoscience and petroleum engineering services • Production optimisation services • Well services	Talent solutions • Talent sourcing • HR management services	Digital solutions • IT systems and infrastructure • Digital talent solutions • Digital outsourcing • Network and cybersecurity solutions	Robotics and engineering solutions • Robotics surveillance and inspection • Engineering products and services
Customers	Our Group mainly serves O&G companies in Malaysia. However, our talent solutions, digital solutions, and robotics and engineering solutions also serve companies from other industries in Malaysia, such as insurance companies, software companies and infrastructure companies.			
Locations	• Kuala Lumpur Office (Headquarters) • Bukit Jalil Technology Park (Robotics and engineering centre) • Kemaman Supply Base (Warehouse for oilfield service solutions segment) • Labuan Asian Supply Base (Warehouse for oilfield service solutions segment)			

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3. PROSPECTUS SUMMARY (Cont'd)

3.4 Competitive Strengths

The following competitive strengths have driven our past business performance and will support our future growth:

(i) Our capability to provide a wide range of services to support the operations of the O&G industry

Our offerings comprise oilfield service solutions, talent solutions, digital solutions, as well as robotics and engineering solutions, which provide specialised and niche support services for the O&G industry. Our approach enables us to support our customers throughout the course of the implementation of their projects in the O&G industry from talent and technical expertise to equipment and technological tools.

(ii) We have a PETRONAS license and a broad network of multinational principal technology partners

Our Group first secured a PETRONAS registration and license comprising 42 SWEC in 2016 and has since expanded the scope of our PETRONAS license to include 269 SWEC. As such, we are well positioned to supply products and services for a wide variety of work and equipment categories to customers in Malaysia's O&G industry.

Further, the wide scope of our PETRONAS license has enabled us to secure a broad network of multinational principal technology partners who provide products and services which support the O&G industry. During the FYEs 2022 to 2025 and up to LPD, we had a total of 27 active principals as our technology partners including Principal A, Baker Oil Tools (Malaysia) Sdn Bhd, Advanced Geophysical Technology and Principal B.

(iii) We have a strong portfolio of customers in the O&G industry with which we have established longstanding relationships

Our customers are primarily players supporting the O&G industry in Malaysia, including PETRONAS Group, Hibiscus Oil and Gas Malaysia Limited, EnQuest Petroleum Production Malaysia Ltd, PTTEP Malaysia Assets and Customer A group of companies. Since securing these customers, our Group has established longstanding business relationships with them through repeat contracts as evidenced by the length of relationships with some of our major customers in the past 4 FYEs 2022 to 2025, which ranges from 2 years to 10 years.

(iv) We have a technically strong and experienced management team with substantial industry experience

Our Group is led by a technically skilled and experienced management team with vast experience in the O&G industry, as well as in-depth experience in their respective fields, key expertise and knowledge of our business operations.

Our Managing Director, Daniel, has more than 35 years of working experience in the O&G industry. His technical and industry knowledge is instrumental in steering the overall strategic direction and business development of our Group. He leads our Group together with our Executive Chairman, Amiruddin, who has more than 35 years of experience in the O&G industry. Further, they are supported by our Key Senior Management team.

Further details on our competitive strengths are set out in Section 7.2.3 of this Prospectus.

3. PROSPECTUS SUMMARY *(Cont'd)*

3.5 Business Strategies and Prospects

Our future plans and strategies are as follows:

(i) We intend to strengthen our market presence as a provider of O&G service and equipment solutions in Malaysia and increase our portfolio of projects

We intend to strengthen our market presence as a provider of O&G service and equipment solutions in Malaysia and increase our portfolio of projects. Hence, we intend to allocate RM17.78 million from our IPO proceeds to fund consultant-related expenses for the oilfield service solutions and digital solutions segments as well as to procure drones for the provision of robotics and engineering solutions.

(ii) We intend to continue to expand our capacity for our robotic and engineering solutions segment

As an asset-light company, we do not own proprietary technology or manufacture our own products. We source and establish agency-principal relationships with our technology partners, whereby we serve as agents to our technology partners, who are the principals. Through our network of principals, we have flexible and quick access to diverse services and technologies for immediate deployment to the projects awarded to our Group, enabling us to expand our service and equipment offerings to cater to a wide range of O&G projects. Further, we leverage on the technical knowledge and expertise gained through collaboration with our principals to better understand our customer's requirements and propose relevant solutions to our customers.

As such, to support the execution of existing and future projects related to robotics and engineering solutions which require AUV subsea pipeline inspection services, we intend to allocate RM3.00 million from our IPO proceeds to invest in the hiring of an additional 9 personnel to form an in-house technical team for the management and deployment of Rovula (Thailand) Company Limited's Xplorer (i.e. an AUV for subsea pipeline inspection services), as well as for subscription to an asset integrity and inspection software.

Further details on our business strategies and plans are set out in Section 7.2.4 of this Prospectus.

3.6 Risk Factors

Our business is subject to a number of risk factors which may have a material adverse impact on our business, financial condition and results of operations. The following is a summary of the key risk factors that we face in our business operations:

(i) We are dependent on the PETRONAS license and PETRONAS' policies towards the O&G industry to operate our core business

Based on the Petroleum Development Act 1974 and Petroleum Regulations 1974, in order to participate in the O&G activities in Malaysia, a company is required to have a valid license issued by PETRONAS. Hence, our Group's core business operations are primarily dependent on the PETRONAS license which permits our Group to supply products and services to exploration and O&G companies in Malaysia.

As at the LPD, our Group has 3 PETRONAS licenses which each have a validity period of 3 years up to 25 February 2028, 25 December 2028 and 4 January 2029, respectively. The PETRONAS licenses are subject to renewal within 4 months before the expiry date of the license. In addition to having a valid PETRONAS license, we must meet the requirements for each SWEC under the license which allows our Group to provide specific categories of work and equipment to our customers in Malaysia.

3. PROSPECTUS SUMMARY (Cont'd)

Our eligibility for the PETRONAS license and corresponding SWEC is subject to continuous review under PETRONAS' conditions, general guidelines and minimum technical requirements which are subject to change from time to time.

In the event we fail to comply with the rules and regulations issued by PETRONAS or we fail to meet our SWEC requirements, PETRONAS may take action against our Group, such as the revocation, suspension, blacklisting or non-renewal of our PETRONAS license and/or the respective SWEC. Such revocation, suspension, blacklisting or non-renewal of our license will impinge our ability to carry on our business operations and thus affect our profitability.

(ii) We are dependent on PETRONAS Group

For the past 4 FYEs 2022 to 2025, PETRONAS Group's contribution to our revenue grew from 18.60%, 25.06%, 34.12% and 40.17% of our total revenue. PETRONAS, as the national O&G company, plays a key role in the development of O&G resources as well as creating opportunities for O&G services and equipment industry players across the industry's value chain in Malaysia. Accordingly, as a supporting O&G services and equipment industry player, we are dependent on PETRONAS Group.

Given our past and ongoing contracts with PETRONAS Group, it may continue to contribute significantly to our Group's revenue in the future. As such, our financial performance may be materially and adversely affected if PETRONAS Group was to terminate its ongoing contracts with our Group and we were unable to secure new customers to replace the loss of business in a timely manner. In addition, there is no assurance that PETRONAS Group will continue to engage with our Group in the future. In the event that it ceases to engage our Group's products and services, we may face a reduction in projects which could result in a loss of revenue, if we are not be able to replace this customer with new customers or with additional projects from existing customers who can contribute a similar proportion to our Group's revenue in a timely manner.

(iii) We are dependent on our suppliers and technology partners for the required technologies, machinery and equipment as well as contracted consultants for immediate deployment to our customers' projects

As an asset light company, we do not own proprietary technology. We source and establish agency-principal relationships with our suppliers and technology partners, whereby we serve as agents to our suppliers and technology partners, who are the principals. As such, we are dependent on our agency-principal relationships with our technology partners for the required technologies, machinery and equipment for deployment to our customers' projects.

Our business operations and financial performance may be materially and adversely affected if one or more of our technology partners were to terminate agency-principal relationships with our Group in the midst of our ongoing projects and we were unable to secure new technology partners to replace them in a timely manner. Further, there is no assurance that our existing technology partners will continue to engage with our Group in the future. If one or more of our existing technology partners were to terminate their business relationship with our Group, we may not be able to secure other technology partners who can provide our Group with similar technologies, machinery and equipment in a timely manner. This may in turn adversely impact our ability to deliver our projects on time as well as the financial performance and prospects of our business.

3. PROSPECTUS SUMMARY (Cont'd)**(iv) Our existing contracts with our customers may not provide assurance of future revenue and may be subjected to early termination or revision in the scope of work**

Our existing contracts with our customers may also be subjected to early termination. This may result from the suspension of works or failure to commence works due to external factors such as adverse weather conditions, timely receipt and renewal of requisite licenses, permits and approvals, or the availability of machinery and equipment. In the event of any early termination of our existing contracts, for whatever reason, the loss of revenue arising from such early termination may materially affect our business prospects and financial conditions.

In addition, the scope of work of our existing contracts with our customers may be revised by our customers due to internal management decisions. Should this occur, our Group may generate lower revenue from the affected project and, as such, our financial performance may be adversely affected.

Further details on the risks faced by our business and operations, industry and investment in our Shares are set out in Section 9 of this Prospectus.

3.7 Directors and Key Senior Management

Our Directors and Key Senior Management are as follows:

(i) Directors

Name	Designation
Amiruddin	Executive Chairman
Daniel	Managing Director
Nurul Syakinah	Non-Independent Non-Executive Director
Mohd Shahrman Bin Mohd Sidek	Independent Non-Executive Director
Maliki Kamal Bin Mohd Yasin	Independent Non-Executive Director
Aliza Binti Ashari	Independent Non-Executive Director
Azuraida Binti Shahadan	Independent Non-Executive Director

(ii) Key Senior Management

Name	Designation
Azril Hisham Bin Abu Hassan	Chief Operating Officer
Lee Beng Hong	Chief Financial Officer
Chow Sheng Jon	Head of Digital, Robotics and Engineering, and Talent Solutions Department
Muhil Prakaash A/L Manickam	Head of Oilfield Services Department
Huzaini Bin Abdul Wahab	Corporate Service Manager

Further details on our Directors and Key Senior Management are set out in Section 5.2 and Section 5.3 of this Prospectus.

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3. PROSPECTUS SUMMARY (Cont'd)

3.8 Promoters and Substantial Shareholders

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

Name	Nationality/ Country of incorporation	As at the LPD				After our IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
<u>Promoters and substantial shareholders</u>									
Sparkle Success	Malaysia	126,000,000	30.00	-	-	126,000,000	23.40	-	-
Daniel	Malaysian	63,000,000	15.00	-	-	42,000,000	7.80	-	-
Nurul Syakinah	Malaysian	84,000,000	20.00	(3)126,000,000	30.00	84,000,000	15.60	(3)126,000,000	23.40
Chow Sheng Jon	Malaysian	42,000,000	10.00	-	-	31,000,000	5.76	-	-
Amiruddin	Malaysian	21,000,000	5.00	-	-	16,600,000	3.09	-	-
<u>Substantial shareholders</u>									
Prestasi Emas Sdn Bhd	Malaysia	84,000,000	20.00	-	-	84,000,000	15.60	-	-
Dato' Ahmad Redza Bin Abdullah	Malaysian	-	-	(4)84,000,000	20.00	-	-	(4)84,000,000	15.60

Notes:

- (1) Based on our issued share capital of 420,000,000 Shares as at the LPD.
- (2) Based on enlarged issued share capital of 538,400,000 Shares after our IPO.
- (3) Deemed interested by virtue of her direct shareholdings in Sparkle Success pursuant to Section 8(4) of the Act.
- (4) Deemed interested by virtue of his direct shareholdings in Prestasi Emas Sdn Bhd pursuant to Section 8(4) of the Act.

Further details on the Promoters and substantial shareholders are set out in Section 5.1 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)**3.9 Utilisation of Proceeds**

The total gross proceeds from the Public Issue will amount to RM27.23 million based on the IPO Price. The proceeds will be utilised by our Group in the following manner:

Purposes	RM'000	%	Estimated timeframe for utilisation from the Listing date
(i) Consultant-related expenses for the oilfield service solutions and digital solutions segments:			
(a) Existing projects	5,700	20.93	Within 24 months
(b) Future projects	10,680	39.22	Within 24 months
(ii) Business expansion for the robotics and engineering solutions segment:			
(a) Development of internal capabilities for the management and deployment of AUV	3,000	11.02	Within 24 months
(b) Procurement of drones	1,400	5.14	Within 24 months
(iii) Working capital	2,652	9.74	Within 24 months
(iv) Defrayment of expenses in relation to the Listing	3,800	13.95	Within 1 month
Total	27,232	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 historical financial information of our Group for the Financial Years Under Review are as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Revenue	97,464	173,688	222,876	264,664
GP	15,805	24,909	25,237	29,893
PBT	8,362	14,926	13,969	16,502
PAT attributable to owners of our Company	5,359	11,521	10,503	10,759
Non-current assets	2,994	2,527	10,131	9,102
Current assets	50,600	57,761	86,443	84,343
Non-current liabilities	2,900	2,331	6,645	3,363
Current liabilities	33,794	29,535	52,004	41,398
Total loans and borrowings	15,072	6,985	10,996	4,661
Equity attributable to the owners of our Company	16,900	28,422	37,925	48,684
Net cash from operating activities	842	14,859	9,832	3,201
Net cash for investing activities	(489)	(260)	(5,182)	(2,457)
Net cash generated from/(for) financing activities	7,212	(8,420)	(1,238)	(10,312)

3. PROSPECTUS SUMMARY (Cont'd)

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Cash and cash equivalents at the end of the financial year	11,813	17,992	21,404	11,836
GP margin (%) ⁽¹⁾	16.22	14.34	11.32	11.29
PBT margin (%) ⁽²⁾	8.58	8.59	6.27	6.24
PAT margin (%) ⁽³⁾	5.50	6.63	4.71	4.07
Trade receivables turnover (days) ⁽⁴⁾	43	34	35	33
Adjusted trade receivables turnover (days) ⁽⁵⁾	85	65	66	70
Trade payables turnover (days) ⁽⁶⁾	19	23	35	33
Current ratio (times) ⁽⁷⁾	1.50	1.96	1.66	2.04
Gearing ratio (times) ⁽⁸⁾	0.89	0.25	0.29	0.10

Notes:

- (1) GP margin is calculated based on GP over revenue.
- (2) PBT margin is calculated based on PBT over revenue.
- (3) PAT margin is calculated based on PAT over revenue.
- (4) Computed based on the average trade receivables as at year end over revenue for the respective years, multiplied by 365 days for FYE 2022, FYE 2023 and FYE 2025, and 366 days for FYE 2024.
- (5) Computed based on the average trade receivables and contract assets as at year end over revenue for the respective years, multiplied by 365 days for FYE 2022, FYE 2023 and FYE 2025, and 366 days for FYE 2024.
- (6) Computed based on the average trade payables as at year end over total cost of sales for the respective years, multiplied by 365 days for FYE 2022, FYE 2023 and FYE 2025, and 366 days for FYE 2024.
- (7) Computed based on current assets over current liabilities as at the end of each financial year.
- (8) Computed based on our total borrowings (excluding lease liabilities) over total equity as at the end of each financial year.

Further details on our historical financial information are set out in Section 12.1 of this Prospectus.

3.11 Dividend Policy

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

The dividends declared and paid by our Group during the Financial Years Under Review and up to the LPD are as follows:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025	1 January 2026 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Dividends declared and paid	-	-	1,000	-	-

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

4. DETAILS OF OUR IPO

4.1 Opening and Closing of Applications

Application for our IPO Shares will open at 10.00 a.m. on 21 May 2026 and will remain open until 5.00 p.m. on 3 June 2026.

Late applications will not be accepted.

4.2 Indicative Timetable

The following events are intended to take place on the following indicative times and/or dates:

Event	Indicative Date
Issuance of this Prospectus/Opening of the Application	21 May 2026
Closing of the Application	3 June 2026
Balloting of the Applications	5 June 2026
Allotment of IPO Shares to successful applicants	12 June 2026
Listing on the ACE Market of Bursa Securities	16 June 2026

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

4.3 Particulars of our IPO

4.3.1 Public Issue

The Public Issue of 118,400,000 Issue Shares at the IPO Price representing 21.99% of our enlarged issued share capital will be made available for Application in the following manner:

(i) Malaysian Public

26,920,000 Issue Shares, representing 5.00% of our enlarged issued share capital, will be made available for application by the Malaysian Public through a balloting process as follows:

- (a) 13,460,000 Issue Shares, representing 2.50% of our enlarged issued share capital, will be made available to the Malaysian Public investors; and
- (b) 13,460,000 Issue Shares, representing 2.50% of our enlarged issued share capital, will be made available to Bumiputera public investors.

Any Issue Shares reserved under the Malaysian Public balloting portion which is not fully subscribed by the Malaysian Public will be made available for subscription as follows:

- (a) firstly, by selected investors (excluding Eligible Directors) as described in Section 4.3.1(iii) of this Prospectus; and
- (b) lastly, by our Underwriter based on the terms of the Underwriting Agreement.

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

10,768,000 Issue Shares, representing 2.00% of our enlarged issued share capital, will be made available for application by the Eligible Persons. We will allocate our Issue Shares to the Eligible Persons under the Pink Form Allocations in the following manner:

Eligible Persons	Note	No. of Eligible Persons	Aggregate no. of Issue Shares allocated
Eligible Directors	(a)	4	1,500,000
Key Senior Management	(b)	4	2,200,000
Eligible employees	(c)	75	4,500,000
Persons who have contributed to the success of our Group	(d)	8	2,568,000
Total		91	10,768,000

Notes:

- (a) the criteria for allocation to our eligible Directors (as approved by our Board) are based on, amongst others, their respective roles, responsibilities and anticipated contributions to our Group. The number of Issue Shares to be allocated to our eligible Directors is as follows:

Name	Designation	No. of Issue Shares allocated
Mohd Shahriman Bin Mohd Sidek	Independent Non-Executive Director	500,000
Maliki Kamal Bin Mohd Yasin	Independent Non-Executive Director	250,000
Aliza Binti Ashari	Independent Non-Executive Director	250,000
Azuraida Binti Shahadan	Independent Non-Executive Director	500,000
Total		1,500,000

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4. DETAILS OF OUR IPO (Cont'd)

- (b) the criteria for allocation to our eligible Key Senior Management (as approved by our Board) are based on, amongst others, their respective roles, responsibilities, length of service, past performance and contributions made to our Group as well as the anticipated contributions to our Group. The number of Issue Shares to be allocated to our eligible Key Senior Management is as follows:

Name	Designation	No. of Issue Shares allocated
Azril Hisham Bin Abu Hassan	Chief Operating Officer	500,000
Lee Beng Hong	Chief Financial Officer	500,000
Muhil Prakaash A/L Manickam	Head of Oilfield Services Department	1,000,000
Huzaini Bin Abdul Wahab	Corporate Service Manager	200,000
Total		2,200,000

- (c) the criteria for allocation to our eligible employees (as approved by our Board) are based on, amongst others, the following factors:
- (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, position and length of service;
 - (4) past performance and respective contribution made to our Group; and
 - (5) the eligible employee must be at least 18 years of age.
- (d) the criteria for allocation to persons who have contributed to our Group's success (as approved by our Board) are based on, amongst others, the length of business relationship with our Group and the level of their contribution and support to the growth of our Group. The persons who have contributed to our Group's success may include our customers, suppliers and business associates.

Any Issue Shares reserved under the Pink Form Allocations which are not taken up will be made available for subscription as follows:

- (a) firstly, by other Eligible Persons (excluding eligible Directors);
- (b) secondly, by the Malaysian Public as described in Section 4.3.1(i) of this Prospectus;
- (c) thirdly, by our selected investors as described in Section 4.3.1(iii) of this Prospectus; and
- (d) lastly, by our Underwriter based on the terms of the Underwriting Agreement.

4. DETAILS OF OUR IPO (Cont'd)

Save as disclosed above, as at the LPD, we are not aware of:

- (a) any substantial shareholder, Directors or Key Senior Management of our Company who intend to subscribe for our IPO Shares; and
- (b) any person who intends to subscribe for more than 5.00% of our IPO Shares.

(iii) Placement to selected investors

80,712,000 Issue Shares, representing 14.99% of our enlarged issued share capital, will be made available by way of private placement to selected investors.

In the event of under-subscription of the placement tranche by the selected investors and subject to the corresponding over-subscription by the Malaysian Public, the remaining portion will be clawed-back and placed to the Malaysian Public as described in Section 4.3.1(i) of this Prospectus.

The clawback and reallocation provisions will not apply if 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 of "greenshoe" option.

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4. DETAILS OF OUR IPO (Cont'd)

4.3.2 Offer for Sale

36,400,000 Offer Shares, representing 6.76% of our enlarged issued share capital, will be offered by our Selling Shareholders to selected investors by way of private placement. Our Offer for Sale is subject to the terms and conditions of this Prospectus.

The details of our Selling Shareholders are as follows:

Name	Address	Nature of relationship with our Group	As at the LPD		Shares offered pursuant to the Offer for Sale			After our IPO	
			No. of Shares	(1)%	No. of Shares	(1)%	(2)%	No. of Shares	(2)%
Daniel	A-46-2, Residensi Lot 118, 18, Jalan P. Ramlee, 50250 Kuala Lumpur, Wilayah Persekutuan	Our Promoter, Specified Shareholder, substantial shareholder and Managing Director	63,000,000	15.00	21,000,000	5.00	3.90	42,000,000	7.80
Chow Sheng Jon	B-3A-3, Kiara Designer Suites, No. 18, Jalan Kiara 3, Mont Kiara 50480 Kuala Lumpur, Wilayah Persekutuan	Our Promoter, Specified Shareholder, substantial shareholder and Head of Digital, Robotics and Engineering, and Talent Solutions Development	42,000,000	10.00	11,000,000	2.62	2.04	31,000,000	5.76
Amiruddin	11A, Jalan USJ 3/1B, 47600 Subang Jaya, Selangor Darul Ehsan	Our Promoter, Specified Shareholder, substantial shareholder and Executive Chairman	21,000,000	5.00	4,400,000	1.05	0.82	16,600,000	3.08

Notes:

- (1) Based on our issued share capital of 420,000,000 Shares as at the LPD.
- (2) Based on enlarged issued share capital of 538,400,000 Shares after our IPO.

4. DETAILS OF OUR IPO (Cont'd)

4.3.3 Price stabilisation mechanism

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

4.3.4 Minimum subscription

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

Pursuant to the Listing Requirements, we must have at least 25.00% of our enlarged issued share capital, or such lower percentage as may be allowed by Bursa Securities, to be held in the hands of a minimum number of 200 public shareholders holding not less than 100 Shares each at the time of our admission to the Official List.

We expect to meet the public shareholding spread requirements at the point of our Listing. If we fail to meet the abovementioned requirements, 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 with respect to all Applications. If any such monies are not repaid within 14 days after we become liable to do so, the provision of sub-section 243(2) of the CMSA shall apply accordingly.

4.4 Basis of Arriving at the IPO Price

Our Directors and Malacca Securities, as the Principal Adviser, Sponsor, Underwriter and Placement Agent, had determined and agreed upon the IPO Price after taking into consideration the following factors:

(i) Financial and operating history

Based on the audited consolidated statements of profit or loss and other comprehensive income of our Group for the FYE 2025, we recorded a PAT attributable to owners of our Company of RM10.76 million, representing:

- (a) EPS of 2.56 sen (based on the existing issued share capital of 420,000,000 Shares as at the LPD). This EPS translates into a PE Multiple of 8.98 times based on the IPO Price; and
- (b) EPS of 2.00 sen (based on our enlarged issued share capital of 538,400,000 Shares upon Listing). This EPS translates into a PE Multiple of 11.50 times based on the IPO Price.

Our detailed operating and historical financial performance are set out in Section 7.2.2 and Section 12 of this Prospectus, respectively.

(ii) Pro forma consolidated NA

Our pro forma consolidated NA per Share as at 31 December 2025 is RM0.13 based on our enlarged issued share capital of 538,400,000 Shares upon Listing and subsequent to the utilisation of proceeds raised from our Public Issue as set out in Section 4.8 of this Prospectus.

4. DETAILS OF OUR IPO (Cont'd)**(iii) Business strategies and prospects**

Our business strategies and prospects which are set out in Section 7.2.4 of this Prospectus.

(iv) Competitive strengths and industry overview

Our competitive strengths and the industry overview which are set out in Section 7.2.3 and Section 8 of this Prospectus, respectively.

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

4.5 Share Capital

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

	No. of Shares	RM
Issued share capital as at the date of this Prospectus	420,000,000	1,000,000
Shares to be issued pursuant to our Public Issue	118,400,000	27,232,000
Estimated listing expenses directly attributable to the Public Issue	-	(1,300,000)
Enlarged issued share capital upon Listing	538,400,000	26,932,000
Shares to be offered under our Offer for Sale	36,400,000	8,372,000
IPO Price		0.23
Pro forma consolidated NA per Share as at 31 December 2025 <i>(based on the enlarged issued share capital upon Listing and after the intended utilisation of proceeds raised from our Public Issue)</i>		0.13
Market capitalisation upon Listing		123,832,000

As at the date of this Prospectus, we have only 1 class of shares, being ordinary shares, all of which rank equally with one another.

Our Issue Shares shall, upon allotment and issue, rank equally in all respects with our existing Shares in issue, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of allotment and issuance of our Issue Shares.

The Offer Shares shall rank equally in all respects with our existing Shares in issue, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of transfer of the Offer Shares.

Subject to any special rights attaching to any Shares which may be issued by us in the future, our shareholders shall, in proportion to the number of Shares held by them, be entitled to share in the whole of the profits paid out by us as dividends and other distributions and any surplus if our Company is liquidated in accordance with our Constitution and provisions of the Act.

4. DETAILS OF OUR IPO (Cont'd)

Each of our shareholder shall be entitled to vote at any of our general meetings in person or by proxy or by attorney or by other duly authorised representative. Every shareholder present in person or by proxy or by attorney or by other duly authorised representative shall have 1 vote for each Share held.

4.6 Objectives of our IPO

The objectives of our IPO are as follows:

- (i) To provide an opportunity for the Malaysian Public and Eligible Persons to participate in our equity;
- (ii) To enable our Group to raise funds for the purposes specified in Section 4.8 of this Prospectus;
- (iii) To enable us to tap into the equity capital market for future fund raising and to provide us the financial flexibility to pursue future growth opportunities as and when they arise; and
- (iv) To gain recognition through our listing status which will enhance our Group's reputation in the marketing of our services and to retain and attract new, skilled employees in the industry.

4.7 Dilution

Dilution is computed as the difference between the IPO Price to be paid by investors for our Issue Shares and our pro forma consolidated NA per Share after our IPO, and it is illustrated as follows:

	Details	RM
IPO Price	A	0.23
Pro forma consolidated NA per Share as at 31 December 2025 after adjustment for material subsequent events but before our Public Issue	B	⁽¹⁾ 0.12
Pro forma consolidated NA per Share after adjustment for material subsequent events, Public Issue and utilisation of proceeds	C	⁽²⁾ 0.13
Increase in pro forma consolidated NA per Share attributable to existing shareholders	$D = C - B$	0.01
Dilution in pro forma consolidated NA per Share to our new investors	$E = A - C$	0.10
Dilution in pro forma consolidated NA per Share to our new investors as a percentage of our IPO Price	$F = (A - C) / A$	43.48%

Notes:

- (1) Based on the pro forma consolidated NA of approximately RM48.68 million divided by the issued share capital of 420,000,000 Shares prior to our Listing.
- (2) Based on the pro forma consolidated NA of approximately RM71.01 million divided by the enlarged issued share capital of 538,400,000 Shares upon Listing.

4. DETAILS OF OUR IPO (Cont'd)

Save as disclosed below and the Pink Form Allocations to our Eligible Persons, 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 in the past 3 years up to the date of this Prospectus:

- (i) Prestasi Emas Sdn Bhd, had on 2 August 2023, acquired 200,000 Shares from Amiruddin at a cash consideration of RM70.00 per Share; and
- (ii) Sparkle Success, had on 29 May 2025, acquired 21,000,000 Shares from Daniel without any consideration. For information, Daniel made the aforementioned transfer of Shares to Sparkle Success as part of his personal estate planning. As at 22 December 2025, Sparkle Success is solely owned by his spouse, Nurul Syakinah. Premised on the above, the Shares were transferred without any consideration.

4.8 Utilisation of Proceeds

The total gross proceeds from the Public Issue will amount to RM27.23 million based on the IPO Price. The proceeds will be utilised by our Group in the following manner:

Purposes	RM'000	%	Estimated timeframe for utilisation from the Listing date
(i) Consultant-related expenses for the oilfield service solutions and digital solutions segments:			
(a) Existing projects	5,700	20.93	Within 24 months
(b) Future projects	10,680	39.22	Within 24 months
(ii) Business expansion for the robotics and engineering solutions segment:			
(a) Development of internal capabilities for the management and deployment of AUV	3,000	11.02	Within 24 months
(b) Procurement of drones	1,400	5.14	Within 24 months
(iii) Working capital	2,652	9.74	Within 24 months
(iv) Defrayment of expenses in relation to the Listing	3,800	13.95	Within 1 month
Total	27,232	100.00	

4. DETAILS OF OUR IPO (Cont'd)

The current allocated utilisation is based on the respective estimated costs as at the LPD. Hence, if the allocated proceeds are insufficient to fund the final amount, we will fund the shortfall from bank borrowings and/or our internal generated funds. Similarly, any surplus from the allocated proceeds will be used to fund our Group's working capital as disclosed below. Pending the utilisation of the proceeds raised from our Public Issue, the proceeds will be placed in interest-bearing short-term deposits or money market instruments with licensed financial institutions.

In the event there is a material variation to the utilisation of proceeds i.e. such change is 25% or more of the total proceeds raised, our Company will issue a circular to our shareholders to seek approval on such material variation in accordance with Rule 8.24 of the Listing Requirements.

(i) Consultant-related expenses for the oilfield service solutions and digital solutions segments

For the Financial Years Under Review, our cost of sales comprised consultant-related expenses, principal-related expenses, subcontracted services, equipment expenses and IT-related expenses. As a key part of the delivery of our O&G service and equipment solutions, we source, manage and/or supervise contracted consultants comprising specialised consultants and skilled personnel. Consultant-related expenses accounted for 51.15% to 78.71% of our cost of sales for the Financial Years Under Review.

Our ability to secure sufficient and suitable specialised consultants and skilled personnel is a crucial capacity for us as an O&G service and equipment solutions provider. As we increase the number of project contracts in our order book, we will require funding for increased consultant-related expenses for the fulfilment of our existing and future oilfield service solutions and digital solutions projects. The hiring of consultants is to support our Group's future plans to grow our business improving our ability to deliver and secure more projects. As a service provider, human resource is a crucial capacity (i.e. the ability to procure skilled personnel to undertake specialised scope of works for customers) required for business expansion. As such, the proceeds allocated for the hiring of technical consultants for our Group to deliver and secure more projects are classified separately from working capital.

As at the LPD, we have 140 on-going projects. Out of these projects, we act as sole-vendor for 109 projects with a total estimated remaining contract value⁽¹⁾ of RM416.39 million; of which our remaining firm order value⁽¹⁾ is RM202.94 million.

The balance 31 projects are umbrella projects⁽²⁾ with a total estimated remaining contract value⁽¹⁾ of RM219.64 million; of which we have remaining firm order value⁽¹⁾ of RM62.51 million. In addition, we have submitted 157 tenders and proposals with an aggregated contract value of RM655.47 million as at the LPD, which are still pending the evaluation from the potential contract awarders.

Notes:

- (1) *For information, total contract value refers to total awarded contract value and purchase order received whereas firm order value refers to the portion of contract whereby a purchase order has been received/ fixed contractual value has been confirmed.*

Remaining contract value refers to the total contract value less the billed amount.

Remaining firm order value refers to the unbilled purchase orders received and unbilled fixed contractual value, as part of the remaining contract value.

4. DETAILS OF OUR IPO (Cont'd)

- (2) Under the umbrella contracts that have been awarded to our Group, our customers pre-qualify us to participate in requests for tender to provide specified services for jobs which our customers may issue during the contract duration period. We will then submit a tender for the job and compete with other pre-qualified service providers to secure the job. However, there is no guarantee that our customer will issue requests for tender under the umbrella contract during the contract duration period. Further, there is no guarantee that the tender that we submit will be successful against the other pre-qualified service providers. As such, our umbrella contracts do not provide assurance of future revenue and if no jobs are awarded during the contract period, we may lose the opportunity to monetise our umbrella contracts and boost our financial performance.

Our umbrella contracts typically have a determined contract value which is either pre-determined at the point the umbrella contract is secured or increased as the contract progresses should the pre-determined contract value be fully utilised prior to the expiry of the contract period. Throughout the umbrella contract duration, customers will issue out tender requests among the umbrella contracts' contractors, we will thereafter keep track and update the remaining contract value.

We intend to allocate RM16.38 million, representing 60.15% of the total gross proceeds raised from our Public Issue to fund our consultants-related expenses in the following manner:

	Business segments			
	Oilfield service solutions	Digital solutions	Total	
	RM'000	RM'000	RM'000	%
Existing projects	3,984	1,716	5,700	34.80
Future projects	7,680	3,000	10,680	65.20
Total	⁽¹⁾11,664	⁽²⁾4,716	16,380	100.00

Notes:

- (1) The details of the engagement of contracted consultants under our oilfield service solutions segment in order to support our O&G customers across the lifecycle of an oilfield, mainly in wells and subsurface subsegments to meet our customers' project requirements are as follows:

Position	Role	No. of headcount		Estimated salary for 2 years RM'000
		Existing projects	Future projects	
Wells				
Wells Engineer	Design and develop wells programs such as drilling, completion, and workover in accordance with customers' project requirements	1	4	3,360

4. DETAILS OF OUR IPO (Cont'd)

Position	Role	No. of headcount		Estimated salary for 2 years RM'000
		Existing projects	Future projects	
	• Provide engineering support during wells operation and execution, including real-time problem-solving and performance optimisation • Identify risk mitigation strategies and implement cost-effective solutions to meet both design requirements and operational deliverables • Prepare detailed wells program budget, project schedules and resource planning to support both subsurface team and wells management team (i.e. Wells Project Manager and Wells Operation Lead)			
Wells Operations Lead	• Lead day-to-day wells operation such as drilling, completion, workover and well interventions across multiple equipment and assets • Ensure safe, efficient and cost-effective execution in line with customers' project objectives and industrial regulatory standards • Drive and foster a strong safety culture by enforcing health, safety and environment ("HSE") policies • Provide leadership through expert guidance during critical wells operations by proactively mitigating risks and resolving operational challenges to minimise downtime and non-productive time • Supervise and mentor the entire wells operations team, driving performance optimisation and continuous operational improvement	1	2	3,240

4. DETAILS OF OUR IPO (Cont'd)

Position	Role	No. of headcount		Estimated salary for 2 years RM'000
		Existing projects	Future projects	
Wells Project Manager	- Responsible for end-to-end wells delivery management, including planning, execution, operation and completion of all drilling projects, from exploration, appraisal to development - Ensure all wells programs are delivered in compliance with technical standards, safety regulations, project costs and timeline - Design and implement cost control measures, risk mitigation strategies and performance optimization initiatives for all wells programs on behalf of customers - Coordinate multi-disciplinary teams such as drilling, completion, subsurface, HSE, procurement to ensure compliance with regulatory standards, fulfil stakeholders' objectives, and support customer management for successful project execution	1	1	1,920
Subsurface				
Geoscientist	- Study and analyse complex geological and geophysical data including seismic surveys, well logs and core samples to identify O&G-bearing structures - Support and develop reservoir modelling - Propose and design exploration and development strategies, including prospect generation and field development plans through analysis of geological, petrophysical, geophysical data to assess resource potential and reducing risk	1	2	1,800

4. DETAILS OF OUR IPO (Cont'd)

Position	Role	No. of headcount		Estimated salary for 2 years RM'000
		Existing projects	Future projects	
	Collaborate with multidisciplinary teams including reservoir engineering, production technology, drilling engineering and facilities engineering to ensure subsurface models align with business objectives			
Reservoir Engineer	- Design, develop and generate dynamic reservoir simulation models to forecast O&G production, optimise production, generate recovery strategies and support field development planning - Design and implement reservoir management strategies, such as production optimisation, well placement, infill drilling and sustainable production solutions - Perform technical and economic evaluations of development scenarios, reservoir management, and economics decisions through detailed sensitivity analyses, uncertainty quantification and risk mitigation strategies. - Collaborate with multidisciplinary teams including geology & geophysics, production technology, drilling engineering and facilities engineering to ensure subsurface models align with business objectives.	1	1	1,344
Total		5	10	11,664

4. DETAILS OF OUR IPO (Cont'd)

- (2) The details of the engagement of contracted consultants under our digital solutions segment to cater the digitalisation of our customers from various industries are as follows:

Position	Role	No. of headcount		Estimated salary for 2 years RM'000
		Existing projects	Future projects	
Robotics Engineer	- Design and develop robotics system solutions from conceptualise to deployment based on customers' requirements - Lead integration of hardware and software into a functional system and ensure thorough simulation, testing and commissioning	2	3	1,200
Data Engineer	- Design, develop and model scalable data pipelines - Architect and manage optimised data warehouse solutions to ensure efficient data storage, organisation, retrieval and processing - Ensure high quality control, data accuracy and governance compliance for all data inputs from various team members in any research and development or commercial projects	2	3	1,200
Software Developer	- Design, develop and maintain scalable, high performance full stack system and applications - Provide technical and coding reviews, while enforcing best practices in software development, including design patterns, testing and commissioning - Validate data accuracy and develop interfaces with hardware and robotics equipment in collaboration with team members	2	3	1,200
Head of Business Digitalisation	Lead the strategic market expansion and partnership development for robotics and digitalisation business	-	1	564

4. DETAILS OF OUR IPO (Cont'd)

Position	Role	No. of headcount		Estimated salary for 2 years RM'000
		Existing projects	Future projects	
	- Oversee the operational efficiency and ensure timely delivery of commitments technical deliverables team - Ensure sales pipeline, revenue forecasting, customer relationship, strategic plan are all met in accordance to company's goals			
Solution Architect	- Responsible for end-to-end solution and architecture design across robotics and digital systems, including equipment, system integration, software and data inputs - Lead and propose the design and implementation of digital transformation initiatives leveraging on industry 4.0 technologies - Collaborate and communicate across robotics, data and software development teams to bridge gaps and ensure customers business requirements are addressed with scalable, cost-effective and future-proof solutions	1	1	552
Total		7	11	4,716

Pending the utilisation of proceeds allocated to fund consultants-related expenses for our existing and future projects, we will utilise our internal generated funds and trade facilities extended by the licensed financial institutions. As at the LPD, our Group has a total of RM63.15 million of trade facilities and bank guarantees (excluding hire purchase) extended by 5 licensed financial institutions, namely RHB Islamic Bank Berhad, Hong Leong Islamic Bank Berhad, HSBC Bank Malaysia Berhad, Bank Islam Malaysia Berhad and Malayan Banking Berhad. We have utilised RM21.52 million from the trade facilities and bank guarantees (excluding hire purchase) granted by the aforementioned licensed financial institutions as at the LPD. For information purposes, our cash and bank balances stood at RM16.77 million (including RM6.81 million fixed deposits pledged with financial institution) as at the LPD.

The earmarked amount for our consultant-related expenses allows us to supplement our existing trade facilities extended from the licensed financial institutions as well as cash and bank balances to fund our existing and future projects.

4. DETAILS OF OUR IPO (Cont'd)**(ii) Business expansion for robotics and engineering solutions segment****(a) Development of internal capabilities for the management and deployment of AUV**

As at the LPD, we have entered into agency and service agreements with our technology partner, namely Rovula (Thailand) Company Limited, in which we have been appointed to market selected robotics products developed by Rovula (Thailand) Company Limited. These products include, amongst others, the Xplorer (i.e. an AUV for subsea pipeline inspection services), Nautilus (i.e. a semi-autonomous subsea pipeline repair robot), and Xspector (i.e. a pipeline inspection data management system for subsea anomaly detection). These robotics technologies are designed to enhance operational efficiency and reduce the cost of subsea pipeline inspections relative to the conventional methods.

Please refer to Section 7.2.1.1(iv)(a) for the salient terms of the above agency and service agreements.

Further, we subsequently received sole authorised business partner and service agent appointment letters, on 1 April 2025, whereby we were appointed by Rovula (Thailand) Company Limited as sole authorised business partner and service agent for Petronas Carigali Sdn Bhd and Vestigo Petroleum Sdn Bhd's projects in Malaysia.

In October 2024, our Group secured a robotics and engineering solutions project with Petronas Technical Services Sdn Bhd in which we successfully conducted a pilot deployment of an AUV to inspect 155 km of subsea pipelines. Subsequently in June 2025, our Group secured another robotics and engineering solutions project from Vestigo Petroleum Sdn Bhd for the provision of underwater inspection services using an AUV for approximately 60 km of subsea pipelines. With Malaysia's subsea pipeline infrastructure spanning an estimated of 12,000 km, we view there will be a growing demand for AUV subsea pipeline inspection services which play a significant role in driving the future growth for our robotics and engineering solutions segment.

As at the LPD, our Group's robotics and engineering solutions segment comprises 6 technical personnel involved in projects related to the provision of underwater inspection services using an AUV. To support our business expansion in this segment and enhance our in-house capabilities, we intend to allocate RM3.00 million, representing 11.02% of the total gross proceeds raised from our Public Issue for the recruitment of 9 personnel to form an in-house technical team, as well as for the subscription to an asset integrity and inspection software. This initiative aims to strengthen our internal capabilities in the management and deployment of robotics products, i.e. Xplorer. The asset integrity and inspection software system will be used by our personnel in conjunction with the Xplorer during the project execution phase to managing, storing and analysing subsea pipeline inspection data. The in-house technical team will enable our Group to better fulfil our existing robotics and engineering solutions projects, while also expanding our capacity to undertake future robotics and engineering solution projects which require AUV subsea pipeline inspection services. This will not only support the effective delivery of our ongoing projects but also improving our operational readiness to secure and undertake future robotics and engineering solution projects involving AUV subsea pipeline inspection services.

4. DETAILS OF OUR IPO (Cont'd)

The details of the recruitment of a technical team for the operations of Xplorer are summarised in the table below:

Position	Role	No. of headcount	Estimated salary for 2 years RM'000
Operations Engineer	- Responsible for the end-to-end execution of the robotics and engineering solution projects involving AUV, including operational planning, pre-mobilisation activities, testing, configuration, commissioning, deployment and post-deployment activities - Perform data collection and calibration prior to the deployment of AUV for the robotics and engineering solution projects	4	1,060
Project Manager	- Coordinate and oversee the entire lifecycle of robotics and engineering solution projects involving AUV - Ensure all robotics and engineering solution projects involving AUV are within budget and fulfilling customers' project requirements and specifications - Oversee all HSE issues/concerns	1	384
Data Processor Personnel	Perform data collection as well as quality control and analysis in the robotics and engineering solution projects involving AUV to ensure the accuracy and integrity of data derived from subsea pipeline inspection through the use of AUV, and subsequently provide data insights and recommended actions to customers	2	384
Business Development Personnel	Responsible for identifying growth opportunities as well as building strategic relationships with our existing and potential customers using AUV	1	360

4. DETAILS OF OUR IPO (Cont'd)

Position	Role	No. of headcount	Estimated salary for 2 years
			RM'000
Asset Integrity Engineer	- Analyse data compiled by Operations Engineers and Data Processor Personnel to assess the integrity of inspected asset/infrastructure and to produce first level of integrity report - Identify all critical elements of asset that require inspection and to ensure all necessary points of inspection are being addressed - Work alongside with the Project Manager to ensure key project deliverables	1	312
Total		9	2,500

The details of the subscription to an asset integrity and inspection software are set out in the table below:

Type of software	Description	No. of concurrent users	No. of subscription years	Total estimated cost
				RM'000
Asset integrity and inspection software ⁽¹⁾	A data management system for subsea anomaly detection	5	2	500
Total				500

Note:

- (1) The selection of the asset integrity and inspection software will be determined based on the final project requirements. As such, the estimated cost is indicative and subject to prevailing market rates at the time of subscription. If the actual cost exceeds the estimated amount, we will fund the shortfall via our internal generated funds.

(b) Procurement of drones

As at the LPD, our Group owns 8 drones which are deployed to facilitate the provision of robotics surveillance and inspection services for our customers under our robotics and engineering solutions segment.

4. DETAILS OF OUR IPO (Cont'd)

As at the LPD, we have 6 ongoing robotics and engineering solutions projects related to drone solutions with a total estimated remaining contract value of RM18.55 million; of which our remaining firm order value is RM2.13 million. These projects are mainly in relation to the provision of integrated drone services for customers across the O&G industry and public infrastructure sector. The main functions of integrated drone services include assets inspection and integrity assessment as well as infrastructure monitoring and surveillance. Leveraging the AI analytics and digital platforms, the data collected by our drones enables our customers to monitor and manage their asset conditions over time, thereby supporting our customers on effective asset lifecycle planning and predictive maintenance on their assets. In addition, we have submitted 7 tenders and proposals for robotics and engineering solutions projects in connection with the provision of integrated drone services, amounting to a total estimated contract value of RM6.64 million as at the LPD, which are currently pending evaluation by the respective potential contract awarders. We also intend to pursue additional tender opportunities in future, especially participating in those projects which require advanced drone application services for inspections in confined spaces and restricted-access environments.

To expand our business in the robotics and engineering solutions segment, we intend to allocate RM1.40 million, representing 5.14% of the total gross proceeds raised from our Public Issue to purchase 8 units of drones, wherein the details of the drones to be purchased are as follows:

Type of drone	Description	Intended number of units to be purchased	Estimated unit cost	Total estimated cost
			RM'000	RM'000
AI Autonomous Drone	Functions in performing autonomous remote operations for industrial applications.	6	120	720
Advanced Confined Space Drone	Functions in performing advanced inspection in confined spaces and restricted access areas for industrial applications.	2	340	680
Total		8	460	1,400

(iii) Working capital

Our Group's general working capital requirement is expected to increase in tandem with our business expansion. As such, we have allocated RM2.65 million, representing 9.74% of the total gross proceeds raised from our Public Issue for our Group's administrative and other operating expenses, such as staff-related costs, rental expenses, office expenses as well as utilities expenses.

4. DETAILS OF OUR IPO (Cont'd)

While the breakdown of such use cannot be determined at this juncture as it depends on working capital for the operations of our Group at the relevant point of time, on a best estimate basis, the allocation of proceeds for such use are as follows:

Details	RM'000
Staff related expenses ⁽¹⁾	1,452
Rental expenses ⁽²⁾	950
Utility and office related expenses	250
Total	2,652

Notes:

- (1) We intend to utilise RM1.45 million to fund our staff-related expenses which mainly comprise staff remuneration as well as employers' statutory contributions for personnel involved in our Group's management, corporate services, finance and accounting as well as operations.
- (2) We intend to utilise approximately RM0.95 million to cover rental expenses for a period of 2 years in respect of 6 office units located at B-21-01, B-21-02, B-21-03, B-21-03A, B-21-05, B-21-08, Menara G-Vestor, Kompleks Pavilion Ampang, 200 Jalan Ampang, 50450 Kuala Lumpur for a period of 2 years. These premises serve as our Group's headquarters and offices.

(iv) Estimated listing expenses

An amount of RM3.80 million, representing 13.95% of the total gross proceeds raised from our Public Issue, is allocated to meet the estimated cost of our Listing. The following summarises the estimated expenses incidental to our Listing to be borne by us:

Details	RM'000
Professional fees ⁽¹⁾	2,600
Underwriting, placement and brokerage fees	800
Fees payable to the authorities	75
Printing, advertising fees and contingencies ⁽²⁾	325
Total	3,800

Notes:

- (1) Includes advisory fees for, amongst others, our Principal Adviser, solicitors, reporting accountants, IMR, internal control reviewer, company secretary, Share Registrar and Issuing House.
- (2) Other incidental or related expenses in connection with our IPO.

The Offer for Sale will raise gross proceeds of approximately RM8.37 million which will accrue entirely to our Selling Shareholders. The Selling Shareholders shall bear all expenses, including the placement fee in relation to the Offer for Sale.

4. DETAILS OF OUR IPO (Cont'd)

4.9 Underwriting Commission, Brokerage and Placement Fees

4.9.1 Underwriting commission

Our Underwriter has agreed to underwrite 26,920,000 Issue Shares which are available for application by the Malaysian Public and 10,768,000 Issue Shares made available to Eligible Persons ("**Underwritten Shares**") as set out in Sections 4.3.1(i) and 4.3.1(ii) of this Prospectus. We will pay our Underwriter an underwriting commission at the rate of 2.00% of the total value of the Underwritten Shares based on the IPO Price.

4.9.2 Brokerage fee

We will pay the brokerage rate of 1.00% on the IPO Price in respect of all successful Applications bearing the stamp of either Malacca Securities, the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association or the Issuing House.

4.9.3 Placement fee

Our Placement Agent has agreed to place out 80,712,000 Issue Shares and 36,400,000 Offer Shares to be issued/offered to selected investors as set out in Sections 4.3.1(iii) and 4.3.2 of this Prospectus.

We will pay our Placement Agent a placement fee of up to 2.00% of the value of Issue Shares to be placed out to selected investors.

The placement fee of up to 2.00% of the value of Offer Shares placed out by our Placement Agent will be borne entirely by the Selling Shareholders.

4.10 Salient Terms of the Underwriting Agreement

On 31 March 2026, we had entered into the Underwriting Agreement with our Underwriter to underwrite 37,688,000 Underwritten Shares, upon the terms and subject to the conditions as set out in the Underwriting Agreement.

The salient terms of the Underwriting Agreement are as follows:

Obligations of our Underwriter

The obligations of our Underwriter to underwrite the Underwritten Shares⁽¹⁾ under the Underwriting Agreement is conditional on the performance by our Company of our obligations under the Underwriting Agreement as at the date of the Underwriting Agreement, Issue Date⁽²⁾, Closing Date⁽³⁾ and/or prior to the Trading Date⁽⁴⁾ as the case may be, and conditional on the following:

Notes:

- (1) 37,688,000 IPO Shares made available for application by the Malaysian Public and the Eligible Persons to be underwritten by our Underwriter in the manner and upon the terms and conditions as set out in the Underwriting Agreement.
- (2) The date of issue of the Prospectus being a date not later than 1 month after the date of the Underwriting Agreement or such later date as our Company and our Underwriter may mutually agree in writing.

4. DETAILS OF OUR IPO (Cont'd)

- (3) *The last date for acceptance, application for and payment of the subscription moneys in respect of the application for the IPO Shares in accordance with the Prospectus, White Application Form and Pink Application Form (collectively, “Issue Documents”), which shall not be more than 1 month from the date of the Underwriting Agreement and subject to extension as provided under the Underwriting Agreement.*
- (4) *The date of listing of and quotation for the entire enlarged issued share capital of our Company of RM123,832,000 comprising 538,400,000 Shares on the ACE Market of Bursa Securities.*
- (a) our Underwriter receiving certificate in the form or substantially in the form contained in the Underwriting Agreement, one dated the date of registration of the Prospectus and the other dated the Closing Date, both of which are to be signed by a Director (on behalf of the Board) stating that, to the best of his knowledge and belief, having made all reasonable enquiries, there has been no such change, development or occurrence as set out in the Underwriting Agreement and being provided with the reports or confirmation and being satisfied at the date of registration of the Prospectus and the Closing Date respectively that, among others:
- (i) there is no occurrence of any material change or any development likely to result in 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 (“**Material Adverse Effect**”):
- (a) the condition (financial, operational or otherwise), contractual commitments, general affairs, Board, key senior management, business, assets, liquidity, liabilities, prospects, earnings, shareholders' equity, business undertakings, properties or results of operations of our Company and/or our Group;
 - (b) the ability of our Company to perform in any respect its obligations under or with respect to, or to consummate the transactions contemplated by the Prospectus or the Underwriting Agreement;
 - (c) 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 the Prospectus; or
 - (d) our IPO including but not limited to the success of our IPO or the distribution or the sale of the IPO Shares pursuant to our IPO,
- on our Group taken as a whole from that subsequent to the date of the Underwriting Agreement up to the Issue Date and Trading Date (as the case may be);
- (ii) there is no breach by our Company of any of its obligations under the approvals referred to in the Underwriting Agreement (except for any which can only be complied with after the Closing Date and/or Trading Date has been completed) and the Underwriting Agreement;
- (iii) our Group does not have any actual or contingent liability under applicable laws or regulations or generally accepted accounting standards concerning human health and safety, pollution or protection of the environment or in relation to any interest in land which would have a material effect on our Group (financial, operational or otherwise) including the IPO and/or our Listing;

4. DETAILS OF OUR IPO (Cont'd)

- (iv) all undertakings, representations, warranties and covenants of our Company under the Underwriting Agreement has been complied with and not breached; and
 - (v) is no occurrence of any event or the discovery of any facts or circumstances which would render any representations, warranties or undertakings by our Company as set out in the Underwriting Agreement materially untrue or inaccurate, misleading or incorrect, not complied with, failure to be performed in any respect or result in a breach of the Underwriting Agreement by our Company;
- (b) the Underwriting Agreement being signed by the relevant authorised signatories of our Company to the Underwriting Agreement and stamped within the statutory time frame;
- (c) the registration of the Prospectus and such other documents as may be required in accordance with the CMSA and Act in relation to our IPO with Bursa Securities and its lodgement with the Registrar of Companies ("**ROC**") by the Issue Date;
- (d) all the approvals referred to in the Underwriting Agreement remain in full force and effect and that all conditions to the approvals (except for any which can only be complied with after the Closing Date and/or Trading Date has been completed) have been complied with;
- (e) the approvals of Bursa Securities for the admission of our Company to the Official List and our Listing on terms acceptable to our Underwriter and the approvals of Bursa Securities remaining in full force and effect and that all conditions (except for any which can only be complied with after the Closing Date and/or Trading Date has been completed) have been complied with;
- (f) our Underwriter being satisfied that our Company will, 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 2 months from the Underwriting Agreement unless mutually agreed to in writing by the parties;
- (g) the Underwriting Agreement having become unconditional in all respects (save for any condition requiring the Underwriting Agreement to be unconditional) and not having been terminated or rescinded pursuant to the provisions thereof and upon our Underwriter's (in this regard, in its capacity as the Placement Agent for the Private Placement⁽¹⁾) receipt of the full subscription monies for the Private Placement from the selected investors on or before the last date for payment of the IPO Shares made available for subscription under the Private Placement, being 3 Market Days before the Closing Date;

Note:

- (1) *The Private Placement means, collectively:*
 - (i) *80,712,000 Issue Shares pursuant to the Public Issue to be allocated for subscription by way of private placement to the selected investors; and*
 - (ii) *36,400,000 existing Shares pursuant to the Offer for Sale to be offered by way of private placement to selected investors.*
- (h) our Underwriter receiving a copy duly certified by a Director or secretary of our Company to be a true and accurate copy and in full force and effect, of a resolution of the Directors:
 - (i) approving the Issue Documents including the Prospectus, the Underwriting Agreement and the transactions contemplated by it and lodgment 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 the Prospectus);

4. DETAILS OF OUR IPO (Cont'd)

- (ii) approving the appointment of our Underwriter;
 - (iii) approving the allotment and issuance and/or transfer of the IPO Shares under the IPO to successful investors under the Public Issue and Offer for Sale;
 - (iv) authorising the registration of the Prospectus with Bursa Securities and lodgement with the ROC and subsequently, the issuance of the Prospectus; and
 - (v) authorising one or more Director(s) to sign and deliver the Underwriting Agreement on behalf of our Company;
- (i) our Underwriter receiving a copy duly certified by a Director or company secretary of our Company to be a true and accurate copy and in full force and effect, of the resolution of our Company's Directors and shareholders approving the Selling Shareholders to sell the Offer Shares pursuant to our IPO;
- (j) all the resolutions referred to in the Underwriting Agreement remaining in full force and effect up to and including the Trading Date and none having been rescinded or revoked or varied;
- (k) our IPO and Listing not being prohibited or impeded by any statute, order, rule, directive, guidelines (whether or not having a force of law) or regulation promulgated by any legislative, executive or regulatory body or authority of Malaysia or any condition imposed by the relevant authorities in approving the issuance/offer of the IPO Shares, Prospectus and all consents, approvals, authorisations or other orders required by our Company under such laws for or in connection with our IPO and Listing have been obtained and are in force up to the Trading Date;
- (l) our Underwriter being satisfied that our Company has complied with and that our IPO and Listing are in compliance with the policies, guidelines and requirements of SC, Bursa Securities and ROC and all other applicable securities laws and regulations, including all revisions, amendments and/or supplements to it;
- (m) all necessary consents, waivers, approvals, authorisations or other orders of all relevant authorities, required for or in connection with the execution of the Underwriting Agreement, the issue of the Prospectus, issue of the Issue Shares and the offer of the Offer Shares under our IPO and any other matters contemplated hereby:
 - (i) have been or will be unconditionally obtained by its due date; or
 - (ii) if granted subject to conditions, such conditions will be fulfilled to the reasonable satisfaction of our Underwriter by its due date; and
 - (iii) are or will remain in full force and effect;
- (n) there is no occurrence of any material adverse change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), political, social or fiscal or economic and other conditions or exchange control or currency exchange rates which in the opinion of our Underwriter would have or is likely to have a Material Adverse Effect (whether in the primary market or in respect of dealings securities including the Shares in the secondary market). For the avoidance of doubt, if the FTSE Bursa Malaysia KLCI of Bursa Securities ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:
 - (i) on or after the date of the Underwriting Agreement; and
 - (ii) prior to the Closing Date,

4. DETAILS OF OUR IPO (Cont'd)

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

- (o) there being no occurrence of any Specified Event⁽¹⁾ up to and including the Trading Date;

Note:

- (1) *An event which occurs after the date of the Underwriting Agreement, Issue Date, Closing Date and on or prior to the Trading Date which if it had occurred before the date of the Underwriting Agreement would have rendered any of the representations, warranties and undertakings as set out in the Underwriting Agreement untrue or inaccurate.*
- (p) there not having occurred on or prior to the Trading Date any breach of and/or failure to perform any of the undertakings, representations, warranties and covenants by our Company contained in the Underwriting Agreement;
- (q) there not being any investigation, directions or actions or orders by any creditors, customers, judicial, governmental or relevant authorities in relation to our Listing or in connection with our Group or Directors or the Selling Shareholders which is still subsisting or unresolved to the satisfaction of our Underwriter;
- (r) the launching of Prospectus taking place within 2 months from the date of the Underwriting Agreement or such other later date as our Underwriter and our Company may mutually agree in writing;
- (s) the Closing Date taking place within 1 month from the Issue Date or such other later date as our Underwriter and our Company may mutually agree in writing;
- (t) there having been, as at the Closing Date, no registration or lodgment of any amendment, supplement, or replacement to the Prospectus with Bursa Securities or the ROC without the prior written approval of our Underwriter; and
- (u) the obligations of our 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.

4.10.2 Termination of the Underwriting Agreement

Notwithstanding anything contained in the Underwriting Agreement, our Underwriter may after consultation with our Company in such manner as our Underwriter shall reasonably determine by notice in writing to our Company given at any time before our Underwriter is discharged or required to carry out its obligation as set out in the Underwriting Agreement, terminate and withdraw its underwriting commitment upon the occurrence of any of the following:

- (a) there is any material breach by our Company of any of the representations, warranties or undertakings as set out in the Underwriting Agreement or which is contained in any certificate, statement or notice under or in connection with the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days determined by our Underwriter at its absolute discretion from the date our Company is notified by our Underwriter of such breach. For the avoidance of doubt, any material breach herein shall be remedied by our Company by the Closing Date; or
- (b) there is failure on the part of our Company to perform any of its obligations contained in the Underwriting Agreement by the Closing Date; or

4. DETAILS OF OUR IPO (Cont'd)

- (c) there is withholding of material information by our Company which in the reasonable opinion of our Underwriter, would have or can reasonably be expected to have, a material adverse effect on the financial condition, business or operations of our Group, the success of our IPO or Listing, or the distribution or sale of the IPO Shares issued or offered under our IPO or our Underwriter to enter into the Underwriting Agreement; or
- (d) the approval of Bursa Securities in respect of the admission of our Company to the Official List and our Listing is suspended, withdrawn or ceases to have any effect whatsoever or is varied or supplemented upon terms that would have or is reasonably likely to have a Material Adverse Effect; or
- (e) there shall have occurred, or happened any material and adverse change in the business or financial condition or operations of our Company or Group from that set out in the Prospectus which is material in the context of the offering of the IPO Shares and/or our Listing or any occurrence of any event rendering untrue or incorrect or misleading or not complied with to an extent which is material as aforesaid, any of the representations, warranties and undertakings as set out in the Underwriting Agreement as though given or made on such date up to and including the Closing Date; or
- (f) the Issue Date does not occur within 2 months from the date of the Underwriting Agreement, subject to the extension of the Issue Date with the prior approval by our Underwriter; or
- (g) the closing date of the application of the IPO Shares does not occur within 1 month from the Issue Date, subject to the extension of the closing date with the prior approval by our Underwriter; or
- (h) the Closing Date is not the day and time adopted in the Prospectus or such other extended Closing Date as may be agreed in writing by our Underwriter (subject to prior consultation and/or agreement with Bursa Securities and/or SC); or
- (i) any commencement of legal proceedings or action against our Company or any member of our Group or any of Directors or major shareholders or the Selling Shareholders which in the opinion of our Underwriter, would have or is reasonably likely to have a Material Adverse Effect or make it impracticable to market the IPO Shares or to enforce contracts to allot and/or transfer the IPO Shares; or
- (j) any material statements contained in the Prospectus has become or been discovered to be untrue, inaccurate or misleading in any respect; or
- (k) our Company or any of our subsidiaries and/or any of its major shareholders becomes insolvent or is unable to pay its debts or admits in writing its inability to pay its debts as they fall due or enters into any composition or arrangement with its creditors or makes a general assignment for the benefit of its creditors; or
- (l) if Bursa Securities, SC, Bursa Depository or any other relevant authorities issues an order pursuant to any laws, regulations and directives such as to make it impracticable to market our IPO or distribution of the IPO Shares or to allot and/or transfer the IPO Shares or the trading of the Shares in the secondary market after the Trading Date; or
- (m) our IPO is stopped or delayed by our Company for any reason whatsoever (unless such delay has been approved by our Underwriter); or
- (n) if the obligations of our 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

4. DETAILS OF OUR IPO (Cont'd)

- (o) the occurrence of any *force majeure* event including, but not limited to the following:
- (i) any material adverse change, or any development involving a prospective change, in national or international monetary, financial, economic or political or social conditions or exchange control or currency exchange rate (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regards to inter-bank offer or interest rates both in Malaysia and overseas) or the occurrence of any combination of any of the foregoing; or
 - (ii) any new law or any change in the existing laws, regulations, directive, policy or ruling in any jurisdiction or any change in the interpretation or application thereof by any court or other competent authority; or
 - (iii) any event or series of events beyond the reasonable control of our Underwriter including (without limitation) acts of government, acts of God (including, without limitation, the occurrence of a tsunami and/or earthquakes), pandemic, epidemic, acts of terrorism, strikes, national disorder, declaration of a state of emergency, lockouts, fire, explosion, flooding, landslide, civil commotion, sabotage, acts of war, diseases or accidents; or
 - (iv) any imposition of moratorium, suspension or material restriction on trading of securities on ACE Market due to exceptional financial circumstances or otherwise;
 - (v) any material adverse change in financial conditions as stated in the clause above to include stock market conditions and interest rates. For this purpose, a material adverse change in the stock market condition shall mean the Index is, at the close of normal trading on Bursa Securities, on any Market Day on or after the date of the Underwriting Agreement and prior to the allotment of the Issue Shares and transfer of the Offer Shares, lower than 90% of the level of Index at the last close of normal trading on Bursa Securities on the Market Day immediately prior to the date of the Underwriting Agreement and for at least 3 consecutive Market Days or any other adverse change in the market conditions which our Underwriter deems to be sufficiently material and adverse to render it to be a terminating event; or
 - (vi) any government requisition or occurrence of any other nature which materially and adversely affect or will materially or adversely affect the business and/or financial position of our Group; or
 - (vii) any new accounting standards and interpretations issued by MFRS;

which would have or can reasonably be expected to have, in the reasonable opinion of our Underwriter, a Material Adverse Effect on, and/or materially prejudice the financial condition, business or the operations of our Company or Group, the success of our IPO, or the distribution or sale of the IPO Shares or our Listing or which has or is reasonably likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms.

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

5.1 Promoters and Substantial Shareholders

5.1.1 Shareholdings

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

			As at the LPD				After our IPO			
			Direct		Indirect		Direct		Indirect	
			No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Name	Nationality/ Country of incorporation		No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
<u>Promoters and substantial shareholders</u>										
Sparkle Success	Malaysia		126,000,000	30.00	-	-	126,000,000	23.40	-	-
Daniel	Malaysian		63,000,000	15.00	-	-	42,000,000	7.80	-	-
Nurul Syakinah	Malaysian		84,000,000	20.00	(3)126,000,000	30.00	84,000,000	15.60	(3)126,000,000	23.40
Chow Sheng Jon	Malaysian		42,000,000	10.00	-	-	31,000,000	5.76	-	-
Amiruddin	Malaysian		21,000,000	5.00	-	-	16,600,000	3.08	-	-
<u>Substantial shareholders</u>										
Prestasi Sdn Bhd	Emas	Malaysia	84,000,000	20.00	-	-	84,000,000	15.60	-	-
Dato' Redza Abdullah	Ahmad Bin	Malaysian	-	-	(4)84,000,000	20.00	-	-	(4)84,000,000	15.60

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

Notes:

- (1) Based on our issued share capital of 420,000,000 Shares as at the LPD.
- (2) Based on enlarged issued share capital of 538,400,000 Shares after our IPO.
- (3) Deemed interested by virtue of her direct shareholdings in Sparkle Success pursuant to Section 8(4) of the Act.
- (4) Deemed interested by virtue of his direct shareholdings in Prestasi Emas Sdn Bhd pursuant to Section 8(4) of the Act.

Save for our Promoters and substantial shareholders above, there are no other persons who can, directly or indirectly, jointly or severally, exercise control over our Company. As at the LPD, our Promoters and substantial shareholders have the same voting rights as the other shareholders of our Company and there is no arrangement of which may, at a subsequent date, result in a change in control of our Company.

5.1.2 Profiles

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

(i) Sparkle Success

Promoter, Specified Shareholder and substantial shareholder

Sparkle Success was incorporated in Malaysia under the Act on 15 July 2020 as a private limited company. Sparkle Success operates as an investment holding company with interests in our Company.

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

As at LPD, Nurul Syakinah is the sole director and shareholder of Sparkle Success.

(ii) Daniel

Promoter, Specified Shareholder, substantial shareholder and Managing Director

Daniel, a Malaysian male aged 62, is our founder, Promoter, Specified Shareholder, substantial shareholder and Managing Director. He was appointed to our Board on 14 September 2020 and is responsible for leading our Group's overall business growth and direction.

He has a Bachelor of Science degree in Petroleum Engineering from Universiti Teknologi Malaysia, from which he graduated in September 1988. He also has an MBA from the University of Strathclyde, Scotland, which he completed in 2005.

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

He began his more than 35-year career in the upstream O&G industry in September 1988, when he joined Schlumberger Overseas S.A. as a Junior Field Engineer. He was responsible for Field Operations service delivery. He received a promotion the following year in 1989 to Field Engineer where he provided technical support in the field by planning and operating field operations under Schlumberger Technical division. In 1991, he received another promotion and assumed the role of Senior/ General Field Engineer where he was tasked to manage and deliver Schlumberger Wireline operation. In 1994, he received another promotion as Engineer In Charge, where he supervised operations in Aceh, Indonesia. In 1995, he was promoted to Location Manager in Aceh, Indonesia. In 1996, he was promoted to Field Service Manager for the operations in Kemaman, Malaysia. In this role he led and managed the company's business quality, safety and profitability. In 1997, he was promoted to the District Technical Manager in Port Harcourt, Nigeria where he was responsible for the technical support and service quality. He left the company in 1998.

In end of 1998, he joined PT Atlas Wireline Indonesia as their Operations Manager. He was responsible for managing oil field delivery operations across the Sumatera region. He left the company in October 2001.

In the following month, he joined Landmark Graphics (Malaysia) Sdn Bhd as their Operations Manager and Business Development Manager where he was responsible for overseeing all O&G activities and operations across both Asia Pacific and Indian regions. He repatriated to Kuala Lumpur in 2004 and assumed the regional role of Service Lead, Asia Pacific. In 2005, he was transferred to be the Account Leader, India, handling business development and sales. He left the company in August 2006.

In the following month, he assumed the position of General Manager at Welltec Oilfield Services (M) Sdn Bhd. In this position, his overall responsibilities were to enhance business strategies and operations through sales management, leadership and sales results in Kuala Lumpur to maximise revenue and growth opportunities for the company. He left the company in September 2007.

In the following month, he joined Roxar AS as their Regional Service Manager, Asia Pacific. In this role, he was responsible for enhancing business growth and performance. In March 2011, he was promoted to Regional Sales Manager, Asia Pacific. He left the company in 2011.

In 2012, he joined the Uzma Group as their Chief Operating Officer. He was responsible for overseeing and managing business strategies and operations to achieve the company's operational and financial goals. He left the company in June 2015.

He then assumed his current position as our Managing Director in September 2015.

He is the spouse of Nurul Syakinah, our Promoter, Specified Shareholder, substantial shareholder and Non-Independent Non-Executive Director.

Details of his involvement in other companies outside of our Group are set out in Section 5.2.3(ii) of this Prospectus.

(iii) **Nurul Syakinah**

Promoter, Specified Shareholder, substantial shareholder and Non-Independent and Non-Executive Director

Nurul Syakinah, a Malaysian female aged 37, is our Non-Independent and Non-Executive Director. She was appointed to our Board on 16 April 2021. She is the spouse of our founder, Promoter, Specified Shareholder, substantial shareholder and Managing Director, Daniel.

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

She graduated from the University of Trisakti, Indonesia, in 2014 with a Bachelor's Degree in Dental Surgery.

She began her career as a houseman in November 2014 with the Ministry of Health ("KKM") and was confirmed as a Dental Officer in 2015, where she served in Hospital Queen Elizabeth Kota Kinabalu. She was subsequently transferred to Hospital Lahad Datu, Sabah, where she served until 2016. As a dental officer, she carried out dental procedures and treatments for patients.

Following her departure from KKM, she joined the private sector in 2017 at My Dental Care in Kuala Lumpur. She left the clinic in January 2018. She set up her own private practice, Sparkle Dental Sdn Bhd, in February 2018 and has since opened 3 other clinics.

She joined our Group as a Non-Executive Director in 2016. Her key responsibilities were to ensure that the company is operating to all regulatory compliances. She resigned from her position in 2020 but later re-joined the company in 2021 as our Non-Executive Director. For information, Nurul Syakinah is represented in the Board by virtue of her being the Promoter and 50.00% substantial shareholder of our Company through her shareholdings detailed in Section 5.1.1 of this Prospectus.

She is the spouse of Daniel, our founder, Promoter, Specified Shareholder, substantial shareholder and Managing Director.

Details of her involvement in other companies outside of our Group are set out in Section 5.2.3(iii) of this Prospectus.

(iv) Chow Sheng Jon

Promoter, substantial shareholder and Head of Digital, Robotics and Engineering, and Talent Solutions Department

Chow Sheng Jon, a Malaysian male aged 41, is our Head of Digital, Robotics and Engineering, and Talent Solutions Department. He is responsible for overseeing and managing our Group's digital, robotics and engineering, and talent solutions segments.

He graduated in August 2008 from Universiti Tenaga Nasional with a Bachelor's Degree in Electrical and Electronics Engineering.

In April 2008, he began his career with Huawei Technologies (M) Sdn Bhd as a Product Engineer where he was responsible for preparing detailed network designs, progressive client engagements and commercial involvement during tenders. In 2011, he was promoted to South Pacific Regional Solution Sales Manager where he focused on technical sales, market expansion, product positioning and project solution preparations. He left the company in June 2012.

In July 2012, he joined Uzma Engineering Malaysia and assumed the position of Technical Sales Manager. His role involved developing business, overseeing partners and stakeholders as well as managing commercial and contracts in the upstream O&G industry. In 2016, he was transferred to Premier Enterprise Corporation (M) Sdn. Bhd as Senior Manager, Technical Sales after Premier Enterprise Corporation (M) Sdn Bhd was acquired by Uzma Group. His responsibilities include introducing and strategic solution selling of offshore engineering products and managing business and financial performance for his department. He left the company in January 2017.

He joined our Group as Vice President, Sales and Marketing Department in February 2017, and was redesignated as Head of Digital, Robotics and Engineering, and Talent Solutions Department in January 2025, a position he holds to date.

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

Details of his involvement in other companies outside of our Group are set out in Section 5.3.3(iii) of this Prospectus.

(v) **Amiruddin**

Promoter, Specified Shareholder, substantial shareholder and Executive Chairman

Amiruddin, a Malaysian male aged 64, is our Executive Chairman. He was appointed to our Board on 14 September 2020 and is involved in leadership advisory to support our Managing Director in matters relating to growth and strategy development.

He graduated with a Bachelor of Science in Geology from Universiti Malaya, Malaysia in 1987.

With over 35 years of experience in the O&G industry, he began his career in 1988 with GeoEast Sdn Bhd as a Data Engineer, and was responsible for executing mudlogging operations and managing wellsite geology duties. He left the company in January 1992.

In the following month, he joined PETRONAS Carigali Sdn Bhd (“**PCSB**”) as Executive (Exploration) where he was responsible for supervising and guiding ongoing onsite wellsite geology operations which include the entirety of the drilling process for extracting oil. He was also responsible for analysing samples taken from the well to identify rock formations and advise personnel on site about drilling strategies/directions.

During his time at PCSB, he was also responsible for O&G prospects evaluation and generation, operations geologist, production sharing contracts (“**PSC**”) management, deployment of personnel to the appropriate and relevant business designation, as well as deepwater oilfield operations and exploration operations. He was also responsible for managing operations and communications between the economic planning unit and the government and customs authorities of Malaysia and Thailand. His last held position was General Manager before he left the company in 2017 upon reaching the age of retirement.

He joined our Group as our Chief Executive Officer in 2018 and was redesignated as Executive Chairman in March 2024.

As at the LPD, he is currently not sitting on the board of other companies.

(vi) **Prestasi Emas Sdn Bhd**

Substantial shareholder

Prestasi Emas Sdn Bhd was incorporated in Malaysia under the Act on 3 April 2023 as a private limited company. Prestasi Emas Sdn Bhd is principally involved in the export and import of a variety of goods without any particular specialisation N.E.C., the buying, selling, renting and operating of self-owned or leased real estate (i.e. residential buildings) as well as activities of holdings companies.

As at the LPD, the issued share capital of Prestasi Emas Sdn Bhd is RM100 comprising 100 ordinary shares.

As at the LPD, Dato’ Ahmad Redza Bin Abdullah is the sole director and sole shareholder of Prestasi Emas Sdn Bhd.

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

(vii) Dato' Ahmad Redza Bin Abdullah

Substantial shareholder

Dato' Ahmad Redza Bin Abdullah, a Malaysian male aged 63, is our substantial shareholder.

He graduated with a Bachelor of Laws from the University of London, United Kingdom in 1987. In 1988, he obtained his Certificate of Legal Practice from the University of Malaya. He was admitted to the High Court of Malaya in 1989.

Upon graduation, he began his career in 1989 as an associate with Shook Lin & Bok, a legal firm in Malaysia.

He left Shook Lin & Bok in 1992 and joined Messrs. NK Tan & Rahim as the Head of Litigation. He was a lead counsel for the firm which was primarily focused in banking and commercial law.

He resigned from Messrs. NK Tan & Rahim in 1993 and co-founded Shahrizat Rashid & Lee, where he served as the Managing Partner and Head of Litigation and Dispute Resolution. He was a lead counsel for the firm and dealt mostly with civil, commercial and corporate disputes which also encompassed constitutional and international law. He resigned from Shahrizat, Rashid & Lee in 2017.

In 2018, he was appointed as Executive Director of Sarawak Cable Berhad. Prior to this, he was appointed as the Independent Non-Executive Director of Sarawak Cable Berhad in 2009. He was appointed as Managing Director in 2018 and subsequently re-designated as Group Managing Director in 2021. He was entrusted in the restructuring of the entire group while ensuring the completion of multiple landmark projects in the country and overseas.

After his departure from Sarawak Cable Berhad in 2022, he founded Messrs Redza Eleena Chong (REC Legal). He is the Managing Partner of the firm, where he currently leads and oversees the firm's operations and conduct matter as counsel in court.

In August 2025, he was appointed as Chairman of Keretapi Tanah Melayu Berhad (KTMB).

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

The changes in our Promoters and substantial shareholders' shareholdings since our incorporation on 14 September 2020 are as follows:

Name	As at 14 September 2020 (Incorporation date)				As at 29 June 2022			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
<u>Promoters and substantial shareholders</u>								
Sparkle Success	-	-	-	-	250,000	25.00	-	-
Daniel	40,000	20.00	-	-	200,000	20.00	(4)250,000	25.00
Nurul Syakinah	40,000	20.00	-	-	200,000	20.00	(4)250,000	25.00
Chow Sheng Jon	20,000	10.00	-	-	100,000	10.00	-	-
Amiruddin	50,000	25.00	-	-	250,000	25.00	-	-
<u>Substantial shareholders</u>								
Norahmadi Bin Sulong ⁽³⁾	50,000	25.00	-	-	-	-	-	-
Prestasi Emas Sdn Bhd	-	-	-	-	-	-	-	-
Nik Iruwan Bin Dato' Nik Izani	-	-	-	-	-	-	-	-
Dato' Ahmad Redza Bin Abdullah	-	-	-	-	-	-	-	-

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

Name	As at 2 August 2023				After the Bonus Issue of Shares but before our IPO			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	⁽⁵⁾ %	No. of Shares	⁽⁵⁾ %	No. of Shares	⁽⁶⁾ %	No. of Shares	⁽⁶⁾ %
<u>Promoters and substantial shareholders</u>								
Sparkle Success	250,000	25.00	-	-	105,000,000	25.00	-	-
Daniel	200,000	20.00	⁽⁴⁾ 250,000	25.00	84,000,000	20.00	⁽⁴⁾ 105,000,000	25.00
Nurul Syakinah	200,000	20.00	⁽⁴⁾ 250,000	25.00	84,000,000	20.00	⁽⁴⁾ 105,000,000	25.00
Chow Sheng Jon	100,000	10.00	-	-	42,000,000	10.00	-	-
Amiruddin	50,000	5.00	-	-	21,000,000	5.00	-	-
<u>Substantial shareholders</u>								
Norahmadi Bin Sulong ⁽³⁾	-	-	-	-	-	-	-	-
Prestasi Emas Sdn Bhd	200,000	20.00	-	-	84,000,000	20.00	-	-
Nik Iruwan Bin Dato' Nik Izani	-	-	⁽⁷⁾ 200,000	20.00	-	-	⁽⁷⁾ 84,000,000	20.00
Dato' Ahmad Redza Bin Abdullah	-	-	⁽⁷⁾ 200,000	20.00	-	-	⁽⁷⁾ 84,000,000	20.00

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

Name	As at the LPD				After our IPO			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	⁽⁶⁾ %	No. of Shares	⁽⁶⁾ %	No. of Shares	⁽⁸⁾ %	No. of Shares	⁽⁸⁾ %
<u>Promoters and substantial shareholders</u>								
Sparkle Success	126,000,000	30.00	-	-	126,000,000	23.40	-	-
Daniel	63,000,000	15.00	-	-	42,000,000	7.80	-	-
Nurul Syakinah	84,000,000	20.00	⁽⁴⁾ 126,000,000	30.00	84,000,000	15.60	⁽⁴⁾ 126,000,000	23.40
Chow Sheng Jon	42,000,000	10.00	-	-	31,000,000	5.76	-	-
Amiruddin	21,000,000	5.00	-	-	16,600,000	3.08	-	-
<u>Substantial shareholders</u>								
Norahmadi Bin Sulong ⁽³⁾	-	-	-	-	-	-	-	-
Prestasi Emas Sdn Bhd	84,000,000	20.00	-	-	84,000,000	15.60	-	-
Nik Iruwan Bin Dato' Nik Izani	-	-	⁽⁹⁾ -	-	-	-	-	-
Dato' Ahmad Redza Bin Abdullah	-	-	⁽⁷⁾ 84,000,000	20.00	-	-	⁽⁷⁾ 84,000,000	15.60

Notes:

- (1) Based on our issued share capital of 200,000 Shares as at 14 September 2020, our Company's incorporation date.
- (2) Based on our issued share capital of 1,000,000 Shares as at 29 June 2022, being the completion date of the acquisition of the entire equity interest in Elsa Energy by our Company.
- (3) Norahmadi Bin Sulong ceased to be a shareholder of our Company on 28 May 2021, wherein all of his shares were transferred to Sparkle Success. Save as disclosed whereby Norahmadi Bin Sulong was prior shareholder of Elsa, he does not have any other relationship with our Promoters, Directors and Key Senior Management.
- (4) Deemed interested by virtue of her direct shareholdings in Sparkle Success pursuant to Section 8(4) of the Act.

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

- (5) Based on our issued share capital of 1,000,000 Shares as at 2 August 2023, being the completion date of Prestasi Emas Sdn Bhd's acquisition of 200,000 Shares from Amiruddin.
- (6) Based on our issued share capital of 420,000,000 Shares after the Bonus Issue of Shares but before our IPO/as at the LPD.
- (7) Deemed interested by virtue of his direct shareholdings in Prestasi Emas Sdn Bhd pursuant to Section 8(4) of the Act.
- (8) Based on the enlarged issued share capital of 538,400,000 Shares after our IPO.
- (9) Nik Iruwan Bin Dato' Nik Izani, had on 24 July 2025, ceased to be a shareholder of Prestasi Emas Sdn Bhd as he transferred his entire shareholding to Dato' Ahmad Redza Bin Abdullah. Save as disclosed whereby Nik Iruwan Bin Dato' Nik Izani was prior shareholder of Elsa, he does not have any other relationship with our Promoters, Directors and Key Senior Management

5.1.4 Remuneration and Benefits of Our Promoters and Substantial Shareholders

Save for the following, there are no other amounts or benefits that have been paid or intended to be paid to our Promoters and substantial shareholders within the 2 years preceding the date of this Prospectus:

- (a) aggregate remuneration and benefits paid and proposed to be paid for services rendered to our Group in all capacities as set out in Section 5.2.4 of this Prospectus; and
- (b) dividends paid or to be paid to our Promoters and substantial shareholders as detailed below:

Name	Dividends paid			Dividends to be paid
	FYE 2024	FYE 2025	1 January 2026 up to the LPD	As at the date of this Prospectus
	RM'000	RM'000	RM'000	RM'000
<u>Promoter and substantial shareholders</u>				
Sparkle Success	250	-	-	-
Daniel	200	-	-	-
Nurul Syakinah	200	-	-	-
Chow Sheng Jon	100	-	-	-

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

Name	Dividends paid			Dividends to be paid
	FYE 2024	FYE 2025	1 January 2026 up to the LPD	As at the date of this Prospectus
	RM'000	RM'000	RM'000	RM'000
<u>Promoter and substantial shareholders</u>				
Amiruddin	50	-	-	-
<u>Substantial shareholders</u>				
Prestasi Emas Sdn Bhd	200	-	-	-

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

5.2 Directors

5.2.1 Shareholdings

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

Director	Designation	Nationality	As at the LPD				After our IPO			
			Direct		Indirect		Direct		Indirect	
			No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Amiruddin	Executive Chairman	Malaysian	21,000,000	5.00	-	-	16,600,000	3.08	-	-
Daniel	Managing Director	Malaysian	63,000,000	15.00	-	-	42,000,000	7.80	-	-
Nurul Syakinah	Non-Independent Non-Executive Director	Malaysian	84,000,000	20.00	(3)126,000,000	30.00	84,000,000	15.60	(3)126,000,000	23.40
Mohd Shahriman Bin Mohd Sidek	Independent Non-Executive Director	Malaysian	-	-	-	-	(4)500,000	0.09	-	-
Maliki Kamal Bin Mohd Yasin	Independent Non-Executive Director	Malaysian	-	-	-	-	(4)250,000	0.05	-	-
Aliza Binti Ashari	Independent Non-Executive Director	Malaysian	-	-	-	-	(4)250,000	0.05	-	-
Azuraida Binti Shahadan	Independent Non-Executive Director	Malaysian	-	-	-	-	(4)500,000	0.09	-	-

Notes:

- (1) Based on our issued share capital of 420,000,000 Shares as at the LPD.
- (2) Based on enlarged issued share capital of 538,400,000 Shares after our IPO.
- (3) Deemed interested by virtue of her direct shareholdings in Sparkle Success pursuant to Section 8(4) of the Act.
- (4) Assuming all of our Independent Non-Executive Directors will fully subscribe for their respective entitlements under the Pink Form Allocations.

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

5.2.2 Profiles

The profiles of our Directors, namely Amiruddin, Daniel and Nurul Syakinah, who are also our Promoters and substantial shareholders, are disclosed in Section 5.1.2 of this Prospectus.

The profiles of our other Directors are as follows:

(i) Mohd Shahrman Bin Mohd Sidek

Independent Non-Executive Director

Mohd Shahrman Bin Mohd Sidek, a Malaysian, aged 62, is our Independent Non-Executive Director. He was appointed to our Board on 31 January 2025.

He graduated in 1987 with a Diploma in Architecture from Institut Teknologi Mara. He then obtained his Bachelor of Arts (Honours) in Architectural studies in 1989 from Oxford Polytechnic, United Kingdom (presently known as Oxford Brookes University, United Kingdom). He obtained his Post Graduate Diploma in Urban Design and Architecture from the same alma mater in 1992.

In 1991, he joined Halcrow Fox and Associates, an architectural firm in the United Kingdom, as a Graduate Architect. He was subsequently promoted to Urban Designer where he worked with various stakeholders to create plans for the development and revitalisation of cities across the United Kingdom and Middle East. He left the company in February 1994 to return to Malaysia.

Subsequently, he returned to Malaysia in 1994 and joined Akitek Jururancang (M) Sdn Bhd as an Architect. In this position, he was responsible for creating urban design works for Kuala Lumpur International Airport and Putrajaya. He also became the Project Director for Integrated Geographic Designs Sdn Bhd in May 1994. In this position, he was responsible for developing designs and providing visualisation and animation services. He left the companies in July 1995.

In 1994, he co-founded an architecture company, Focus Architects and Urban Planners Sdn Bhd. His responsibilities in this role include overseeing various projects such as UNITEN University. He disposed of his shares and left the partnership in 1996.

In 1997, he was appointed as Director at Halcrow Consultants, Malaysia, a project management and consulting company. In this role, he was responsible for leading the company's business development and overseeing its four regional business units. He left the company in 1999.

In 1997, he focused on overseeing Maniscoco Sdn Bhd, a digital graphic design company which he co-founded in 1996, where he served as their Managing Director and Creative Director. In these positions, he was principally responsible for overseeing the creative designs for digital projects and operations and also led the company to collaborate with strategic businesses to work with Digital Corporation USA. He left the company in January 1999.

Subsequently, in the same year, he founded VtoV.com Inc. in Los Angeles, USA, a digital media and technology company. He assumed the position of Chief Executive Officer where he was responsible for setting the strategic direction and business growth of the company as well as establishing strategic collaborations. He left the company in February 2002.

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

Following this, upon returning to Malaysia, he assumed a position as a Resident Consultant at Macroworks Sdn Bhd, a project management and infrastructure company. In this position, he was responsible for heading the project team and managing development tasks. He left the company in December 2003.

In February 2002, he also set up Infomanis Management, a sole proprietorship through which he undertook business development and consulting engagements until the expiry of the business registration in December 2008.

In December 2003, he served as President of Unisay Sdn Bhd, a technology research company specialising in the development of future speech and audio technologies. In this role, his responsibilities include managing client relationships, developing strategic alliances as well as statutory applications for MSC status and grants. He left the company in December 2005.

Between 2005 and 2009, he engaged in design consulting and advisory opportunities and projects in internet technologies as a freelance consultant.

In February 2009, he joined the Corporate Affairs division of DiGi Telecommunications Sdn Bhd as Principal, where he assisted in the areas of corporate responsibility and new business team development. His last held position was the Principal of the Government and Regulatory Management department. He was responsible for leading the company's Universal Service Provision (USP) programme team and stakeholder management with government agencies. He left the company in July 2011.

A month later, he focused on business development and consulting engagements as Principal Consultant of Infomanis Management, a sole proprietorship he set up in September 2010.

In 2017, he joined MSA Resources Sdn Bhd as the Chief Executive Officer. He was responsible for overseeing the daily operations of the company and setting business targets. He left the company in January 2020.

In January 2020, he assumed the position of Senior Vice President for Business Development at SD Global Technologies Sdn Bhd, a healthcare technology company. He was responsible for managing the company's business development and marketing activities. He left SD Global Technologies Sdn Bhd in December 2021. During his time at SD Global Technologies Sdn Bhd, he also concurrently held the position of Chief Representative for Malaysia for Fintrade-Mercer Group. He was responsible for spearheading business development activities as well as consulting on several projects in Malaysia. He left Fintrade-Mercer Group in March 2021.

In April 2021, he assumed the position of Vice President for Market and Industry Development at CREST, Penang, as their Vice President, where he is responsible for initiating and facilitating industry-led research and development activities. He left the company in 2023.

In 2022, he joined International Data Center Authority, Inc as regional director. He was responsible for developing their business in the ASEAN region. He left the company in July 2024. In July 2025, he rejoined International Data Center Authority, Inc as Head of ASEAN. In the same month, he also joined Dataswyft Global Ltd as Senior Director of Government Affairs.

In January 2025, he was appointed as an advisor to the Digital Minister in relation to data governance.

Details of his involvement in other companies outside of our Group are set out in Section 5.2.3(iv) of this Prospectus.

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

(ii) **Maliki Kamal Bin Mohd Yasin**

Independent Non-Executive Director

Maliki Kamal Bin Mohd Yasin, a Malaysian, aged 63, is our Independent Non-Executive Director. He was appointed to our Board on 31 January 2025.

In 1987, he received his Bachelor of Laws from International Islamic University Malaysia. He completed the Wharton Advanced Management Program at The Wharton School, University of Pennsylvania in 2017.

He began his career in 1988 at Messrs Tengku Sulaiman and Associates as an advocate and solicitor mainly responsible for civil and criminal litigations, conveyancing matters, banking matters, estate distribution matters, etc. He left the firm in June 1990.

In June 1990, he began his 31-year career with PETRONAS, first joining them as a Legal Officer, mainly responsible for corporate and commercial (legal) matters for Petronas Holding Units. In October 1990, he was transferred to Petronas Penapisan (Terengganu) Sdn Bhd ("**PPTSB**") as Legal Officer and Company Secretary. He continued to serve PPTSB until April 2007. His last position was Legal Counsel-Co Secretary/Legal Advisor accountable for various functions such as Legal, Corporate Secretariat, Business Planning, Commercial, Production Planning, and Risks Management.

In May 2007, he was transferred to PETRONAS as General Manager (Legal – Corporate Services & Technology). Thereafter, he continued to serve in various senior management roles such as Head (Legal – Corporate Services & Technology), Head (Legal & Corporate Secretariat), Head (General Counsel – RAPID Project), Head (Legal Downstream), and Head (Legal Downstream, Finance and Technology). In 2017, he was appointed as Senior Vice President and Group General Counsel, where he was responsible for the overall legal and corporate secretarial provisions for PETRONAS operations worldwide. He held this position until his retirement in 2021.

Details of his involvement in other companies outside of our Group are set out in Section 5.2.3(v) of this Prospectus.

(iii) **Aliza Binti Ashari**

Independent Non-Executive Director

Aliza Binti Ashari, a Malaysian, aged 59, is our Independent Non-Executive Director. She was appointed to our Board on 31 January 2025.

She received her Foundation in Accountancy at Newcastle Polytechnic (now known as Northumbria University) in 1988. She then pursued the Association of Chartered Certified Accountants professional qualification and was admitted as a member of the association in 1995. She subsequently became a fellow member of the association in 2000. She also became a chartered member of the Malaysian Institute of Accountants in 2009.

She started her career in DRB-HICOM Group as an Accounting Executive at HICOM Diecasting Sdn Bhd in 1991, where she was responsible for the financial management of the company. She left the company in March 1996.

In April 1996, she assumed the position of an accountant at Land Rover (M) Sdn Bhd and was responsible for the general financial matters and management of the importation and retail of Land Rover vehicles. She left the company in December 2004.

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

Within the same month, she assumed the position of Finance Manager at Auto Bavaria Division under Tractors Malaysia Sdn Bhd. She was responsible for the general financial management of BMW dealerships in Malaysia as well as the importation of BMW cars & bikes from Germany. She left the company in April 2008.

Within the same month, Aliza was appointed as the Financial Controller at Sapura Secured Technologies Group. She was responsible for managing the finances of over 15 companies with businesses in Malaysia, Singapore, Thailand and Australia. She left the company in March 2011.

In the following month, Aliza assumed the role of Chief Financial Officer and Company Secretary at SapuraCrest Petroleum Bhd. She was responsible for the financial management of over 80 companies in the Group, including collaborations with international partners. She was also a member of the Risk Management Committee, Bid Committee, Tender Procurement Committee and Executive Committee. In August 2012, following the completion of the merger between SapuraCrest Petroleum Bhd and Kencana Petroleum Bhd, she was redesignated as Vice President, Corporate Accounts of SapuraKencana Petroleum Berhad (now known as Vantris Energy Berhad). She was then seconded to Labuan Shipyard & Engineering Sdn Bhd as Chief Financial Officer from February 2013. She was responsible for the financial management, procurement, warehouse, logistics and ERP departments. She left the company in November 2016 and took a career break until 2020.

In January 2021, Aliza accepted an offer from Sapura Secured Technologies Group to become their Chief Financial Officer on a contract basis. She was responsible for managing the finances of the Group as well as the financial affairs of Sapura Holding Sdn Bhd and its holding company. She left the Group in 2023.

Details of her involvement in other companies outside of our Group are set out in Section 5.2.3(vi) of this Prospectus.

(iv) **Azuraida Binti Shahadan**

Independent Non-Executive Director

Azuraida Binti Shahadan, a Malaysian, aged 42, is our Independent Non-Executive Director. She was appointed to our Board on 1 December 2025.

In August 2006, she received a Bachelor of Business Administration from University of Malaya. Following this, in August 2008, she received a Master of Educational Management from University of Malaya. In December 2010, she received a Master of Education from the University of Pittsburgh. In January 2015, she received a Doctor of Education (Educational Leadership) from California State University, Fullerton. In addition, she has also obtained qualifications in parenting and cognitive fitness over the years from Saddleback College, California and Harvard Health Publishing respectively.

Concurrent with pursuing her Bachelor and Master qualifications at University of Malaya, she also undertook various teaching positions at the university on a contractual basis. Following this, in November 2008, she appointed as Director of Professional Calibre International (M) Sdn Bhd, where she was involved in supervising project and strategic planning for the company's activities in education abroad and training programmes. She left the company in December 2016 and continued undertaking teaching positions at University of Malaya on a contractual basis. Her last held role at University of Malaya was Senior Lecturer in the Faculty of Education. In this role, she was involved in teaching courses in organisational and self-leadership, ethics in teaching, and educational administration. She left the university in March 2017.

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

In May 2017, she joined KRU Media Sdn Bhd as Publication Director, where she was involved in providing consultancy for educational projects including the publication of educational books, on an ad-hoc basis. She left the company in May 2018. Concurrently, in July 2017, she joined University Kuala Lumpur (Business School) as Lecturer where she was involved in teaching leadership courses on a part-time basis. She left the university in May 2022.

In October 2019, she founded DRAZU Training Academy & Consultancy as a sole proprietor, a position which she holds to-date. She is involved in overseeing and providing consultancy for training programs focused on mental health, mindset, personal and professional development. She is responsible for the overall corporate management, business development and strategic planning of the sole proprietorship.

In September 2022, she co-founded Ratu FNB Sdn Bhd (now known as DRAZU International Sdn Bhd) and acted as Marketing Director. She was responsible for the overall sales and marketing strategy of the company until it ceased its business activities. The company was involved in the production and retail of cooking cubes until it ceased business activities in October 2024 and has since remained dormant.

In June 2025, she joined UCYP University as Adjunct Professor in the Faculty of Technology, Design and Management, a position which she holds to-date, under a 2 year-contract. She is involved in providing consultancy for overseas student placements, training and student entrepreneurship programmes on an ad-hoc basis.

During the course of her career over the years, she was also involved in various personal consultancy and advisory roles for social contribution, community and charitable events on an ad-hoc basis, with local and international non-governmental organisations as well as diplomatic and governmental organisations, including but not limited to the following:

- Secretary General for Pertubuhan Kasih Neelofa;
- Project Director for World Youth Foundation;
- Deputy Secretary General of the ASEAN Chamber of Commerce and Industry, 2025 to 2027; and
- Partner to the Russian Centre of Science and Culture in Kuala Lumpur.

Details of her involvement in other companies outside of our Group are set out in Section 5.2.3(vii) of this Prospectus.

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

5.2.3 Principal directorships and business activities of our Directors outside our Group for the past 5 years

Save as disclosed below, as at the LPD, none of our Directors have any principal business activities performed outside our Group (including principal directorships) in the past 5 years preceding the LPD:

(i) Amiruddin

Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
					Direct (%)	Indirect (%)
<u>Present involvement</u>						
Nil						
<u>Past involvement</u>						
Nil						

(ii) Daniel

Company		Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
						Direct (%)	Indirect (%)
<u>Present involvement</u>							
Nil							
<u>Past involvement</u>							
Gemini Bliss Sdn Bhd	Activities of holding companies; export and import of a variety of goods without any particular specialisation N.E.C.; buying, selling, renting and operating of self-owned or leased real estate – residential buildings	Director	6 June 2023	17 April 2024	-	-	

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

Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
					Direct (%)	Indirect (%)
Nagamas Energy Sdn Bhd	Dissolved ⁽¹⁾	Shareholder	-	-	10.00	-
Sparkle Success	Investment holding with interests in our Company	Director/Shareholder	15 July 2020	⁽²⁾ 15 December 2025	⁽²⁾ 5.00	-

Note:

- (1) This company was dissolved on 16 September 2022. The status of this company was dormant prior to its dissolution.
- (2) Daniel had on 15 December 2025 resigned as a director of Sparkle Success. On 17 December 2025, he had transferred 50 ordinary shares, representing his entire equity interest in Sparkle Success, to his spouse, Nurul Syakinah, as part of his personal estate planning. Premised on the above, the shares were transferred at a total consideration sum of RM50, being the nominal value of the shares.

(iii) Nurul Syakinah

					Equity interest			
Company	Principal activities			Involvement in business	Date of appointment	Date of resignation	Direct (%)	Indirect (%)
<u>Present involvement</u>								
Oral Orbital Sdn Bhd	Dental services			Director/Shareholder	19 August 2021	-	50.00	-
Sparkle Success	Investment holding with interests in our Company			Director/Shareholder	15 July 2020	-	⁽¹⁾ 100.00	-
Sparkle Dental Sdn Bhd	Dental services			Director/Shareholder	2 November 2017	-	100.00	-

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

					Equity interest	
Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Direct (%)	Indirect (%)
<u>Past involvement</u>						
Gemini Bliss Sdn Bhd	Activities of holding companies; export and import of a variety of goods without any particular specialisation N.E.C.; buying, selling, renting and operating of self-owned or leased real estate – residential buildings	Director	6 June 2023	17 April 2024	-	-

Note:

- (1) Daniel had on 17 December 2025 transferred 50 ordinary shares, representing his entire equity interest in Sparkle Success, to his spouse, Nurul Syakinah, as part of his personal estate planning. Premised on the above, the shares were transferred at a total consideration sum of RM50, being the nominal value of the shares.

(iv) Mohd Shahrman Bin Mohd Sidek

					Equity interest		
Company	Principal activities		Involvement in business	Date of appointment	Date of resignation	Direct (%)	Indirect (%)
<u>Present involvement</u>							
IDCA (Asia) Sdn Bhd	Business management consultancy services; wholesale of a variety of goods without any particular specialisation N.E.C.; other management consultancy activities N.E.C.	Director/Shareholder	29 March 2024	-	100.00	-	
Sigenex Technologies Sdn Bhd	Research and development of biotechnology	Director	10 February 2023	-	-	-	

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

Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
					Direct (%)	Indirect (%)
Betamek Berhad	Activities of holding companies ⁽¹⁾	Independent Non-Executive Director/Shareholder	27 January 2022	-	0.17	-
Data Campus Sdn Bhd	Computer consultancy; activities of providing infrastructure for hosting, data processing services and related activities; data processing activities	Director/Shareholder ⁽²⁾	4 September 2020	-	50.00	-
Odesi Istimewa Sdn Bhd	Investment holding with interest in property	Director/Shareholder	8 July 2019	-	-	⁽³⁾ 100.00
Area-Focus Sdn Bhd	Contracting works	Shareholder	-	-	49.00	-
DWI Serimas Sdn Bhd	Wholesale of a variety of goods without any particular specialisation; stock, share and bond brokers; real estate activities with own or leased property	Director/Shareholder	15 April 2014	-	100.00	-
Insanas Enterprise Sdn Bhd	To carry on the business of food and beverage processing and trading, investment holding and to carry on specialised construction, building completion and finishing activities	Director/Shareholder	22 March 2013	-	100.00	-
Rentak Delima Sdn Bhd	General trading; investment holding company; property	Director	16 September 2008	-	-	-

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

Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
					Direct (%)	Indirect (%)
Call Creative Signs Sdn Bhd	Advertising contractor	Director	21 November 1996	-	-	-
Infomanis Management	Provision of consultancy and management services	Sole proprietor ⁽²⁾	21 September 2010	-	100.00	-
Earth Geomatic Science PLT	Provision of land surveying services as well as other architectural and engineering activities and related technical consultancy N.E.C.; other information technology service activities N.E.C.	Partner	14 February 2017	-	50.00	-
Arch ETC PLT	Provision of business and other management consultancy services as well as other architectural and engineering activities and related technical consultancy services N.E.C.	Partner	2 November 2020	-	50.00	-
<u>Past involvement</u>						
Dataprep Holdings Berhad	Investment holding ⁽⁴⁾ and the provision of management services to its subsidiaries	Independent Non-Executive Director	11 July 2024	4 July 2025	-	-
Future of Technology Innovation Center Malaysia Sdn Bhd	Dissolved ⁽⁵⁾	Director	13 September 2019	2 December 2024	-	-

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

- (1) Betamek Berhad is a public limited company listed on the ACE Market. Through its subsidiary, they are principally engaged in the provision of electronics manufacturing services for the automotive markets predominantly in Malaysia, where they undertake design and development, procurement and manufacturing as well as after-sales services in respect of the assembly and production of fully assembled automotive electronic products.
- (2) As at the LPD, Data Campus Sdn Bhd and Infomanis Management are principally engaged in the provision of consultancy and coordination services for companies involved in the establishment and operation of data centres. These activities do not form part of our Group's principal activities. Accordingly, Mohd Shahrman Bin Mohd Sidek's involvement as a director and shareholder of Data Campus Sdn Bhd, and as sole proprietor of Infomanis Management, does not give rise to any conflict of interest with our business operations.
- (3) Deemed interested by virtue of his direct shareholdings in Insanas Enterprise Sdn Bhd pursuant to Section 8(4) of the Act.
- (4) Dataprep Holdings Berhad is a public limited company listed on the Main Market of Bursa Securities. Through its subsidiaries, they are principally engaged in systems integration, managed services as well as payment solutions and services.
- (5) This company was dissolved on 2 December 2024. Its principal activities prior to its dissolution include the provision of computer training, business management consultancy services, activities of providing infrastructure for hosting, data processing services and related activities.

(v) Maliki Kamal Bin Mohd Yasin

Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
					Direct (%)	Indirect (%)
<u>Present involvement</u>						
Gas Malaysia Berhad	Provision of management services; investment holdings ⁽¹⁾	Independent Non-Executive Director	1 September 2022	-	-	-
Ancom Nylex Berhad	Investment holding ⁽²⁾ and provision of management services to its subsidiaries	Independent Non-Executive Director	28 October 2021	-	-	-

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

Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
					Direct (%)	Indirect (%)
Trillion Cove Holdings Berhad	Activities of holding companies; organisation, promotions and/or management of event; other telecommunications activities N.E.C.	Shareholder ⁽³⁾	-	-	0.03	-
<u>Past involvement</u>						
Clear Water Services Sdn Bhd	O&G sectors	Director	26 January 2022	31 May 2022	-	-
Malaysian Jet Services Sdn Bhd	Provision of aircraft and related services	Director	22 October 2015	1 July 2021	-	-

Notes:

- (1) Gas Malaysia Berhad is a public limited company listed on the Main Market of Bursa Securities. Through its subsidiaries, they are primarily engaged in selling liquefied petroleum gas, natural gas and other gaseous fuel, developing, operating and maintaining the distribution pipeline and to deliver gas through the distribution pipeline as well as the provision of related services and energy solutions to industrial, commercial and residential sectors.
- (2) Ancom Nylex Berhad is a public limited company listed on the Main Market of Bursa Securities. Through its subsidiaries, they are primarily engaged in the provision of management services, manufacturing and trading of agricultural chemical products and related business, trading of petrochemical and industrial chemicals, manufacturing, trading and sale of polymer products, ship-owning, ship-operating, land transportation, container haulage, bulk cargo handling, chemicals warehousing and related services, providing IT related consultancy services, provision of media marketing, cinema and digital advertising and media related services.
- (3) The involvement of Maliki Kamal Bin Mohd Yasin in Trillion Cove Holdings Berhad is limited to the subscription of 50,000 Islamic Redeemable Preference Shares at a subscription price of RM1.00 per share. As such, his investment is passive in nature and has no management control over the aforementioned company. As at the LPD, Trillion Cove Holdings Berhad is undergoing a winding-up process.

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

(vi) Aliza Binti Ashari

Company		Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
						Direct (%)	Indirect (%)
<u>Present involvement</u>							
Bus Berhad	Cap	Activities of holding companies ⁽¹⁾	Independent Non-Executive Director	25 September 2025	-	-	-
MFA Corporation Sdn Bhd		Business of petrol station and retail shop offering varieties of goods and services which include, amongst others, car wash	Director/Shareholder	23 July 1997	-	40.00	-
LZ Trading	Global	Online sale of toys and collectibles, home and garden products, kitchen accessories, art and merchandise, health and beauty products as well as household appliances	Sole Proprietor	22 July 2024	-	100.00	-
<u>Past involvement</u>							
Pejuta (Malaysia) Sdn Bhd		Special Purpose Vehicle for financing facility in respect of the Government integrated radio network project	Director	4 April 2022	30 January 2023	-	-
Sapura Ventures Sdn Bhd		Provision of other financial service activities, except for insurance/takaful and pension funding N.E.C.	Director	8 October 2021	30 January 2023	-	-
Softwatch Sdn Bhd		Research, development and maintenance of management system software for energy, O&G facilities	Director	13 October 2021	30 January 2023	-	-

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

Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
					Direct (%)	Indirect (%)
Sapura Green Sciences Sdn Bhd	Dormant with intended activity of investment holding in Langkawi Oil & Gas Sdn Bhd	Director	13 October 2021	30 January 2023	-	-
Sapura Aero Equipment Sdn Bhd	Wholesale of other machinery for use in industry, trade and navigation and other services N.E.C.	Director	13 October 2021	30 January 2023	-	-
Langkawi Oil & Gas Sdn Bhd	Activities of holding companies, where its subsidiaries are principally involved in the exploration and trading of O&G. It has ceased its operation in 2012	Director	13 October 2021	30 January 2023	-	-
Sapura Engineers Sdn Bhd	Investment holding with interests in companies which are principally involved as an agent in the trading of marine parts, trading and maintenance of ground support equipment, provisioning of oil and power related services as well as trading, maintenance and research and development for the management system software for energy, O&G facilities	Director	13 October 2021	30 January 2023	-	-
Magnate Energy Sdn Bhd	Involve in the business of O&G; provision of engineering and technological services in O&G industry; general trading	Director	5 January 2021	30 January 2023	-	-

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

Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
					Direct (%)	Indirect (%)
MS Nexus Sdn Bhd	Investment and trading of real property	Director	22 January 2021	30 January 2023	-	-
Jurudata Sdn Bhd	Investment holding with interests in companies which are principally involved in the provision of private security, leasing of computer and related accessories	Director	5 January 2021	30 January 2023	-	-
Midas Harvest Sdn Bhd	Investment in private equity funds	Director	8 March 2021	30 January 2023	-	-
Titan View Sdn Bhd	Investment and management of real property	Director	8 March 2021	30 January 2023	-	-
Dataone Asia (Malaysia) Sdn Bhd	Activities of data processing	Director	8 March 2021	30 January 2023	-	-
Sapura Poweraid Sdn Bhd	Designing, building and installation of integrated security systems, intelligent building management systems as well as the provision of repair and maintenance services for equipment, machinery and buildings	Director	8 March 2021	30 January 2023	-	-
Exquisite Discovery Sdn Bhd	Provision of other information technology service N.E.C.	Director	8 March 2021	30 January 2023	-	-

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

Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
					Direct (%)	Indirect (%)
Teledata Sdn Bhd	Activities of holding companies, where its subsidiaries are principally involved in the trading of payphones, feature phones and telephone switching systems	Director	8 March 2021	30 January 2023	-	-
Uniphone Ushasama Sdn Bhd	Activities of holding companies, where its subsidiaries are principally involved in planning, designing, laying, installation, jointing and testing cable networks, installation of networks and provision of associated civil works.	Director	8 March 2021	30 January 2023	-	-
Sapura Marketing (Malaysia) Sdn Bhd	Wholesale of telephone and telecommunication equipment, cell phones and pagers	Director	8 March 2021	30 January 2023	-	-
Sapura IT Sdn Bhd	Provision of other information technology services N.E.C.	Director	8 March 2021	30 January 2023	-	-
Callbiz (M) Sdn Bhd	Other telecommunication activities N.E.C.	Director	8 March 2021	30 January 2023	-	-
Komtel Sdn Bhd	Other telecommunication activities N.E.C	Director	8 March 2021	30 January 2023	-	-
Sapura Rail Systems Sdn Bhd	Supply, installation and maintenance of engineering and telecommunication equipment	Director	8 March 2021	30 January 2023	-	-

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

Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
					Direct (%)	Indirect (%)
Allied Resources Corporation Sdn Bhd	Private security activities	Director	8 March 2021	30 January 2023	-	-
Sapura Synergy (Malaysia) Sdn Bhd	Provision of lease and dealing in computers and related accessories, marketing and distribution of telecommunication products as well as provision of related services, retailing of computers and telemarketing services	Director	8 March 2021	30 January 2023	-	-
Questrans Sdn Bhd	Undertake research and development projects from companies within Sapura Secured Technologies Sdn Bhd	Director	8 March 2021	30 January 2023	-	-
Sapura Defence Sdn Bhd	Engage in marketing, sales, business development and support of defence related technology, product and services	Director	8 March 2021	30 January 2023	-	-

Note:

- (1) As at LPD, Bus Cap Berhad is a public limited company seeking a listing on the ACE Market of Bursa Securities. Through its subsidiaries, they are primarily engaged in bus building, covering the design and manufacturing of bus bodies, assembly of bus bodies with chassis sourced from chassis principals/dealers, sourcing and installation of fittings and accessories to form completely built up buses as well as provision of bus repair and maintenance services.

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

Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
					Direct (%)	Indirect (%)
<u>Present involvement</u>						
Global Tru Cert Sdn Bhd	Any other professional, scientific and technical activities N.E.C.; other information technology service activities N.E.C.	Director/Shareholder	18 November 2025	-	-	⁽¹⁾ 60.00
Sky Glam Suites	Provision of accommodation rental services	Sole Proprietor	1 December 2025	-	100.00	-
Drazu Training Academy & Consultancy	Self-development/motivational courses, training, publication, media production and mind-development devices	Sole Proprietor	15 October 2019	-	100.00	-
Drazu International Sdn Bhd	Export and import of a variety of goods without any particular specification N.E.C; manufacture of other food products N.E.C and other management consultancy activities N.E.C	Director/Shareholder	5 September 2022	-	60.00	-
Billionaire Beauty Sdn Bhd	Wholesale of textiles, clothing N.E.C; other management consultancy activities N.E.C; and other food service activities	Director/Shareholder	14 October 2022	-	60.00	-
Live Host Academy	Online marketing courses, self-development and courses on selling products and services via online	Sole Proprietor	17 December 2024	-	100.00	-

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

Company		Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
						Direct (%)	Indirect (%)
<u>Past involvement</u>							
Sky Event	Glam	Event management and training provider	Sole Proprietor	19 May 2022	19 May 2023	100.00	-
Original Balado	Food	Retail sale of food products, pack food and food and beverage training	Sole Proprietor	5 October 2022	13 November 2023	100.00	-
Mindtune Empire		Retail sale of audio devices and books, training/motivation, self-development courses and production of magazines	Sole Proprietor	11 May 2022	17 May 2025	100.00	-

Note:

(1) Deemed interested by virtue of her direct shareholdings in Drazu International Sdn Bhd pursuant to Section 8(4) of the Act.

The involvement of our Non-Independent Non-Executive Director and Independent Non-Executive Directors in other directorships or businesses outside our Group will not affect their contribution to our Group as they do not act in any executive capacity and are not involved in the day-to-day operations of our Group.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)***5.2.4 Directors' remunerations 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 and FYE 2026 are as follows:

(i) FYE 2024

Name	Fees	Salary	⁽¹⁾Bonus	Allowances	⁽²⁾Statutory contributions	Benefits-in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Amiruddin	10	80	30	-	4	-	124
Daniel	-	295	50	-	31	11	387
Nurul Syakinah	60	-	-	25	-	-	85
Mohd Shahriman Bin Mohd Sidek	-	-	-	-	-	-	-
Maliki Kamal Bin Mohd Yasin	-	-	-	-	-	-	-
Aliza Binti Ashari	-	-	-	-	-	-	-
Azuraida Binti Shahadan	-	-	-	-	-	-	-

Notes:

- (1) Includes accrued bonuses for the FYE 2024 which was paid in FYE 2025.
- (2) Includes the employer's contribution to the Employees Provident Fund, Social Security Organisation, and Employment Insurance System.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)**(ii) FYE 2025**

Name	Fees	Salary	⁽¹⁾Bonus	Allowances	⁽²⁾Statutory contributions	Benefits-in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Amiruddin	-	96	25	-	6	-	127
Daniel	-	325	76	-	34	11	445
Nurul Syakinah	60	-	-	3	-	-	63
Mohd Shahrman Bin Mohd Sidek	30	-	-	3	-	-	33
Maliki Kamal Bin Mohd Yasin	30	-	-	3	-	-	33
Aliza Binti Ashari	30	-	-	3	-	-	33
Azuraida Binti Shahadan	5	-	-	1	-	-	6

Notes:

- (1) Includes accrued bonuses for the FYE 2025 which was paid in FYE 2026.
- (2) Includes the employer's contribution to the Employees Provident Fund, Social Security Organisation, and Employment Insurance System.

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5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)***(iii) Proposed for the FYE 2026**

Name	Fees	Salary	Bonus	Allowances	⁽¹⁾Statutory contributions	Benefits-in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Amiruddin	-	116	32	-	7	-	155
Daniel	-	385	91	-	58	11	545
Nurul Syakinah	60	-	-	3	-	-	63
Mohd Shahrman Bin Mohd Sidek	60	-	-	3	-	-	63
Maliki Kamal Bin Mohd Yasin	60	-	-	3	-	-	63
Aliza Binti Ashari	60	-	-	3	-	-	63
Azuraida Binti Shahadan	60	-	-	3	-	-	63

Note:

(1) Includes the employer's contribution to the Employees Provident Fund, Social Security Organisation, and Employment Insurance System.

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

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

5.3 Key Senior Management

5.3.1 Shareholdings

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

Key Senior Management	Designation	As at the LPD				After our IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Azril Hisham Bin Abu Hassan	Chief Operating Officer	-	-	-	-	⁽³⁾ 500,000	0.09	-	-
Lee Beng Hong	Chief Financial Officer	-	-	-	-	⁽³⁾ 500,000	0.09	-	-
Chow Sheng Jon	Head of Digital, Robotics and Engineering, and Talent Solutions Department	42,000,000	10.00	-	-	31,000,000	5.76	-	-
Muhil Prakaash A/L Manickam	Head of Oilfield Services Department	-	-	-	-	⁽³⁾ 1,000,000	0.19	-	-
Huzaini Bin Abdul Wahab	Corporate Service Manager	-	-	-	-	⁽³⁾ 200,000	0.04	-	-

Notes:

- (1) Based on our issued share capital of 420,000,000 Shares as at the LPD.
- (2) Based on enlarged issued share capital of 538,400,000 Shares after our IPO.
- (3) Assuming our Key Senior Management will fully subscribe for their respective entitlements under the Pink Form Allocations.

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

5.3.2 Profile

The profile for our Group's Key Senior Management, Chow Sheng Jon, who is also our Promoter and substantial shareholder, is disclosed in Section 5.1.2 of this Prospectus.

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

(i) **Azril Hisham Bin Abu Hassan**

Chief Operating Officer

Azril Hisham Bin Abu Hassan, a Malaysian male aged 49, is our Chief Operating Officer. He is responsible for overseeing the general operations of our Group, focusing on the growth and implementation of projects across all our business segments.

He graduated with a Bachelor of Engineering with Honours (Electrical) from Universiti Teknologi MARA in October 2001.

He has been a chartered engineer with the Institution of Engineering and Technology by The Engineering Council (formerly known as Engineering Council United Kingdom), the United Kingdom's regulatory authority for registration of Chartered and Incorporated Engineers and engineering technicians since 2013. He is also registered as a professional electrical engineer under the Board of Engineers Malaysia since 2016.

In November 2001, he began his career at Masterpower Electronics Ltd as a Graduate Electrical Engineer where he was responsible for repairing, calibrating and testing customers' electrical equipment as well as testing and measuring equipment tools. He left the company in February 2004.

In March 2004, he joined Shell MDS (Malaysia) Sdn Bhd as an Electrical Engineer based in Bintulu, Sarawak. He was then relocated to Miri, Sarawak, and served as Senior Electrical Engineer under Sarawak Shell Berhad in August 2010. He was an Electrical Lead Engineer before he left the company in December 2015.

In January 2016, he joined Germanischer Lloyd Industrial Services Asia Sdn Bhd as Operational Excellence Manager for the O&G department, where he was responsible for overseeing the operations and managing clients for the O&G department in the Southeast Asian region. He left the company in April 2016.

In April 2016, he joined APO Integrated Services Sdn Bhd as Chief Operating Officer on a contract basis, where he was responsible for exploring new business ventures through mergers and acquisitions as well as forming their consulting and engineering business units. He left the company in May 2018 and took a career break.

In May 2019, he joined PETRONAS on a contract basis as Head of Improvement & Program Solutions at the Group Technical Solutions Department, where he was responsible for overseeing, advising and implementing technical and technology solutions for O&G assets. His contract was renewed with PETRONAS as Head of Technical Intelligence in the same department in May 2021. He was responsible for implementing a new Technology Solutions Deployment Program to focus on customer needs across PETRONAS' upstream and downstream operations locally and internationally. He left the company in December 2021.

In January 2022, he was appointed as Chief Executive Officer of Boustead Technology Services Sdn Bhd on a contract basis. He was responsible for business development activities and managing day-to-day business operations. He left the company in January 2024.

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

In March 2024, he joined Leave a Nest Co., Ltd as an independent strategic consultant and was responsible for feasibility study and market research as part of the company's special project of venture building in Malaysia. He left the company in June 2024.

In July 2024, he joined our Group on a contract basis as Vice President of Strategy and was subsequently redesignation to Chief Operating Officer in October 2024, a position he holds to date.

Details of his involvement in other companies outside of our Group are set out in Section 5.3.3(i) of this Prospectus.

(ii) Lee Beng Hong

Chief Financial Officer

Lee Beng Hong, a Malaysian male aged 55, is our Chief Financial Officer. He is responsible for overseeing the accounting and financial matters of our Group.

He graduated from Tunku Abdul Rahman College with a Diploma in Commerce (Financial Accounting) in 1996. He has been a Chartered Accountant with the Malaysian Institute of Accountants (MIA) since 2002.

He began his career as an Assistant in Audit and Assurance at Horwath Mok & Poon (the predecessor firm of Crowe Malaysia PLT) in 1996. He was involved in the auditing of manufacturing, trading, property development and construction companies and financial due diligences and accountant reports for initial public listings of companies on Bursa Securities and Hong Kong Stock Exchange. He left the company as Senior, Audit and Assurance in 1999.

In 2000, he joined Urban Surf Sdn. Bhd. as Finance and Administrative Manager. He was responsible for all finance, accounting, taxation and general office administrative matters. He left the company in September 2003.

In the following month, he assumed the role of Financial Controller at Loong Weng Plastic Industries (M) Sdn. Bhd. where he led the Finance and Accounts Department as well as the Administrative and Human Resources Department. He was responsible for preparing and reviewing accounts, costing and product pricing, tax planning, financial review and business planning, and liaising with bankers on property and trade financing. He left the company in September 2006.

In the following month, he joined Red Titan Private Equity International Ltd as an Investment Manager, where he was extensively involved in new business opportunity evaluations, due diligence reviews, financial forecasts and projections on potential investments of Red Titan. During his tenure in the company, he held several roles (e.g. Financial Controller and Acting General Manager) for Red Titan's investments in China and was involved in the management of property development and manufacturing operations in China. He left the company in June 2013.

In the following month, he joined New Resources Oil Pte Ltd as Assistant General Manager and subsequently assumed the role of Deputy General Manager in 2014. He was responsible for international trading operations and financial activities as well as hedging the marine fuel oil and crude oil business. He left the company in March 2017.

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

In the following month, he joined China Railway Dongfang Group Sdn Bhd as Deputy Chief Financial Officer. He was responsible for overseeing the company's accounting, financial and corporate matters. He was then seconded and redesignated as Chief Project Financial Officer at China Railway Engineering Corporation (M) Sdn. Bhd. in 2018. He was mainly involved in business development financing, corporate financing, project evaluation, feasibility study, structure, funding and financial planning. He left the company in 2020. Between 2020 and 2023, he took a career break.

He joined our Group as Chief Financial Officer in January 2023, a position he holds to date.

Details of his involvement in other companies outside of our Group are set out in Section 5.3.3(ii) of this Prospectus.

(iii) Muhil Prakaash A/L Manickam

Head of Oilfield Services Department

Muhil Prakaash Manickam, a Malaysian male aged 38, is our Head of Oilfield Services Department. He is responsible for overseeing and managing our Group's oilfield service solutions segment.

He graduated with a Bachelor's Degree in Mechanical Engineering from Universiti Teknologi Petronas in October 2012.

In 2013, he was stationed in the Kingdom of Saudi Arabia (KSA) as a Field Engineer Trainee with Schlumberger Middle East S.A (for 8 months before being promoted to lead field engineer). During his time at the company, he was responsible for leading all high value drilling campaigns across the KSA region as well as leading the implementation of new technologies across various complex well scenarios in the Middle East. He was a Senior Field Engineer before he left the company in January 2017.

In the next few months, he joined D&M Boon Sdn Bhd as an Operations Director and provided advisory services on potential business expansions through business development strategies and technical consulting. He left the company in December 2018.

He joined our Group as Head of Operations in December 2018, later appointed as Head of Wells and Production in 2019. In 2022, he was appointed as Head of Upstream. Subsequently, he was redesignated as Vice President of Upstream in 2024. In January 2025, he was redesignated as Head of Oilfield Services Department in January 2025, a position he holds to date.

(iv) Huzaini Bin Abdul Wahab

Corporate Service Manager

Huzaini Bin Abdul Wahab, a Malaysian male aged 54, is our Corporate Service Manager. He is responsible for managing and overseeing corporate and shared services functions such as administrative, HR and IT support.

He graduated with a Bachelor of Arts from The Ohio State University in March 1996.

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

In June 1996, he began his 22-year long career with Arab-Malaysian Finance Berhad (now known as AmBank (M) Berhad) as a Business Development & Credit Officer of the Interest-Free Banking unit where he was responsible for business development and marketing for Islamic Banking products and services. A year later, he was assigned to the Wisma Kraftangan branch to oversee the marketing and promoting of Islamic banking products and services. He was also involved in overseeing the day-to-day operations of the branches.

In 2001, he was promoted to Branch Manager (Senior Officer) of the Wisma Kraftangan branch. He was responsible for managing credit control and recovery activities, focusing on loan and financing receivables. A year later, following an internal restructuring exercise pursuant to the bank's merger exercise then, he was redesignated as Head of Sub Unit at the headquarters of AmFinance Berhad, where he assumed the same responsibilities.

Between 2004 and 2014, he continued to advance in retail collection related roles where his responsibilities included overseeing credit control and recovery activities for retail banking loan and financing products, overseeing legal recovery activities and the division's panel of litigation solicitors, valuers, property auctioneers as well as managing the bank's collection centres nationwide as follows:

- (a) In 2004, he was promoted to Assistant Manager of Retail Collections Division.
- (b) In 2006, he was promoted to Manager of the Retail Collections Division.
- (c) In 2011, he was promoted to Head of Recovery in Retail Collections Division.
- (d) In 2012, he was assigned to another Section within the Retail Collections Division as Head of Collections Network.
- (e) In 2014, he was promoted to Vice President in the Retail Collections Division – Collection Network Section.

He left the bank in 2018 and took a brief career break.

In 2019, he joined our Group as Senior Manager, Shared Services where he was responsible for managing and overseeing our Corporate and Shared Services Department. He left our Group in December 2021 and took a career break. He rejoined our Group in February 2024 as Corporate Service Manager, a position he holds to date.

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

5.3.3 Principal directorships and business activities of our Key Senior Management outside our Group for the past 5 years

Save as disclosed below, as at the LPD, none of our Key Senior Management have any principal business activities performed outside our Group (including principal directorships) in the past 5 years preceding the LPD:

(i) Azril Hisham Bin Abu Hassan

Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
					Direct (%)	Indirect (%)
<u>Present involvement</u>						
Petrobloc Sdn Bhd ⁽¹⁾	Mining operation and minerals trading; wholesale of a variety of goods without any particular specialisation N.E.C; wholesale of construction and civil engineering machinery and equipment	⁽²⁾ Shareholder	-	-	10.00	-
Nest Labs Sdn Bhd	Other information technology service activities N.E.C.; activities of producers or promoters of sports events, with or without facilities; organisation and operation of outdoor or indoor sports events for professionals or amateurs by organisations with own facilities	⁽²⁾ Shareholder	-	-	10.00	-

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

Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
					Direct (%)	Indirect (%)
<u>Past involvement</u>						
Nest Labs Sdn Bhd	Other information technology service activities N.E.C.; activities of producers or promoters of sports events, with or without facilities; organisation and operation of outdoor or indoor sports events for professionals or amateurs by organisations with own facilities	Director	6 March 2025	2 June 2025	-	-
Admiral Energy Sdn Bhd	Dormant with intended activities of other management consultancy activities N.E.C; consultancy services in public relations and communications; wholesale of a variety of goods without any particular specialisation N.E.C.	Director	14 June 2024	18 November 2024	-	-

Notes:

- (1) As at the LPD, this company is in the process of striking off.
- (2) The involvement of Azril Hisham Bin Abu Hassan as a shareholder in Petrobloc Sdn Bhd and Nest Labs Sdn Bhd does not affect his ability to perform his role and responsibilities to our Group as he is a passive shareholder and not involved in the business operations of the company.

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

			Equity interest				
Company		Principal activities	Involvement in business	Date of appointment	Date of resignation	Direct (%)	Indirect (%)
<u>Present involvement</u>							
Nil							
<u>Past involvement</u>							
LLK Energy Sdn Bhd	Dissolved ⁽¹⁾	Director/Shareholder	15 July 2019	26 July 2024	25.00	-	

Note:

- (1) This company was dissolved on 26 July 2024. Prior to its dissolution, the status of this company was dormant with intended activities of wholesale of electrical and electronic component and wiring accessories, other management consultancy activities N.E.C. as well as activities of holding companies.

(iii) Chow Sheng Jon

Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
					Direct (%)	Indirect (%)
<u>Present involvement</u>						
Nil						
<u>Past involvement</u>						
Nil						

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

(iv) Muhil Prakaash A/L Manickam

Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
					Direct (%)	Indirect (%)
<u>Present involvement</u>						
Nil						
<u>Past involvement</u>						
Nil						

(v) Huzaini Bin Abdul Wahab

Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest	
					Direct (%)	Indirect (%)
<u>Present involvement</u>						
Nil						
<u>Past involvement</u>						
Nil						

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

5.3.4 Key Senior Management's remunerations and material benefits-in-kind

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

(i) FYE 2024

Name	⁽¹⁾ Remuneration	Benefits-in-kind	Total
	RM'000	RM'000	RM'000
Azril Hisham Bin Abu Hassan	⁽²⁾ 51-100	-	⁽²⁾ 51-100
Lee Beng Hong	351-400	-	351-400
Chow Sheng Jon	351-400	1-50	401-450
Muhil Prakaash A/L Manickam	351-400	1-50	351-400
Huzaini Bin Abdul Wahab	101-150	-	101-150

Notes:

- (1) The remuneration (in bands of RM50,000) paid includes salaries, accrued bonuses, allowances and statutory contributions such as the employer's contribution to the Employees Provident Fund, Social Security Organisation and Employment Insurance System.
- (2) The remuneration paid since the commencement of his employment with our Group as Chief Operating Officer in October 2024.

(ii) FYE 2025

Name	⁽¹⁾ Remuneration	Benefits-in-kind	Total
	RM'000	RM'000	RM'000
Azril Hisham Bin Abu Hassan	351-400	-	351-400
Lee Beng Hong	401-450	-	401-450
Chow Sheng Jon	401-450	1-50	401-450
Muhil Prakaash A/L Manickam	351-400	1-50	401-450
Huzaini Bin Abdul Wahab	151-200	-	151-200

Note:

- (1) The remuneration (in bands of RM50,000) to be paid includes salaries, accrued bonuses, allowances and statutory contributions such as the employer's contribution to the Employees Provident Fund, Social Security Organisation and Employment Insurance System.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)
(iii) Proposed for the FYE 2026

Name	⁽¹⁾Remuneration	Benefits-in-kind	Total
	RM'000	RM'000	RM'000
Azril Hisham Bin Abu Hassan	401-450	-	401-450
Lee Beng Hong	401-450	-	401-450
Chow Sheng Jon	401-450	1-50	451-500
Muhil Prakaash A/L Manickam	401-450	1-50	401-450
Huzaini Bin Abdul Wahab	151-200	-	151-200

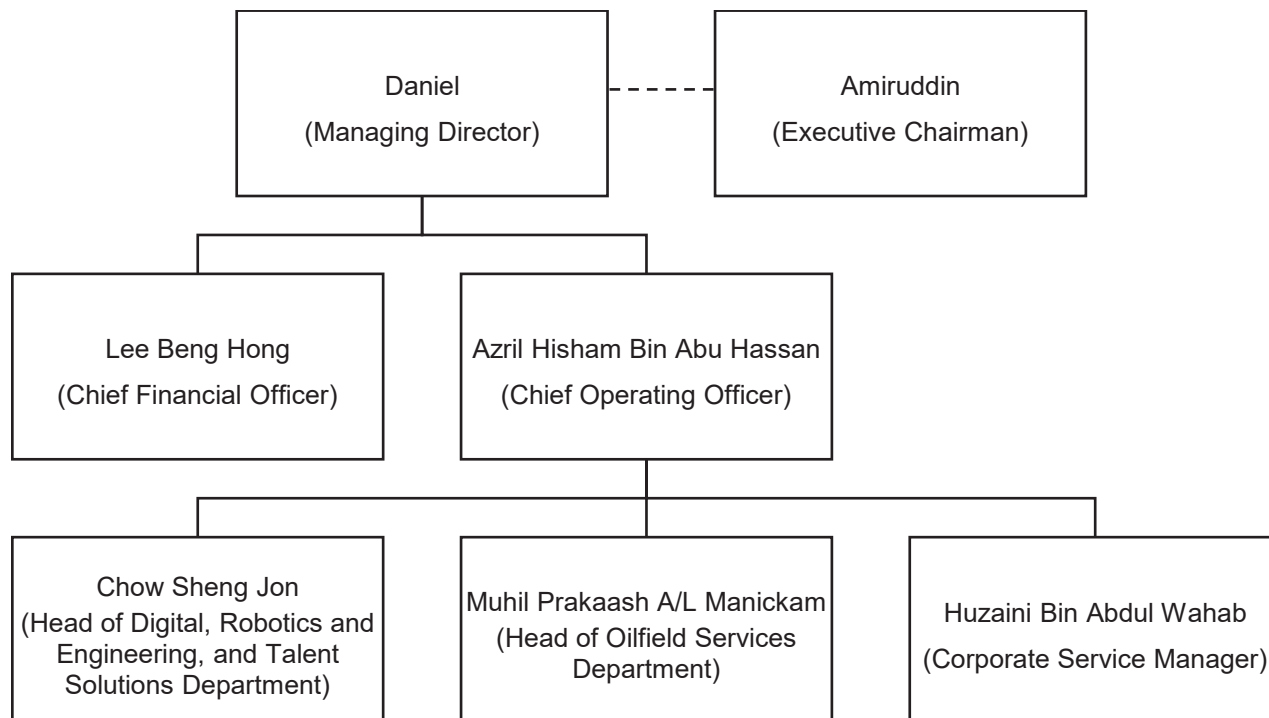
Note:

- (1) The remuneration (in bands of RM50,000) to be paid includes salaries, accrued bonuses, allowances and statutory contributions such as the employer's contribution to the Employees Provident Fund, Social Security Organisation and Employment Insurance System.

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

5.4 Management Reporting Structure



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

5.5 Board Practices

Our Board takes note of the recommendations under the MCCG, which came into effect on 28 April 2021, which include amongst others, that the board should comprise at least 30.00% female members. As at the date of this Prospectus, our Board comprises 3 females out of 7 members, which represents 42.86% of our Board. With that, our Board believes that our current Board composition provides the appropriate balance in terms of skills, knowledge and experience to promote the interests of all shareholders and to govern our Group effectively.

5.5.1 Board

As at 30 April 2026, 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
Amiruddin	Executive Chairman	14 September 2020	Subject to retirement at the AGM in 2030 ⁽¹⁾	5 years and 7 months
Daniel	Managing Director	14 September 2020	Subject to retirement at the AGM in 2029 ⁽¹⁾	5 years and 7 months
Nurul Syakinah	Non-Independent Non-Executive Director	16 April 2021	Subject to retirement at the AGM in 2027 ⁽¹⁾	5 years
Mohd Shahrman Bin Mohd Sidek	Independent Non-Executive Director	31 January 2025	Subject to retirement at the AGM in 2028 ⁽¹⁾	1 year and 3 months
Maliki Kamal Bin Mohd Yasin	Independent Non-Executive Director	31 January 2025	Subject to retirement at the AGM in 2028 ⁽¹⁾	1 year and 3 months
Aliza Binti Ashari	Independent Non-Executive Director	31 January 2025	Subject to retirement at the AGM in 2027 ⁽¹⁾	1 year and 3 months
Azuraida Shahadan	Binti Independent Non-Executive Director	1 December 2025	Subject to retirement at the AGM in 2029 ⁽¹⁾	Less than 1 year

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

Note:

- (1) Retirement pursuant to Clause 105 (1) of our Constitution, which provides that all the Directors shall retire from office at the first AGM, and at the AGM in every subsequent year, 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 Directors shall retire from office once at least in each 3 years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

5.5.2 Audit Committee

Our Audit Committee was established on 2 July 2025 and its members are appointed by our Board. Our Audit Committee comprises the following members:

Name	Designation	Directorship
Aliza Binti Ashari	Chairperson	Independent Non-Executive Director
Mohd Shahrman Bin Mohd Sidek	Member	Independent Non-Executive Director
Maliki Kamal Bin Mohd Yasin	Member	Independent Non-Executive Director
Azuraida Binti Shahadan	Member	Independent Non-Executive Director

The main functions of our Audit Committee include:

(i) Financial Reporting

To review and approve the quarterly and annual financial statements of our Group for recommendation to our Board, focusing particularly on:

- (a) any changes in or implementation of major accounting policies and practices;
- (b) significant matters highlighted, including financial reporting issues, significant judgments made by our Management, significant and unusual events or transactions, and how these matters are addressed;
- (c) significant adjustments arising from the audit;
- (d) compliance with applicable financial reporting standards and relevant legal or regulatory requirements; and
- (e) going concern assumption.

(ii) Internal Audit Function

- (a) to review the effectiveness of the 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;
- (b) to review the adequacy of the scope, functions, competency and resources and that it has the necessary authority to carry out its work;
- (c) to review and approve the internal audit plan, including the internal audit budget/fee and the internal audit report and, where necessary, to ensure that appropriate actions are taken on the recommendations made by the internal audit function;

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

- (d) 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;
- (e) to ensure the internal audit team and/or outsourced internal auditors have full, free and unrestricted access to all activities, records, property and personnel necessary to perform its duties;
- (f) 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), including the approval of fees for outsourced internal auditors and the reasons for resignation or termination of either party;
- (g) to request and review any special audit which our Audit Committee deems necessary; and
- (h) to consider the major findings of internal investigations and our Management's response.

(iii) External Audit

- (a) to review and assess the engagement, objectivity and competence, performance, qualifications and independence of the external auditors, its conduct of the annual statutory audit of the financial statements, and the engagement of external auditors for all other services;
- (b) to discuss with the external auditors before the audit commences, their audit plan, the nature and scope of their audit and their co-ordination with component auditors where more than 1 audit firm is involved in the audit of our Group's financial statements.
- (c) in assessing or determining the suitability and independence of the external auditors, our Audit Committee shall take into consideration the following:
 - (1) 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;
 - (2) the nature and extent of the non-audit services provided by the external auditor and the appropriateness of the level of fees paid for such services relative to the audit fee; and
 - (3) the criteria for appointment and re-appointment of the external auditors such as the assessment of competency independence, 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, our Audit Committee 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 as well as corporate liabilities risks.
- (d) to review any matters arising concerning the appointment and re-appointment, audit fee and any questions of resignation or dismissal of the external auditors;
- (e) to review the external auditors' management letter and our Management's response to their suggestions for improvements;

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

- (f) to review the 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 is not deemed to be compromised;
- (g) 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;
- (h) to review with the external auditor's input on the Statement on Risk Management and Internal Control of our Group as prescribed in the Listing Requirements for inclusion in the annual report; and
- (i) to conduct an annual evaluation of the performance of the external auditors and undertaking follow-up measures, where required.

(iv) Related Party Transactions/Conflict of Interest Situations

To review and assess related party transactions and conflict of interest situations to ensure compliance with regulatory requirements and that such transactions are conducted at arm's length and in the best interests of our Group.

(v) Other Matters

- (a) to review the following for publication in the annual report of our Company:
 - (1) the disclosure statement on the state of the system of internal controls and risk management of our Company and of our Group; and
 - (2) other disclosures forming the contents of the annual report spelt out in Part A of Appendix 9C of the Listing Requirements;
- (b) to report to our Board summarising the work performed in fulfilling our Audit Committee's primary responsibilities; and
- (c) to carry out other functions as may be agreed to from time to time by our Audit Committee and our Board.

5.5.3 Nomination and Remuneration Committee

Our Nomination and Remuneration Committee was established on 2 July 2025 and its members are appointed by our Board. Our Nomination and Remuneration Committee comprises the following members:

Name	Designation	Directorship
Maliki Kamal Bin Mohd Yasin	Chairperson	Independent Non-Executive Director
Mohd Shahrman Bin Mohd Sidek	Member	Independent Non-Executive Director
Aliza Binti Ashari	Member	Independent Non-Executive Director
Azuraida Binti Shahadan	Member	Independent Non-Executive Director

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

The main functions of our Nomination and Remuneration Committee include:

- (i) to regularly review the structure, size and composition of our Board and make recommendations to our Board with regard to any adjustments that are deemed necessary;
- (ii) to be responsible for identifying and nominating candidates for our Board's approval to fill the vacancies of our Board as and when they arise;
- (iii) to consider and recommend to our Board on suitable candidates for appointment as Directors of our Company. In evaluating potential candidates, our Nomination and Remuneration Committee shall adhere to our Company's Fit and Proper Policy, ensuring that the selection process is formal, rigorous, and transparent. Our Nomination and Remuneration Committee will undertake appropriate reviews when determining the process of identifying suitable candidates to ensure the requirement and qualification of the candidates nominated are 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) age;
 - (f) cultural background;
 - (g) ensure our Board comprises the requisite number of women directors and also to review the participation of women in key senior management;
 - (h) confirmation of not being 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;
 - (i) in the case of candidates being considered for the position of independent non-executive director, such potential candidates must have the ability to discharge such responsibilities/functions as expected from independent non-executive directors; and
 - (j) amongst others, the potential candidates must fulfil the criteria used in the definition of "independent director" prescribed by the Listing Requirements and able to be independent and give objective judgement to our Board.

Where required, the members of our Nomination and Remuneration Committee would meet up with potential candidates for the position of director to assess their suitability.

- (iv) to keep under review the core competencies and skills required for our Directors to best serve the business and operations of our Group with a view to ensure the continued ability to compete effectively in the marketplace;
- (v) to review the independence of independent directors on an annual basis;

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

- (vi) to facilitate annual evaluation and assessment of the effectiveness of our Board as a whole and our board committees, as well as the contributions and performance of individual Directors and board committee members; and
- (vii) to review and facilitate our Board's induction program and training needs in areas which our Directors could improve on; and
- (viii) to make recommendations to our Board:
 - (a) with regard to the plans for succession of directors and key senior management positions;
 - (b) with regard to the re-appointment of any non-executive director at the conclusion of his/her specified term of office;
 - (c) concerning the re-election by shareholders of any director under the "retirement by rotation" or "casual vacancy" provisions in our Constitution;
 - (d) concerning any matters relating to the continuation in office as a director at any time;
 - (e) any such regulations, Listing Requirements and MCGG to function effectively and fulfill the objectives of our Nomination and Remuneration Committee; and
 - (f) with regard to appointment of senior management staff.
- (ix) to assist our Board to establish a formal and transparent remuneration policy and procedures for approving the remuneration of our Directors and Key Senior Management;
- (x) to review and recommend our Directors' fees and benefits to our Board for approval;
- (xi) to assist our Board to formulate policies, guidelines and set composition of various types of components of remuneration such as basic salary, bonus and other benefits-in-kind for our Directors and Key Senior Management, which takes into account the demands, complexities and performance of our Company as well as skills and experience required;
- (xii) to ensure that all of our Directors and Key Senior Management are fairly rewarded for their individual contributions to our Company;
- (xiii) to ensure that the level of remuneration is sufficiently attractive to retain our Directors and Key Senior Management and structuring the remuneration packages to link rewards to individual performance;
- (xiv) to assist our Board to ensure all remuneration packages and benefits given to our Directors and Key Senior Management are in line with our Company's remuneration policy and complying with all laws, rules, requirements, regulations and guidelines set by the relevant authorities and our Board from time to time; and
- (xv) to support our Board in overseeing the implementation and effectiveness of our Company's anti-bribery and corruption framework, ensuring alignment with Section 17A of the Malaysian Anti-Corruption Commission Act 2009 ("**MACC Act 2009**"). This includes reviewing policies, assessing risks, and ensuring adequate procedures are in place to prevent corrupt practices among our Directors and Key Senior Management.

The director concerned shall abstain from deliberation and voting on her/his own respective re-election.

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

The fit and proper assessment of any person identified to be appointed as a director or to continue holding the position as a director within our Group will be conducted prior to the initial appointment or proposed re-election as a director. Our Nomination and Remuneration Committee shall be guided by our Directors' Fit and Proper Policy in conducting the fit and proper assessment.

5.5.4 Sustainability and Risk Management Committee

Our Sustainability and Risk Management Committee was established on 2 July 2025 and its members are appointed by our Board. Our Sustainability and Risk Management Committee comprises the following members:

Name	Designation	Directorship
Mohd Shahrman Bin Mohd Sidek	Chairperson	Independent Non-Executive Director
Aliza Binti Ashari	Member	Independent Non-Executive Director
Maliki Kamal Bin Mohd Yasin	Member	Independent Non-Executive Director
Azuraida Binti Shahadan	Member	Independent Non-Executive Director

The main functions of our Sustainability and Risk Management Committee include:

(i) Sustainability

- (a) advising our Board and recommending business strategies in the area of sustainability, including but not limited to ESG;
- (b) monitoring the implementation of approved sustainability strategies by our Board;
- (c) recommending to our Board on sustainability-related policies for adoption, and monitoring the implementation of the policies;
- (d) reviewing sustainability-related issues arising from independent audits and assurance reports, if any, and any matters pertaining to sustainability that are highlighted by regulators or relevant consultants;
- (e) recommending to our Board the approval of material sustainability matters and overseeing the management of such matters, with particular focus on those that are material to our Group; and
- (f) receiving half yearly update from Sustainability Oversight Unit and/or Management on the progress towards achieving our Group's sustainability targets.

(ii) Sustainability Disclosures

- (a) overseeing the preparation of timely and transparent sustainability disclosure as required by laws and/or rules, and recommending it for our Board's approval; and
- (b) reviewing and recommending the sustainability report to our Board for approval to ensure that our Group's sustainability initiatives and outcomes are effectively communicated to investors and other stakeholders. Also, ensuring compliance with the Listing Requirements and the applicable code on corporate governance in force at the material time.

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

(iii) Risk Management

- (a) to oversee and recommend the risk management strategies and policies and risk tolerance levels for our Board's approval;
- (b) to ensure the management of sustainability risks and opportunities is integrated into the risk management framework;
- (c) to ensure that the risk management framework and policy are embedded in and functions effectively throughout our Group and is within the parameters established by our Board and to ensure that the risk management framework is based on ISO 31000;
- (d) to conduct a periodic review and testing of the risk management framework;
- (e) to identify and measure the potential risks and to formulate mitigation action plan(s) to manage and monitor the risks identified within the risk appetite of our Group, and to ensure that corrective measures are undertaken to remedy failings and/or weaknesses;
- (f) to review the adequacy and effectiveness of the enterprise risk management of our Group to ensure that the key risk registers and the risk dashboard of our Group compiled therefrom remain relevant taking into consideration any changes in internal business processes, business strategies or external environment;
- (g) to provide awareness and education on risk management to all level of our Group;
- (h) to ensure infrastructure, resources and systems are in place for risk management i.e. ensuring that the staff responsible for implementing risk management systems perform those duties independently of our Group's risk-taking activities;
- (i) to report the risk management activities and updated key risk registers and the risk dashboard of our Group compiled therefrom to our Board on a periodical basis (at least annually) or on a timely manner (if there are substantial changes in internal business processes, business strategies or external environment) for their independent review;
- (j) to ensure adequate resources are maintained in order to carry out its functions and responsibilities;
- (k) to perform risk identification and assessment in relation to major asset/business acquisition or divestment or business diversification or business consolidation and to report the results of the assessment to our Board for strategic decision making;
- (l) to perform risk identification and assessment in relation to the ESG and sustainability issues relevant to our Company including health and safety, data governance and privacy as well as climate related risks;
- (m) to regularly review, monitor and assess the adequacy, performance and effectiveness of our Group's anti-bribery and corruption programmes in line with Section 17A of the MACC Act 2009. This includes ensuring the program is properly implemented, enforced and periodically evaluated, through internal or external audits. The outcome of such reviews shall inform continuous improvement efforts and risk mitigation measures related to bribery and corruption;

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

- (n) to review the effectiveness of our Group's risk management systems; and recommend, as appropriate, for our Board's endorsement of the Statement on Risk Management and Internal Control to be included in our Company's annual report;
- (o) to consider and examine such other matters as our Sustainability and Risk Management Committee considers appropriate; and
- (p) to consider other matters as defined by our Board.

5.6 Service Agreements

As at the LPD, none of our Directors and/or Key Senior Management have any existing or proposed service agreement with our Group which provide for benefits upon termination of employment.

5.7 Declarations by Each Promoter, Director and Key Senior Management

None of our Promoters, Directors and Key Senior Management is or was involved in any of the following events, whether within or outside Malaysia:

- (i) a petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership in which he was a partner, or any corporation of which he was a director or member of key senior management in the last 10 years;
- (ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (iii) charged or convicted in a criminal proceeding, or is a named subject of a pending criminal proceeding in the last 10 years;
- (iv) any judgment was entered against such person, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his part, involving a breach of any law or regulatory requirement that relates to the capital market in the last 10 years;
- (v) the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his part that relates to the capital market in the last 10 years;
- (vi) the subject of any order, judgment or ruling of any court, government, or regulatory authority or body, temporarily enjoining him from engaging in any type of business practice or activity;
- (vii) the subject of any current investigation or disciplinary proceeding, or 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; and
- (viii) any unsatisfied judgment against such person.

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

5.8 Relationships and/or Associations

Save as disclosed below, there are no family relationships or associations between our Promoters, substantial shareholders, Directors and Key Senior Management.

Name	Designation	Relationship
Daniel	Managing Director	Husband to Nurul Syakinah, our Non-Independent Non-Executive Director
Nurul Syakinah	Non-Independent Non-Executive Director	Wife to Daniel, our Managing Director

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6. INFORMATION ON OUR GROUP

6.1 Our Company

Our Company was incorporated in Malaysia under the Act on 14 September 2020 as a private limited company under the name of Elsa Sdn Bhd. Subsequently, our Company was converted to a public limited company on 15 March 2024.

Our Company is an investment holding company. Through our subsidiaries, our Group is principally involved in the provision of O&G service and equipment solutions which include, amongst others, oilfield service solutions, talent solutions, digital solutions as well as robotics and engineering solutions.

As at the LPD, our issued share capital is RM1,000,000 comprising 420,000,000 Shares. The movements in our issued share capital since our date of incorporation are set out below:

Date of allotment	No. of Shares allotted	Consideration / Nature of transaction	Cumulative issued share capital	
			RM	No. of Shares
14 September 2020	200,000	Cash / Allotment of shares	200,000	200,000
29 June 2022	800,000	Otherwise than cash / Allotment of shares	1,000,000	1,000,000
31 January 2025	419,000,000	Otherwise than cash ⁽¹⁾ / Allotment of shares	1,000,000	420,000,000

Note:

- (1) As part of our pre-IPO internal restructuring, our Company undertook the Bonus Issue of Shares on the basis of 419 Bonus Shares for every 1 existing Share. The Bonus Issue of Shares was implemented without any capitalisation of our Company's reserves and the Bonus Shares issued pursuant to the Bonus Issue of Shares are issued as fully paid Shares at nil consideration.

The Bonus Issue of Shares was completed on 31 January 2025. Upon completion of the Bonus Issue of Shares, our Company's resultant issued share capital is RM1,000,000.00 comprising 420,000,000 Shares.

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

The shareholding structure of our Company before and after the Bonus Issue of Shares is as follows:

						(I)			
		Before the Bonus Issue of Shares				After the Bonus Issue of Shares			
		Direct		Indirect		Direct		Indirect	
Name	Nationality/ Country of incorporation	No. of Shares	⁽¹⁾ %	No. of Shares	⁽¹⁾ %	No. of Shares	⁽²⁾ %	No. of Shares	⁽²⁾ %
<u>Promoters and substantial shareholders</u>									
Sparkle Success	Malaysia	250,000	25.00	-	-	105,000,000	25.00	-	-
Daniel	Malaysian	200,000	20.00	⁽³⁾ 250,000	25.00	84,000,000	20.00	⁽³⁾ 105,000,000	25.00
Nurul Syakinah	Malaysian	200,000	20.00	⁽³⁾ 250,000	25.00	84,000,000	20.00	⁽³⁾ 105,000,000	25.00
Chow Sheng Jon	Malaysian	100,000	10.00	-	-	42,000,000	10.00	-	-
Amiruddin	Malaysian	50,000	5.00	-	-	21,000,000	5.00	-	-
<u>Substantial shareholders</u>									
Prestasi Emas Sdn Bhd	Malaysia	200,000	20.00	-	-	84,000,000	20.00	-	-
Nik Iruwan Bin Dato' Nik Izani	Malaysian	-	-	⁽⁴⁾ 200,000	20.00	-	-	⁽⁴⁾ 84,000,000	20.00
Dato' Ahmad Redza Bin Abdullah	Malaysian	-	-	⁽⁴⁾ 200,000	20.00	-	-	⁽⁴⁾ 84,000,000	20.00

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

		(II)			
		After (I) and up to the LPD			
		Direct		Indirect	
Name	Nationality/ Country of incorporation	No. of Shares	⁽²⁾ %	No. of Shares	⁽²⁾ %
<u>Promoters and substantial shareholders</u>					
Sparkle Success	Malaysia	⁽⁵⁾ 126,000,000	30.00	-	-
Daniel	Malaysian	⁽⁵⁾ 63,000,000	15.00	⁽⁶⁾ -	-
Nurul Syakinah	Malaysian	84,000,000	20.00	⁽⁷⁾ 126,000,000	30.00
Chow Sheng Jon	Malaysian	42,000,000	10.00	-	-
Amiruddin	Malaysian	21,000,000	5.00	-	-
<u>Substantial shareholders</u>					
Prestasi Emas Sdn Bhd	Malaysia	84,000,000	20.00	-	-
Nik Iruwan Bin Dato' Nik Izani	Malaysian	-	-	⁽⁸⁾ -	-
Dato' Ahmad Redza Bin Abdullah	Malaysian	-	-	⁽⁴⁾ 84,000,000	20.00

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

Notes:

- (1) Based on our issued share capital of 1,000,000 Shares before the Bonus Issue of Shares.
- (2) Based on our issued share capital of 420,000,000 Shares after the Bonus Issue of Shares/as at the LPD.
- (3) Deemed interested by virtue of his/her direct shareholdings in Sparkle Success pursuant to Section 8(4) of the Act.
- (4) Deemed interested by virtue of his direct shareholdings in Prestasi Emas Sdn Bhd pursuant to Section 8(4) of the Act.
- (5) Daniel, had on 29 May 2025, transferred 21,000,000 Shares to Sparkle Success.
- (6) Notwithstanding that Daniel is the spouse of Nurul Syakinah, he is not deemed to have an indirect interest in our Company in view that he has no control over the Shares owned by Nurul Syakinah and Nurul Syakinah is also not accustomed or is under an obligation to act in accordance with Daniel's directions, instruction or wishes pursuant to Section 8(4) of the Act.
- (7) Deemed interested by virtue of her direct shareholdings in Sparkle Success pursuant to Section 8(4) of the Act.
- (8) Nik Iruwan Bin Dato' Nik Izani, had on 24 July 2025, ceased to be a shareholder of Prestasi Emas Sdn Bhd as he transferred his entire shareholding to Dato' Ahmad Redza Bin Abdullah.

As at the LPD, we do not have any outstanding warrants, options, convertible securities or uncalled capital. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the above allotments.

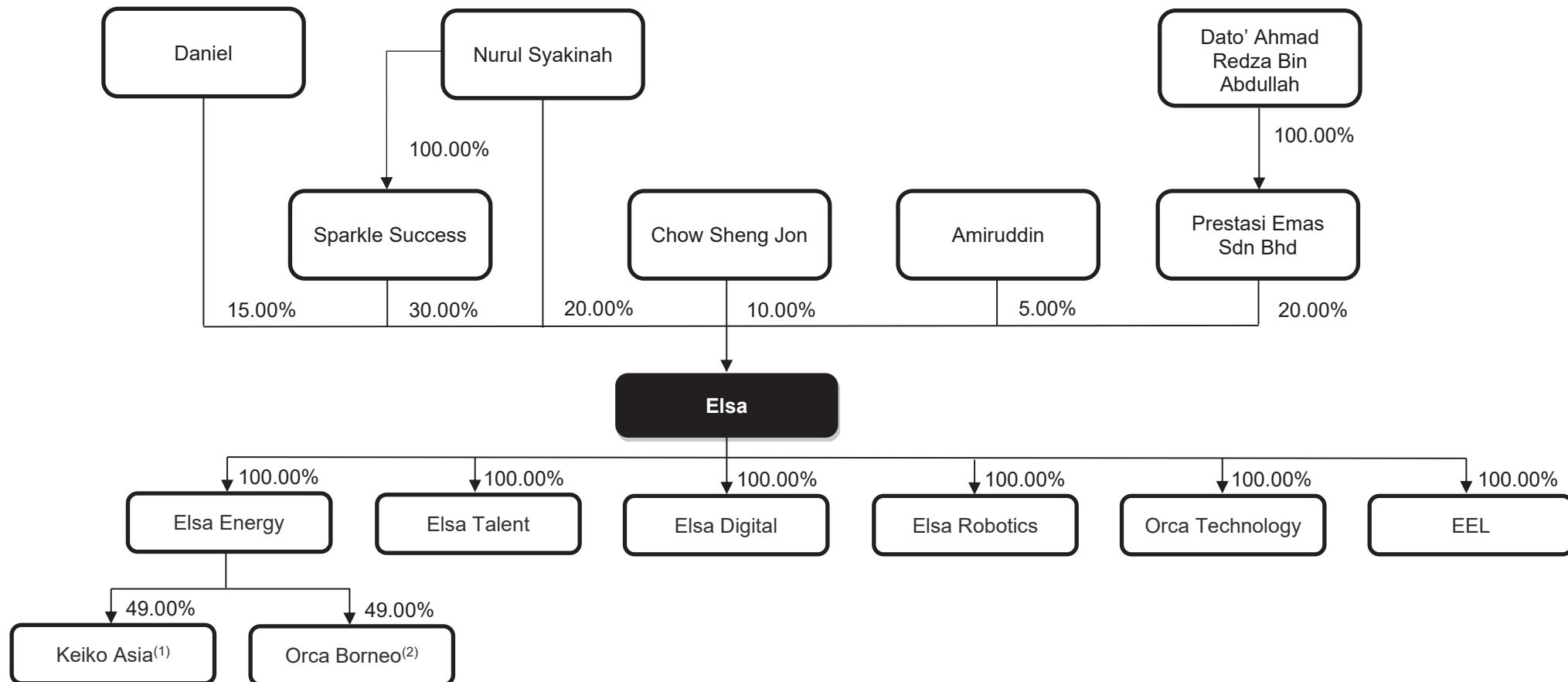
Upon completion of our IPO, our enlarged issued share capital will increase to RM26,932,000 comprising 538,400,000 Shares.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.2 Our Group

(i) An overview of our Group structure as at the LPD is as follows:



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

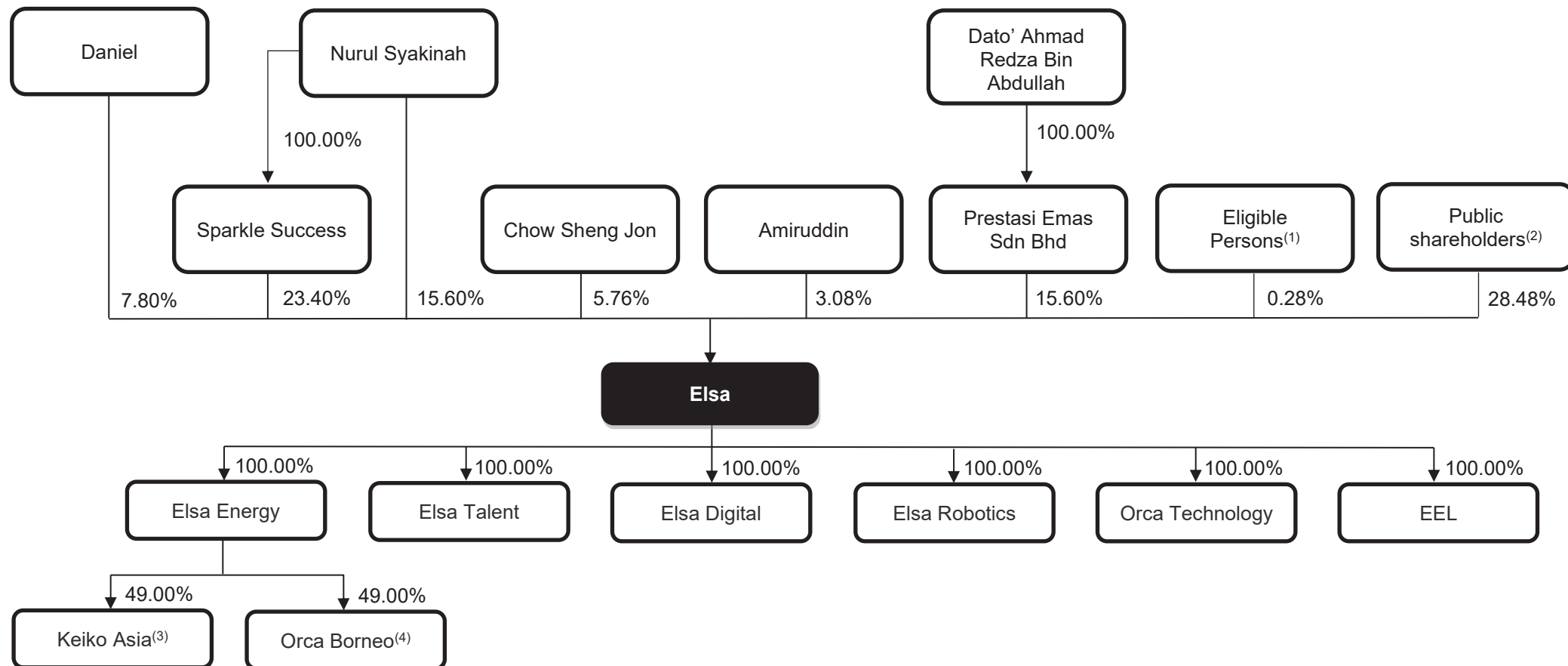
Notes:

- (1) Keiko Asia is our associate in which 49.00% equity interest is held by Elsa Energy. The remaining 51.00% equity interest in Keiko Asia is held by Poh Hock Yon. For information, Poh Hock Yon, a 62-year-old Sarawakian, is a registered professional engineer with a valid practicing certificate. He is not a related party to our Promoters, Directors and/or major shareholders.
- (2) Orca Borneo is our associate in which 49.00% equity interest is held by Elsa Energy. The remaining 51.00% equity interest in Orca Borneo is held by Raymond Bin Poit @ Elug. For information, Raymond Bin Poit @ Elug, a 59-year-old Sabahan, is a seasoned professional in the O&G industry with over 30 years of industry experience. He is not a related party to our Promoters, Directors and/or major shareholders.

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6. INFORMATION ON OUR GROUP (Cont'd)

(ii) An overview of our Group structure upon Listing is as follows:



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

Notes:

- (1) Comprising Pink Form Allocations to our eligible Directors.
- (2) Comprising the Malaysian Public, selected investors and Pink Form Allocations to our eligible employees as well as persons who have contributed to the success of our Group. These shareholders are deemed as public shareholders.
- (3) Keiko Asia is our associate in which 49.00% equity interest is held by Elsa Energy. The remaining 51.00% equity interest in Keiko Asia is held by Poh Hock Yon. For information, Poh Hock Yon, a 62-year-old Sarawakian, is a registered professional engineer with a valid practicing certificate. He is not a related party to our Promoters, Directors and/or major shareholders.
- (4) Orca Borneo is our associate in which 49.00% equity interest is held by Elsa Energy. The remaining 51.00% equity interest in Orca Borneo is held by Raymond Bin Poit @ Elug. For information, Raymond Bin Poit @ Elug, a 59-year-old Sabahan, is a seasoned professional in the O&G industry with over 30 years of industry experience. He is not a related party to our Promoters, Directors and/or major shareholders.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.3 Our Subsidiaries and Associates**

The details of our subsidiaries and associates are set out below:

Name/ Registration no.	Date/ Place of incorporation	Principal place of business	Issued share capital	Effective equity interest (%)	Principal activities and products/services
Our subsidiaries					
Elsa Energy/ 200501001718 (678764-M)	18 January 2005/ Malaysia	Malaysia	RM2,000,000	100.00	To carry on, establish, organise, manage, promote, develop, operate, conduct oil field services, subsurface geoscience and petroleum engineering, production optimisation and enhancement, oil field exploration, drilling and produce related product and services, production facilities, flow assurance, process integration, pipeline engineering, oil field chemical, enhance oil reconvert related product and services, seismic acquisition, processing and related software application, petroleum industry, project engineering and management, oil industry consulting and related services; to provide manpower, ICT, fabrication and related equipment and services
Elsa Talent/ 202001028232 (1384552-H)	15 September 2020/ Malaysia	Malaysia	RM500,000	100.00	To carry on the business as private employment agency to recruit and place worker(s) to another employer
Elsa Digital/ 202001028230 (1384550-P)	15 September 2020/ Malaysia	Malaysia	RM500,000	100.00	To conduct research and development on ICT
Elsa Robotics/ 202001043357 (1399678-M)	29 December 2020/ Malaysia	Malaysia	RM100,000	100.00	To engage in other information technology service activities N.E.C as well as to conduct research and development on ICT. As at the LPD, the company is dormant ⁽¹⁾ .

6. INFORMATION ON OUR GROUP (Cont'd)

Name/ Registration no.	Date/ Place of incorporation	Principal place of business	Issued share capital	Effective equity interest (%)	Principal activities and products/services
Orca Technology/ 202001011050 (1367370-K)	12 May 2020/ Malaysia	Malaysia	RM100,000	100.00	To provide computer consultancy services, to engage in other information technology service activities N.E.C as well as to conduct research and development on engineering and technology. As at the LPD, the company is dormant ⁽¹⁾ .
EEL/ LL14444	30 January 2018/ Federal Territory of Labuan	Federal Territory of Labuan	USD1	100.00	To carry out trading and to act as commission agent. As at the LPD, the company is dormant ⁽¹⁾ .
Associates held through Elsa Energy					
Keiko Asia/ 202501004637 (1606050-D)	31 January 2025/ Malaysia	Malaysia	RM100,000	49.00	To provide O&G extraction service activities on a fee or contract basis. As at the LPD, the company has not commenced operations ⁽²⁾ .
Orca Borneo/ 202501004634 (1606047-D)	31 January 2025/ Malaysia	Malaysia	RM100,000	49.00	To provide O&G extraction service activities on a fee or contract basis. As at the LPD, the company has not commenced operations ⁽²⁾ .

Notes:

- (1) As at the LPD, we have no plans for these dormant companies. However, our Group may carry on our existing businesses via these companies in the future when necessary.
- (2) As at the LPD, Keiko Asia and Orca Borneo have not commenced operations. Our Group plans to explore business opportunities in the region of Sarawak and Sabah through these companies in the future. As at LPD, our Group is still monitoring the legal and operating landscapes in East Malaysia prior to commencement of our operations. At such a time, our Group will undertake the necessary process to obtain the requisite licenses which may include, amongst others, trading licenses and/or license from Petroleum Sarawak Berhad (PETROS).

6. INFORMATION ON OUR GROUP (Cont'd)**6.3.1 Elsa Energy****(i) Background and history**

Elsa Energy was incorporated in Malaysia under the CA 1965 and deemed registered under the Act on 18 January 2005, as a private limited company under the name of Wonderia Sdn Bhd. It changed its name to Elsa Energy Sdn Bhd on 13 August 2015.

(ii) Principal place of business

Elsa Energy's principal place of business is at B-21-01, Menara G-Vestor, Kompleks Pavilion Ampang, 200 Jalan Ampang, 50450 Kuala Lumpur.

(iii) Principal activities and products/services

Elsa Energy is principally involved in the business to carry on, establish, organise, manage, promote, develop, operate, conduct oil field services, subsurface geoscience and petroleum engineering, production optimisation and enhancement, oil field exploration, drilling and produce related product and services, production facilities, flow assurance, process integration, pipeline engineering, oil field chemical, enhance oil reconvert related product and services, seismic acquisition, processing and related software application, petroleum industry, project engineering and management, oil industry consulting and related services; to provide manpower, ICT, fabrication and related equipment and services.

(iv) Share capital

As at the LPD, the issued share capital of Elsa Energy is RM2,000,000 comprising 2,000,000 ordinary shares.

Date of allotment	No. of shares allotted	Consideration / Nature of transaction	Cumulative issued share capital	
			RM	No. of shares
18 January 2005	2	Cash / Allotment of shares	2	2
18 June 2005	99,998	Cash / Allotment of shares	100,000	100,000
28 October 2015	400,000	Cash / Allotment of shares	500,000	500,000
3 April 2018	500,000	Cash / Allotment of shares	1,000,000	1,000,000
8 February 2024	1,000,000	Cash / Allotment of shares	2,000,000	2,000,000

(v) Shareholder

Elsa Energy is our wholly-owned subsidiary.

(vi) Subsidiary or associated company

Elsa Energy has two 49.00%-owned associates, namely Keiko Asia and Orca Borneo.

6. INFORMATION ON OUR GROUP (Cont'd)**6.3.2 Elsa Talent****(i) Background and history**

Elsa Talent was incorporated in Malaysia on 15 September 2020 under the Act, as a private limited company under the name of Elsa Talent Solutions Sdn Bhd. On 25 March 2025, Elsa Talent Solutions Sdn Bhd changed its name to its present name (i.e. Agensi Pekerjaan Elsa Talent Solutions Sdn Bhd).

(ii) Principal place of business

Elsa Talent's principal place of business is at B-21-05, Menara G-Vestor, Kompleks Pavilion Ampang, 200 Jalan Ampang, 50450 Kuala Lumpur.

(iii) Principal activities and products/services

Elsa Talent is principally involved in the business as private employment agency to recruit and place worker(s) to another employer.

(iv) Share capital

As at the LPD, the issued share capital of Elsa Talent is RM500,000 comprising 500,000 ordinary shares.

Date of allotment	No. of shares allotted	Consideration / Nature of transaction	Cumulative issued share capital	
			RM	No. of shares
15 September 2020	50,000	Cash / Allotment of shares	50,000	50,000
9 December 2020	50,000	Cash / Allotment of shares	100,000	100,000
28 May 2021	400,000	Otherwise than cash ⁽¹⁾ / Allotment of shares	500,000	500,000

Note:

- (1) The shares were allotted by way of capitalisation of amount owed to a shareholder at the point in time.

(v) Shareholder

Elsa Talent is our wholly-owned subsidiary.

(vi) Subsidiary or associated company

Elsa Talent does not have any subsidiary or associated company.

6. INFORMATION ON OUR GROUP (Cont'd)**6.3.3 Elsa Digital****(i) Background and history**

Elsa Digital was incorporated in Malaysia on 15 September 2020 under the Act, as a private limited company under its present name.

(ii) Principal place of business

Elsa Digital's principal place of business is at B-21-03, Menara G-Vestor, Kompleks Pavilion Ampang, 200 Jalan Ampang, 50450 Kuala Lumpur.

(iii) Principal activities and products/services

Elsa Digital is principally involved in the research and development on ICT.

(iv) Share capital

As at the LPD, the issued share capital of Elsa Digital is RM500,000 comprising 500,000 ordinary shares.

<u>Date of allotment</u>	<u>No. of shares allotted</u>	<u>Consideration / Nature of transaction</u>	<u>Cumulative issued share capital</u>	
			<u>RM</u>	<u>No. of shares</u>
15 September 2020	50,000	Cash / Allotment of shares	50,000	50,000
9 December 2020	50,000	Cash / Allotment of shares	100,000	100,000
28 May 2021	400,000	Otherwise than cash ⁽¹⁾ / Allotment of shares	500,000	500,000

Note:

- (1) The shares were allotted by way of capitalisation of amount owed to a shareholder at the point in time.

(v) Shareholder

Elsa Digital is our wholly-owned subsidiary.

(vi) Subsidiary or associated company

Elsa Digital does not have any subsidiary or associated company.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.3.4 Elsa Robotics****(i) Background and history**

Elsa Robotics was incorporated in Malaysia on 29 December 2020 under the Act, as a private limited company under its present name.

(ii) Principal place of business

As at the LPD, Elsa Robotics has no principal place of business in view that it is a dormant company.

(iii) Principal activities and products/services

As at the LPD, Elsa Robotics is dormant. The intended principal activities of Elsa Robotics are to engage in other information technology service activities N.E.C as well as to conduct research and development on ICT.

As at the LPD, we have no plans for Elsa Robotics. However, our Group may carry on our existing businesses via this company in the future when necessary.

(iv) Share capital

As at the LPD, the issued share capital of Elsa Robotics is RM100,000 comprising 100,000 ordinary shares.

<u>Date of allotment</u>	<u>No. of shares allotted</u>	<u>Consideration / Nature of transaction</u>	<u>Cumulative issued share capital</u>	
			<u>RM</u>	<u>No. of shares</u>
29 December 2020	100,000	Cash / Allotment of shares	100,000	100,000

(v) Shareholder

Elsa Robotics is our wholly-owned subsidiary.

(vi) Subsidiary or associated company

Elsa Robotics does not have any subsidiary or associated company.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.3.5 Orca Technology****(i) Background and history**

Orca Technology was incorporated in Malaysia on 12 May 2020 under the Act, as a private limited company under its present name.

(ii) Principal place of business

As at the LPD, Orca Technology has no principal place of business in view that it is a dormant company.

(iii) Principal activities and products/services

As at the LPD, Orca Technology is dormant. The intended principal activities of Orca Technology are to provide computer consultancy services, to engage in other information technology service activities N.E.C as well as to conduct research and development on engineering and technology.

As at the LPD, we have no plans for Orca Technology. However, our Group may carry on our existing businesses via this company in the future when necessary.

(iv) Share capital

As at the LPD, the issued share capital of Orca Technology is RM100,000 comprising 100,000 ordinary shares.

<u>Date of allotment</u>	<u>No. of shares allotted</u>	<u>Consideration / Nature of transaction</u>	<u>Cumulative issued share capital</u>	
			<u>RM</u>	<u>No. of shares</u>
12 May 2020	100,000	Cash / Allotment of shares	100,000	100,000

(v) Shareholder

Orca Technology is our wholly-owned subsidiary.

(vi) Subsidiary or associated company

Orca Technology does not have any subsidiary or associated company.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.3.6 EEL****(i) Background and history**

EEL was incorporated in the Federal Territory of Labuan on 30 January 2018 under the Labuan Companies Act 1990, as a private limited company under its present name.

For information, EEL was set up to undertake a previous project to source, market and supply seismic data in Suriname for PETRONAS as well as to act as an agent for the Group's O&G business outside of Malaysia.

(ii) Principal place of business

As at the LPD, EEL has no principal place of business in view that it is a dormant company.

(iii) Principal activities and products/services

As at the LPD, EEL is a dormant company. The intended principal activities of EEL are to carry out trading and to act as commission agent.

As at the LPD, we have no plans for EEL. However, our Group may carry on our existing businesses via this company in the future when necessary.

(iv) Share capital

As at the LPD, the issued share capital of EEL is USD1 comprising 1 ordinary share.

<u>Date of allotment</u>	<u>No. of shares allotted</u>	<u>Consideration / Nature of transaction</u>	<u>Cumulative issued share capital</u>	
			<u>USD</u>	<u>No. of shares</u>
30 January 2018	1	Cash / Allotment of shares	1	1

(v) Shareholder

EEL is our wholly-owned subsidiary.

(vi) Subsidiary or associated company

EEL does not have any subsidiary or associated company.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.3.7 Keiko Asia****(i) Background and history**

Keiko Asia was incorporated in Malaysia on 31 January 2025 under the Act, as a private limited company under its present name.

(ii) Principal place of business

As at the LPD, Keiko Asia has no principal place of business in view that it has yet to commence its operations.

(iii) Principal activities and products/services

The principal activity of Keiko Asia is to provide O&G extraction service activities on a fee or contract basis. As at the LPD, the company has not commenced operations.

(iv) Share capital

As at the LPD, the issued share capital of Keiko Asia is RM100,000 comprising 100,000 ordinary shares.

<u>Date of allotment</u>	<u>No. of shares allotted</u>	<u>Consideration / Nature of transaction</u>	<u>Cumulative issued share capital</u>	
			<u>RM</u>	<u>No. of shares</u>
31 January 2025	100,000	Cash / Allotment of shares	100,000	100,000

(v) Shareholder

Keiko Asia is our associate. The shareholders of Keiko Asia are as follows:

<u>Name</u>	<u>No. of shares held</u>	<u>%</u>
Elsa Energy	49,000	49.00
Poh Hock Yon	51,000	51.00

(vi) Subsidiary or associated company

Keiko Asia does not have any subsidiary or associated company.

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6. INFORMATION ON OUR GROUP (Cont'd)**6.3.8 Orca Borneo****(i) Background and history**

Orca Borneo was incorporated in Malaysia on 31 January 2025 under the Act, as a private limited company under its present name.

(ii) Principal place of business

As at the LPD, Orca Borneo has no principal place of business in view that it has yet to commence its operations.

(iii) Principal activities and products/services

The principal activity of Orca Borneo is to provide O&G extraction service activities on a fee or contract basis. As at the LPD, the company has not commenced operations.

(iv) Share capital

As at the LPD, the issued share capital of Orca Borneo is RM100,000 comprising 100,000 ordinary shares.

<u>Date of allotment</u>	<u>No. of shares allotted</u>	<u>Consideration / Nature of transaction</u>	<u>Cumulative issued share capital</u>	
			<u>RM</u>	<u>No. of shares</u>
31 January 2025	100,000	Cash / Allotment of shares	100,000	100,000

(v) Shareholder

Orca Borneo is our associate. The shareholders of Orca Borneo are as follows:

<u>Name</u>	<u>No. of shares held</u>	<u>%</u>
Elsa Energy	49,000	49.00
Raymond Bin Poit @ Elug	51,000	51.00

(vi) Subsidiary or associated company

Orca Borneo does not have any subsidiary or associated company.

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7. BUSINESS OVERVIEW

7.1 Background Information

7.1.1 Incorporation

Our Company was incorporated in Malaysia under the Act on 14 September 2020 as a private limited company under the name of Elsa Sdn Bhd. Subsequently, our Company was converted to a public limited company on 15 March 2024.

7.1.2 History And Development

Our history began on 8 March 2005 where our Managing Director, Daniel, and then partner which had exited the business, acquired Wonderia Sdn Bhd, a company incorporated on 18 January 2005. The company remained dormant until the change of name to Elsa Energy on 13 August 2015. Subsequent to the name change, we began the preparation to commence our business in the provision of service and equipment solutions to O&G industry players.

2016 – Award of PETRONAS license and provision of our oilfield service solutions, engineering solutions and talent solutions

In February 2016, we were awarded the PETRONAS license with 42 SWEC with each SWEC allowing us to bid for and supply specific registered services and products to the O&G industry in Malaysia. Over the years, our Group has garnered a total of 3 PETRONAS licenses as well as expanded the scope of our PETRONAS licenses to include a total 269 SWEC.

With the award of our PETRONAS license, we commenced providing oilfield service solutions in May 2016 when we secured our first purchase order for our subsurface subsegment with EnQuest Petroleum Production Malaysia Ltd (previously known as EQ Petroleum Production Malaysia Ltd) to conduct integrated gas lift optimisation studies. Over the years, in line with growth of our subsurface geoscience and petroleum engineering services subsegment, we gradually expanded our oilfield service solutions offering in areas such as geophysics, reservoirs, quality control inspections and audits, technical trainings, seismic data processing, and subsurface related software, amongst others.

In August 2016, we expanded our service offerings to commence the provision of engineering solutions when we secured our first purchase order for the provision of engineering products such as offshore containers and cargo baskets.

In September 2016, we expanded our service offerings to commence the provision of talent solutions when we secured our first purchase order for the supply of contracted consultants to EnQuest Petroleum Production Malaysia Ltd.

In October 2016, our oilfield service solutions segment grew when we secured our first purchase order for our production optimisation services subsegment to conduct gas lift surveillance services. Over the years, in line with the growth of our production optimisation services subsegment, we gradually expanded our oilfield service solutions offerings in the area of artificial lifts as well as production well performance review.

2017 to 2019 – Expansion of our service offerings and our business operations

In August 2017, we expanded our service offerings to commence the provision of digital solutions when we secured our first contract to design, develop, install, test and commission virtual reality learning packages for a subsidiary of PETRONAS. Over the years, we gradually expanded our digital solutions offerings for the development of new training and learning content as well as for the supply of talent management systems.

In January 2018, EEL was incorporated in Labuan by our Managing Director, Daniel, to undertake O&G business opportunities outside of Malaysia.

7. BUSINESS OVERVIEW (Cont'd)

In March 2018, our oilfield service solutions segment grew when we secured our first contract for our well services subsegment with Vestigo Petroleum Sdn Bhd to provide drilling rig inspection services. Over the years, in line with the growth of our well services subsegment, we gradually expanded our well services solutions offerings in the areas of drilling and well operations services, well servicing, drilling performance coaching services, and quality control inspection and audits services.

In July 2018, we achieved a milestone in our engineering solutions segment when we secured our first contract with PETRONAS to provide engineering, procurement, fabrication and commissioning of a novel offshore sand disposal system.

In line with the continued growth of our oilfield service solutions segment, in December 2018, we rented a warehouse in Kemaman, Terengganu (i.e. measuring approximately 4,004 sq ft) to set up a supply base to support our ongoing offshore O&G operations in West Malaysia ("**Kemaman Supply Base**").

In October 2019, we expanded our business operations when we rented a warehouse in Labuan (i.e. measuring approximately 4,335 sq ft) to set up a supply base to support our ongoing offshore O&G operations in East Malaysia ("**Labuan Asian Supply Base**").

Further, in October 2019, we expanded our digital solutions offerings when we secured our first contract for our IT systems and infrastructure subsegment to provide an IT disaster recovery facility and associated services. Over the years, in line with the growth of our IT systems and infrastructure subsegment, we gradually expanded our digital solutions offerings in the areas of data storage solutions, cloud computing, and IT maintenance and service support, amongst others.

2020 – Expansion of our Group and service offerings, and award of international quality certifications

In September 2020, Elsa was co-founded by our Managing Director, Daniel, as a holding company. In the same month, we incorporated Elsa Digital as well as Elsa Talent, whereby it underwent a change of name on 25 March 2025. In December 2020, we incorporated Elsa Robotics. Elsa Digital was incorporated to carry out all our digital solutions projects, Elsa Talent was incorporated to carry out all our talent solutions projects, and Elsa Robotics was incorporated to begin the preparation to commence our business in the provision of robotics solutions.

In March 2020, we achieved a milestone in our oilfield service solutions segment when we secured a contract for our well services subsegment with a subsidiary of PETRONAS to provide well operations across Malaysia.

Further, in November 2020, we achieved an international standard of compliance to quality assurance and quality control in respect of our management systems, when we obtained our ISO 9001:2015 certifications from TUV UK Ltd. Please refer to Section 7.2.6 of this Prospectus for further information on our quality certifications.

In December 2020, our digital solutions segment grew when we secured our first purchase order for our digital outsourcing subsegment with a subsidiary of PETRONAS to provide digital resources and consultancy services for hosting and sourcing projects.

2021 – Growth of our digital solutions segment and formation of our robotics and engineering solutions segment

In January 2021, we achieved a milestone in our digital solutions segment when we secured a large contract for our IT systems and infrastructure subsegment with PTTEP Malaysia Assets to provide IT managed desktop support services for the company's operations across Malaysia.

7. BUSINESS OVERVIEW (Cont'd)

In March 2021, our Group entered into a commercialisation agreement with Petronas Technology Ventures Sdn Bhd in which we were granted a non-exclusive license to market select robotics products developed by a subsidiary of PETRONAS to customers in the energy industry worldwide. With that, we formed our robotics and engineering solutions segment and over the years, we have expanded our robotics and engineering solutions offerings through continuously securing new technology partners. Please refer to Section 7.2.1.2(ii) of this Prospectus for further details on our technology partners.

In April 2021, we achieved a milestone in our digital solutions segment when we secured a large contract for our IT systems and infrastructure subsegment with PTTEP Malaysia Assets to provide disaster recovery as a service for the company's operations across Malaysia.

2022 – Expansion of our business operations and extended our service offerings to non-O&G customers

In January 2022, we expanded our business operations when we rented an office in Bukit Jalil, Kuala Lumpur (i.e. measuring approximately 1,355 sq ft) to set up a robotics and engineering centre to support our ongoing robotics and engineering operations ("**Bukit Jalil Technology Park**").

Further, in 2022, we expanded our customer base through securing project contracts for our talent solutions, digital solutions, and robotics and engineering solutions segments with numerous non-O&G customers. These non-O&G customers included, amongst others, an educational institution, financial institution, food and beverage companies, a government agency and infrastructure companies.

2023 – Growth of our digital solutions segment and robotics and engineering solutions segment

In January 2023, our digital solutions segment grew when we secured our first contract for our network and cybersecurity solutions subsegment with Hibiscus Oil and Gas Malaysia Limited to provide subscription and management services for a security operations centre and network operations centre.

In July 2023, we achieved a milestone in our digital solutions segment when we secured a contract with PETRONAS Digital Sdn Bhd to deploy and develop a field performance centre as well as PETRONAS assets performance centre.

2024 - Growth of our talent solutions segment and robotics and engineering solutions

In April 2024, we achieved a milestone in our talent solutions segment when we secured a contract with PETRONAS Technical Services Sdn Bhd for the provision of contracted consultants for deployment at international locations and worksites, including Japan, Korea and China.

In October 2024, we achieved a milestone in our robotics and engineering solutions segment when we secured a contract with PETRONAS Technical Services Sdn Bhd for the provision of underwater pipeline inspection services using an AUV. We deployed the underwater pipeline inspection services for an offshore subsea gas pipeline (i.e. with a total length of 155 km).

In November 2024, our robotics and engineering solutions segment grew when we secured a contract for the provision of unmanned aerial vehicle ("**UAV**") drone services to inspect 11 drilling rigs.

7. BUSINESS OVERVIEW (Cont'd)

2025 – Growth of our robotics and engineering solutions

In June 2025, we also secured a contract with Vestigo Petroleum Sdn Bhd for the provision of underwater pipeline inspection services using an AUV for offshore subsea gas pipelines (i.e. with a total length of 60 km).

In July 2025, we also secured a contract with an entity within Customer A group of companies for the provision of remotely piloted aircraft system services for security surveillance, greenhouse gas quantification and asset inspection.

In August 2025, we also secured a contract with Petronas Carigali Sdn Bhd for the provision of a hovering autonomous underwater vehicle (HAUV) for subsea structure inspection of an offshore platform, whereby we commenced work for the contract in September 2025.

7.2 Business Overview

7.2.1 Principal Activities and Business Model

Our Group is principally involved in the provision of O&G service and equipment solutions, where our main business segments comprise:

- (i) Oilfield service solutions – supporting activities throughout the lifecycle of an oilfield, mainly in subsurface geoscience and petroleum engineering services, production optimisation services and well services subsegments;
- (ii) Talent solutions – talent sourcing and HR management services, to provide our customers with contracted consultants for our customers' projects, as well as with HR management services such as management of salary payroll;
- (iii) Digital solutions – sourcing, design, supply, and implementation of IT infrastructure systems, cybersecurity, digital learning services, digital outsourcing services and software applications; and
- (iv) Robotics and engineering solutions – provision of engineering services comprising robotics inspection and surveillance, and equipment supply.

Please refer to Section 7.2.1.1 of this Prospectus for further information on our business segments.

Our suite of services allows us to support various aspects of the O&G industry. Through our oilfield service solutions, talent solutions, digital solutions, as well as robotics and engineering solutions, we provide a cohesive array of services that support different facets of the industry. This approach allows our customers to benefit from a wide range of services tailored to address their specific needs and challenges in the O&G sector.

We are a PETRONAS licensed provider of products and services to exploration and O&G companies in Malaysia. We primarily act as the main contractor of the projects we secure. We are involved in the project management and implementation of projects awarded to us, from initial planning to final delivery, and we are responsible for keeping the project on track, managing resources, solving problems, overseeing quality control processes and ensuring the timely completion of deliverables to our customer's satisfaction. We have in-house project managers and site engineers to plan, manage, supervise and monitor the project implementation.

7. BUSINESS OVERVIEW (Cont'd)

Our solutions are customised based on the requirements of the projects we secure, according to the specifications of our customers. We identify, assess, select, source and supply the required equipment or spare parts, software and/or technology solutions. We also source, manage and/or supervise contracted consultants comprising specialised consultants and skilled personnel to support the delivery of our consultation services to our customers and implementation of our projects. Further, we also source contracted consultants for our customers for their projects and manage the issuance of salary payroll to these contracted consultants.

Our business model is summarised below:

Business activities	Provision of oil and gas service and equipment solutions • Main contractor for primarily O&G projects, involved in project management and implementation. • A PETRONAS registered and licensed provider of products and services for the provision of customised solutions according to the requirements of projects secured.			
Business segments	Oilfield service solutions • Subsurface geoscience and petroleum engineering services • Production optimisation services • Well services	Talent solutions • Talent sourcing • HR management services	Digital solutions • IT systems and infrastructure • Digital talent solutions • Digital outsourcing • Network and cybersecurity solutions	Robotics and engineering solutions • Robotics surveillance and inspection • Engineering products and services
Customers	Our Group mainly serves O&G companies in Malaysia. However, our talent solutions, digital solutions, and robotics and engineering solutions also serve companies from other industries in Malaysia, such as insurance companies, software companies and infrastructure companies.			
Locations	• Kuala Lumpur Office (Headquarters) • Bukit Jalil Technology Park (Robotics and engineering centre) • Kemaman Supply Base (Warehouse for oilfield service solutions segment) • Labuan Asian Supply Base (Warehouse for oilfield service solutions segment)			

7.2.1.1 Our business segments

(i) Oilfield service solutions

We support O&G players across the lifecycle of an oilfield, mainly in subsurface geoscience and petroleum engineering services, production optimisation services and well services subsegments:

(a) Subsurface geoscience and petroleum engineering services

Subsurface in the O&G industry refers to the exploration for the presence of O&G. We offer subsurface services, including geoscience and petroleum engineering solutions that address the first 3 stages of an oilfield lifecycle:

- **Finding** – primarily involves seismic exploration initiatives to identify and locate potential O&G for extraction. This stage usually spans over a period of 3-6 years. We are involved in the provision of subsurface services for all 3 stages of seismic exploration which include data acquisition, data processing and data interpretation.

7. BUSINESS OVERVIEW (Cont'd)

- **Assessment** – rigorous evaluations are carried out to determine the economic value of a potential oilfield and to provide an estimation of its available O&G volume and reserve. This stage is carried out over 1-2 years. We are involved in the provision of subsurface services for geological modelling, reservoir characterisation and resource assessment works.
- **Development** – an initial field development plan is set into motion in order to prepare the designated oilfield for production. This stage is carried out over 2-5 years. We are involved in the provision of subsurface services for field development planning and full field review works.

Our Group's subsurface geoscience and petroleum engineering services focus on providing equipment, software and/or technology as well as consultation services. We provide consultants with specific experience and expertise in subsurface oilfield services to provide expertise in areas such as geoscience (i.e. comprising geophysics, geology and petrophysics) and petroleum engineering (i.e. comprising reservoir engineering, drilling engineering and production engineering), as well as conduct reservoir/ subsurface studies, perform quality control inspections and audits, conduct technical trainings, process seismic data, and supply subsurface related software, based on the requirements of the project awarded to our Group.

Further, our activity in this subsegment requires the application of sophisticated tools and technology such as advanced computing and data processing, from the onset of discovery and exploration to the completion of an oil lifecycle. During the FYEs 2022 to 2025, we principally worked with our technology partners, namely Advanced Geophysical Technology to utilise their products and technology to carry out our subsurface geoscience and petroleum engineering services or to supply their products to our customers. Please refer to Section 7.5 of this Prospectus for further details on the technology partners which comprised our major suppliers during the FYEs 2022 to 2025.

(b) Production optimisation services

When an oilfield has entered the production period, it typically has a period of 20-30 years of peak production. After an oilfield has surpassed its peak production period, the production of O&G will begin to steadily decline until the end of the asset's life. To mitigate the decline and prolong the productivity of the oilfield, our Group provides equipment, software and/or technology solutions as well as consultation services to implement production optimisation and enhancement solutions to protect, optimise and enhance production, in the following areas:

- **Production well performance review** – a comprehensive study conducted on the entire production system of an oilfield, designed to ensure that the entire system is operating at optimal level across various parameters, and to identify any required actions to improve the efficiency of production. When an oilfield surpasses its optimum production life of 20-30 years, the pressure in the reservoir inevitably declines, causing more water than oil to be extracted. To continue maximising the potential of an oil well, we will provide expertise in production oilfield services to review and adjust our customers' production strategies.
- **Artificial lift equipment** – once production begins to display signs of decline, external energy is introduced into the production system through an artificial lift equipment to provide the needed lifting power to sustain the system. We source, supply, assemble, install and/or maintain artificial lift equipment such as gas lift valves, gas lift optimisation, electrical submersible pumps, and surface jet pumps, based on our customers' requirements.

7. BUSINESS OVERVIEW (Cont'd)

When requested, we also offer rental of artificial lift equipment to our customers. During the FYEs 2022 to 2025, we principally sourced artificial lift equipment from our technology partners such as Principal A and Baker Oil Tools (Malaysia) Sdn Bhd. Please refer to Section 7.5 of this Prospectus for further details on the technology partners which comprised our major suppliers during the FYEs 2022 to 2025.

(c) Well services

The drilling of new wells for an oilfield requires numerous studies, engineering services and technologies, which are crucial to be considered prior to completion of well drilling and commencement of O&G production. After an oilfield has passed the assessment and development phases, it is ready for extraction and well drilling.

After a long period of production, with the extensive exposure to high temperatures and pressure compounded by natural aging, the well integrity is compromised, with production efficiency beginning to decline. At this stage, well integrity services are needed to manage and sustain production levels of the wells to continue optimum extraction of O&G and to prevent damage to integral parts of the well such as tubing and valves.

Our Group is involved in the provision of equipment, software and/or technology as well as consultation services in drilling and well operations (e.g. thru tubing services and well integrity studies), conducting technical trainings (e.g. drilling performance coaching), and performing quality control inspections and audits (e.g. drilling and rig equipment inspections, and riser and conductor analysis), based on the requirements of projects awarded to our Group, as detailed below:

- **Drilling and well operations services**

Drilling and well operations refer to all the activities involved in drilling, completing and managing oil or gas wells to extract resources from the reservoir. We provide consultation services to support the management of drilling and well operations for our customers. Through consultants with specific experience and expertise in wells oilfield services, we oversee all aspects of drilling, completion, and production activities to ensure efficiency, safety, and regulatory compliance. We monitor well performance, production rates, and operating costs to identify opportunities for optimisation. We also analyse data, conduct performance reviews, and implement corrective actions to improve efficiency, increase production and maximise profitability.

We provide gyro wellbore surveying services ("**gyro services**") during well construction (drilling). Gyro services are used to simultaneously collect well inclination and direction measurements during drilling to ensure that the well is being drilled according to the planned trajectory. Gyro services are also conducted for existing wells drilled in past decades, to verify the well location as well as to ensure that new wells can be drilled safely from the same or nearby platforms. During the FYEs 2022 to 2025, we worked together with our technology partner, such as Scientific Drilling International, Inc to provide gyro tools and perform gyro services at the rig site. Please refer to Section 7.5 of this Prospectus for further details on the technology partners which comprised our major suppliers during the FYEs 2022 to 2025.

7. BUSINESS OVERVIEW (Cont'd)

- Well servicing

Our well servicing entails the provision of downhole tools such as milling tools, jetting tools, connectors, downhole motors, fishing tools, stabilisers and pipe cutters. Downhole tools are sent to our warehouse for cleaning, repair and repainting, where necessary, and stored at our warehouse before being sent to our customers' drilling sites. As part of our service, we also source and supply downhole tools for our customers' drilling needs.

During the FYEs 2022 to 2025, we worked with our technology partner, namely Wellpro Group Limited to procure supplies and leverage on their technical knowhow and team of skilled engineers to supply well servicing services to our customers. Please refer to Section 7.5 of this Prospectus for further details on the technology partners which comprised our major suppliers during the FYEs 2022 to 2025.

- Drilling performance coaching services

We provide drilling performance coaching services to facilitate our customers' drilling operation team on safety and smooth execution of drilling operations at rig sites. One of the key objectives of such coaching services is to increase the efficiency of performance at rig sites by reducing hazards and optimising rig time whereby both contributes to reduction on drilling cost and shortens the drilling campaign period.

- Quality control inspection and audit services

Quality control inspection and audit services are required by O&G operators to ensure unbiased inspections on drilling and completion tools that have been supplied by various vendors which are used by O&G operators. We services to support quality control in management of well operations, including the following:

- Drilling and completion equipment quality assurance and quality control inspection: inspecting drilling and completion tools according to various industry standards and certifying that the tools are intact and competent to be used at the rig site. Additionally, our inspectors are also able to represent our customers who are O&G operators in performing audits on tools or on vendors who are supplying or manufacturing machine and processing tools, including evaluating the manufacturing standards adopted by the vendor.
- Rig inspection: inspecting and auditing land rigs and hydraulic workover units to ensure full unit readiness before project commissioning. Under our rig inspection services, we cover inspections on major rig equipment; crew competency; pre-hire surveys; health, safety and environment audits; commissioning and rig intakes; subsea and well control audits; trainings; control system and software audits; dropped objects; ex surveys; thermographic surveys; compliance audits; and rig reactivations, to ensure the unit is in full compliance before mobilising it to customers' sites.
- Riser and conductor analysis: providing a selection of riser and conductor analysis that will be used by O&G operators during drilling and completion stage. Further, we conduct feasibility study and analysis to help O&G operators select the right riser and conductor.

7. BUSINESS OVERVIEW (Cont'd)

(ii) Talent solutions

Our Group offers talent solutions comprising talent sourcing services as well as HR management services. Our talent solutions aim to address our customers' labour needs as well as alleviate our customers' administrative workload through facilitating the outsourcing of our customers' talent sourcing and HR management processes to our Group. We offer talent solutions to O&G industry players as well as non-O&G industry customers such as insurance companies.

We provide talent sourcing services to our customers by sourcing and engaging contracted consultants with specific experience and expertise to provide services for our customers' projects. Our Group performs internal searches to source suitable consultants from our network of talents, according to the timeline and talent profile requirements of our customers. We carry out preliminary assessments to identify candidates who meet requisite qualifications and eligibility (e.g. work authorisation, location, compensation). It typically involves a resume review and/or a short phone/video screen to verify employment history and candidates' personal information. Shortlisted candidates will progress to conducting formal interviews as well as technical and behavioural assessments. We engage successful candidates as our contracted consultants and deploy them as dedicated resources for our customers' projects, whereby these consultants' scope of work is determined at our customers' discretion. Our Group engages these consultants as contract employees through service agreements, in which we are responsible for managing the salary payroll for the contracted consultants. Please refer to Section 7.2.1.2(i) of this Prospectus for further details on our contracted consultants.

Our Group is also involved in the provision of HR management services for our customers' workforce. The HR management services provided by our Group enable our customers to outsource the employee management and administration tasks required for their workforce to our Group, such as the issuance of salary payroll, work permits and employee insurance.

(iii) Digital solutions

Our Group provides equipment, software and/or technology solutions as well as consultation services to deliver customised digital solutions for our customers. Our digital solutions are customised based on our customers' needs, covering 4 key areas, namely IT systems and infrastructure, digital talent solutions, digital outsourcing, and network and cybersecurity solutions, as detailed below:

(a) IT systems and infrastructure

We provide customised IT system solutions to facilitate the digitalisation of our customers' business operations to meet various business objectives such as improving overall business operations, strengthening data protection and risk management, and enabling business continuity.

We source and supply IT hardware and system software for outright sale to our customers based on their requirements. Further, we offer subscription-based service for leasing of IT hardware, such as laptops, which includes access to the leased hardware and managed services encompassing maintenance and repairs to support the ongoing use of the hardware; as well as subscription to cloud computing services, cloud storage services and disaster recovery-as-a-service. We also offer IT maintenance and service support to our customers, through consultants with specific experience and expertise in IT systems and infrastructure.

7. BUSINESS OVERVIEW (Cont'd)

We work together with our technology partners to supply, set up and/or manage IT solutions comprising hardware and software for customer relationship management, IT system management, data storage solutions and disaster recovery solutions. During the FYEs 2022 to 2025, we principally worked with technology partner, namely Principal B to provide IT systems and infrastructure to our customers. Please refer to Section 7.5 of this Prospectus for further details on the technology partners which comprised our major suppliers during the FYEs 2022 to 2025.

(b) Digital talent solutions

Our Group provides customised digital solutions to facilitate our customers' talent management and development of digital training and learning content. Digital training and learning enable employees to be trained and developed anywhere and anytime. We develop customised e-learning materials by converting our customers' physical training materials and learning experience into various digital programs such as microlearning modules as well as augmented reality and virtual reality learning.

We also supply talent management systems comprising learning management systems, training management systems, HR management systems and talent analytics. During the FYEs 2022 to 2025, we principally sourced and supplied talent management systems from our technology partner, namely Mintra Group. These systems are sold to our customers on a license subscription basis and our Group's in-house IT team provides support services for the implementation of the systems (i.e. inserting our customers' information to customise the systems according to our customers' needs). Please refer to Section 7.5 of this Prospectus for further details on the technology partners which comprised our major suppliers during the FYEs 2022 to 2025.

(c) Digital outsourcing

We offer customised digital outsourcing solutions to assist and support the implementation of IT projects for our customers. Based on the requirements of projects awarded to our Group, we may assemble a team of consultants with specific experience and expertise in IT for the duration of a project, comprising developers, system engineers, software specialists and solution architects. We will manage and supervise the performance of the IT team deployed to ensure the quality of deliveries and services is up to our customers' requirements.

(d) Network and cybersecurity solutions

We offer customised network and cybersecurity solutions to safeguard our customers' digitalisation process and protect them against malware. Based on the requirements of the projects awarded to our Group, we may offer one or more of the following services for each project:

- **Consultation**

Our Group provides consultation services through our network and cybersecurity product suppliers, to first determine a customers' requirements and concerns before performing vulnerability testing on their network and devices. We also provide training to our customers' in-house technical professionals to equip them with skills and knowledge on how to deploy suitable security practices in their IT systems.

7. BUSINESS OVERVIEW (Cont'd)

- Set up and implementation

We source, set up and implement the suitable products for cybersecurity, endpoint security, data loss prevention, network security and security network operating centres (“**SOC NOCs**”). We source and supply the required software from our suppliers. Our Group’s in-house project team is involved in project managing the customisation and implementation of the products (i.e. integration of the products with our customers’ internal systems and supervision of the monitoring carried out by our technology providers). We may also work alongside our suppliers in the delivery of the project as and when needed.

- Support and maintenance

We offer support and maintenance services including routine maintenance of security systems to ensure all security systems are working well. As part of our services, we ensure all software are updated and may replace any malfunctioned hardware.

(iv) Robotics and engineering solutions

Our Group provides equipment, software and/or technology solutions as well as consultation services through our technology partners, contracted consultants and subcontractors, to deliver customised robotics and engineering solutions for our customers. Our robotics and engineering solutions are customised based on the requirements of projects awarded to our Group, as detailed below:

(a) Robotics surveillance and inspection

The usage of robotic devices to autonomously inspect hazardous environments, such as an oil rigs and wells, can reduce the need for and dependency on human abilities and skills, reduce costs and risk of plant damage through elimination of human errors, and improve time efficiency.

As at the LPD, we own 8 drones comprising 6 different models which can be deployed to facilitate our customers surveillance and inspection requirements.



Blueye Pioneer



DJI M350



Skydio X2D



Skydio X10D

7. BUSINESS OVERVIEW (Cont'd)

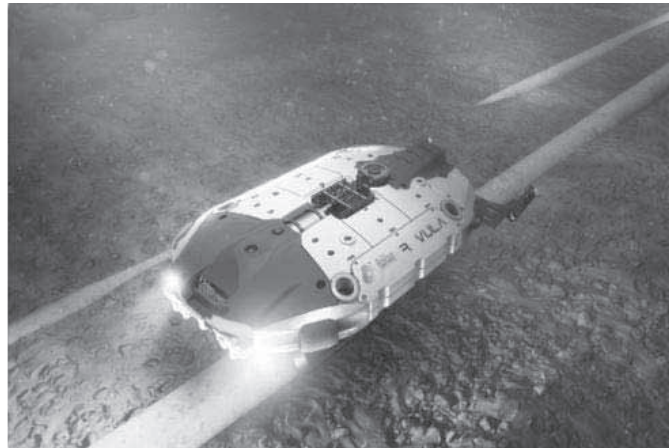
DJI Mavic 3E



DJI Mavic 4T

Further, we entered into a commercialisation agreement with Petronas Technology Ventures Sdn Bhd in which we were granted a non-exclusive license to market select robotics products developed by a subsidiary of PETRONAS to customers in the energy industry worldwide, as well as to carry out services such as the operation, maintenance and servicing of these robotics products on behalf of Petronas Technology Ventures Sdn Bhd. Under the commercialisation agreement, we are licensed by Petronas Technology Ventures Sdn Bhd to market robotic products comprising a remotely operated internal vessel inspection robot, an intelligent four-legged autonomous robot designed for deployment in challenging environments, and drone technology.

We also entered into agency and service agreements with Rovula (Thailand) Company Limited, in which we were appointed to market selected robotics products developed by Rovula (Thailand) Company Limited such as Xplorer (i.e. an AUV for subsea pipeline inspection services), Nautilus (i.e. a semi-autonomous subsea pipeline repair robot), and Xspector (i.e. a pipeline inspection data management system for subsea anomaly detection). Subsequently, we received sole authorised business partner and service agent appointment letters on 1 April 2025, whereby we were appointed by Rovula (Thailand) Company Limited as sole authorised business partner and service agent for Petronas Carigali Sdn Bhd and Vestigo Petroleum Sdn Bhd's projects in Malaysia.

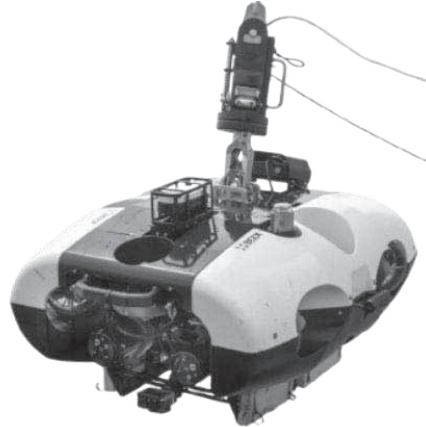


Xplorer

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7. BUSINESS OVERVIEW (Cont'd)

In addition, we entered into a partnership agreement with BeeX Pte Ltd on 1 April 2026, in which we were appointed to promote BeeX Pte Ltd's products and services for a period of 1 year effective from 1 April 2026 to 31 March 2027. The services of BeeX Pte Ltd comprise autonomous robotics solutions to safeguard underwater infrastructure, such as A.IKANBILIS (i.e. a hovering autonomous underwater vehicle for subsea structure inspection). The terms of the partnership agreement we entered into with BeeX Pte Ltd do not contain disproportionately unfavourable contractual terms, such as post-termination non-compete clause.



A.IKANBILIS

The salient terms of the above agency and service agreements are as follows:

Agency agreement

1. **Appointment** : Rovula (Thailand) Company Limited hereby appoints Elsa Energy ("**Parties**"), and Elsa Energy hereby accepts the appointment from Rovula (Thailand) Company Limited, as its agent for sale, marketing, promotion and solicitation of purchase order for the services in relation to (i) autonomous unmanned vehicle (AUV) for subsea pipeline inspection service, (ii) Nautilus – the semi-autonomous subsea pipeline repair robot and (iii) Xspector – web application based for subsea anomaly detection by computer vision service ("**Products**") in Malaysia ("**Territory**").

For the avoidance of doubt, the appointment hereunder shall not prevent Rovula (Thailand) Company Limited from conducting sale, marketing, promotion and solicitation of purchase order for the Products in the Territory on its own or appointing any other person to do so.

Elsa Energy agrees not to act as an agent to any other person for the Products or any product or service similar to the Products in the Territory unless a prior written consent is obtained from Rovula (Thailand) Company Limited.

7. BUSINESS OVERVIEW (Cont'd)

During the Term (as defined below), Elsa Energy shall not directly or indirectly, or cause or permit any of our affiliates and respective directors and shareholders to, engage in any business in direct or indirect competition with Rovula (Thailand) Company Limited's any business related to activities occurring at offshore which requires marine and subsea vehicle services including but not limited to (i) pipeline inspection by AUV, and (ii) underwater survey using navigation, positioning and survey sensors in any part of Thailand and/or the Territory, whether directly or indirectly, alone or in joint venture or as a licensee or franchisee of any other person.

2. **Duties and responsibilities of Elsa Energy** : Elsa Energy shall clearly identify ourselves as a duly authorised agent of Rovula (Thailand) Company Limited in the course of our efforts to sell, market, promote and/or solicit purchase order for the Products on behalf of Rovula (Thailand) Company Limited and may not sell the Products in our own name.
3. **Commission** : Elsa Energy shall be entitled to a commission for each quotation to be submitted by Rovula (Thailand) Company Limited at its acceptance of each order, issued by it and accepted by customers.
4. **Term and termination** : The agency agreement shall commence on the date of the said agreement and shall, unless earlier terminated pursuant to the agency agreement, continue for a term of 1 (one) year ("Term"). The agency agreement may be extended for a period of 1 (one) year each upon agreement in writing between the Parties at least 60 (sixty) days prior to the end of each Term.

The agency agreement shall be immediately terminated upon the earlier occurrence of the following events:

- a) when the service agreement dated 22 July 2022 entered into between Rovula (Thailand) Company Limited and Elsa Energy is terminated for any reason whatsoever, unless agreed otherwise by the Parties;
- b) a written agreement of both Parties to terminate the agency agreement;
- c) a written notice by the non-affected Party to terminate the agency agreement in the event that (i) the other Party enters, applies to enter, or if application is made by a third party intending to force that other Party to enter into bankruptcy, composition or reorganisation, or (ii) the other Party becomes insolvent due to its being unable to pay its debts as they become due;

7. BUSINESS OVERVIEW (Cont'd)

- d) a written notice by a non-defaulting Party to terminate the agency agreement in the event that the other Party commits any breach of any of the provisions of the agency agreement and, in the case of a breach capable of remedy, fails to remedy the same within 30 (thirty) days after receipt of notice from the non-defaulting Party;
- e) immediately upon Rovula (Thailand) Company Limited's written notice pursuant to the agency agreement; or
- f) at Rovula (Thailand) Company Limited's sole discretion, a written notice with at least 60 (sixty) days prior notice from the Rovula (Thailand) Company Limited to Elsa Energy of its intention to terminate the agency agreement.

Service Agreement

1. **Provision of service** : Rovula (Thailand) Company Limited hereby agrees to provide the service in relation to (i) autonomous unmanned vehicle (AUV) for subsea pipeline inspection service, (ii) Nautilus – the semiautonomous subsea pipeline repair robot and (iii) Xspector – web application based for subsea anomaly detection by computer vision service (“**Services**”) to Elsa Energy, and Elsa Energy agrees to accept such Services from Rovula (Thailand) Company Limited, subject to the terms and conditions of the service agreement.
2. **Service term** : The term of the service agreement shall be 1 (one) year, commencing from the date of the service agreement (“**Service Term**”) unless otherwise terminated pursuant to the service agreement. The Service Term shall be renewable for a period of 1 (one) year each upon agreement in writing between the Parties at least 60 (sixty) days prior to the end of each Service Term.
3. **Exclusivity** : During the term of the service agreement, Elsa Energy agrees to exclusively engage Rovula (Thailand) Company Limited for the Services in Malaysia (“**Territory**”), and agrees not to engage any other person to perform the Services in the Territory, unless Rovula (Thailand) Company Limited rejects to perform such Services or a written consent from Rovula (Thailand) Company Limited is obtained.
4. **Service fee** : As consideration for Rovula (Thailand) Company Limited providing of all Services set forth in the service agreement, Elsa Energy shall pay to Rovula (Thailand) Company Limited the service fees in accordance with quotation.

7. BUSINESS OVERVIEW (Cont'd)

5. Term and termination

The service agreement shall be immediately terminated upon the earlier occurrence of the following events:

- (a) when the agency agreement dated 22 July 2022 entered into between Rovula (Thailand) Company Limited and Elsa Energy is terminated for any reason whatsoever, unless agreed otherwise by the Parties;
- (b) a written agreement of both Parties to terminate the service agreement;
- (c) a written notice by the non-affected Party to terminate the service agreement in the event that (i) the other Party enters, applies to enter, or if application is made by a third party intending to force that other Party to enter into bankruptcy, composition or reorganisation, or (ii) the other Party becomes insolvent due to its being unable to pay its debts as they become due; and
- (d) a written notice by a non-defaulting Party to terminate the service agreement in the event that the other Party commits any breach of any of the provisions of this Agreement and, in the case of a breach capable of remedy, fails to remedy the same within 30 (thirty) days after receipt of notice from the non-defaulting Party.

Termination of the service agreement for whatever reason shall not affect the rights of the Parties that have accrued prior to the date of termination.

For information, there is no cooling off period which restricts our Group from acting as an agent to any other person for any product or service similar to the Products or Services of the abovementioned agreements in the Territory, in the event of the termination of our agency and service agreements with Rovula (Thailand) Company Limited.

For information, Elsa Energy agrees not to act as an agent to any other person for the Products or any product or service similar to the Products in the Territory unless a prior written consent is obtained from Rovula (Thailand) Company Limited whilst Rovula (Thailand) Company Limited is not similarly restricted i.e. they are able to sell the Products in the Territory on its own or appoint any other person to do so. Malacca Securities takes cognisance of the said term in the agency/service agreement. Malacca Securities also take cognisance of the following:-

- (i) Elsa Energy's exclusive agreement with Rovula (Thailand) Company Limited enables Elsa Energy to sell the Products within the Territory specifically for the inspection all of Petronas Carigali Sdn Bhd's scheduled pipeline inspections for the next 3 years. In this respect, Malacca Securities understands that Petronas Carigali Sdn Bhd operates and maintains approximately 65% of all the offshore underwater pipelines in Malaysia water;

7. BUSINESS OVERVIEW (Cont'd)

This exclusive arrangement for the Rovula AUV technology is supported by a recent 3-year contract entered into on 3 November 2025 between Petronas Carigali Sdn Bhd and Elsa Energy for Petronas Carigali Sdn Bhd's scheduled pipeline inspections for the next 3 years;

- (ii) Whilst the agreement allows for Rovula (Thailand) Company Limited to enter into arrangements to sell the Product to other parties for balance 35% of pipelines within Territory, it is noted that any party intending to undertake such works will require the necessary PETRONAS licenses and SWEC. In this respect, Elsa Energy is also in active engagements with potential customers and Rovula (Thailand) Company Limited to utilise the AUV technology for these customers' routine pipeline inspections; and
- (iii) Elsa Energy is the incumbent as they have the necessary SWEC and have to date, completed 3 AUV underwater pipeline inspections in Malaysia.

Premised on the above, Malacca Securities has assessed that the aforementioned term is not expected to have a material adverse impact/ detrimental to our Group.

(b) Engineering products

In the O&G industry, we support offshore installation and maintenance activities such as lifting or heavy-load handling and accessing challenging or difficult to reach places (e.g. below or between decks) through the sourcing and supply of equipment such as cable ladders and inspection equipment.

We may also source and supply engineering products for our customers in other industries, as and when required. For example, we support the activities of infrastructure companies through the sourcing and supply of equipment such as rail tracks.

7.2.1.2 Our suppliers

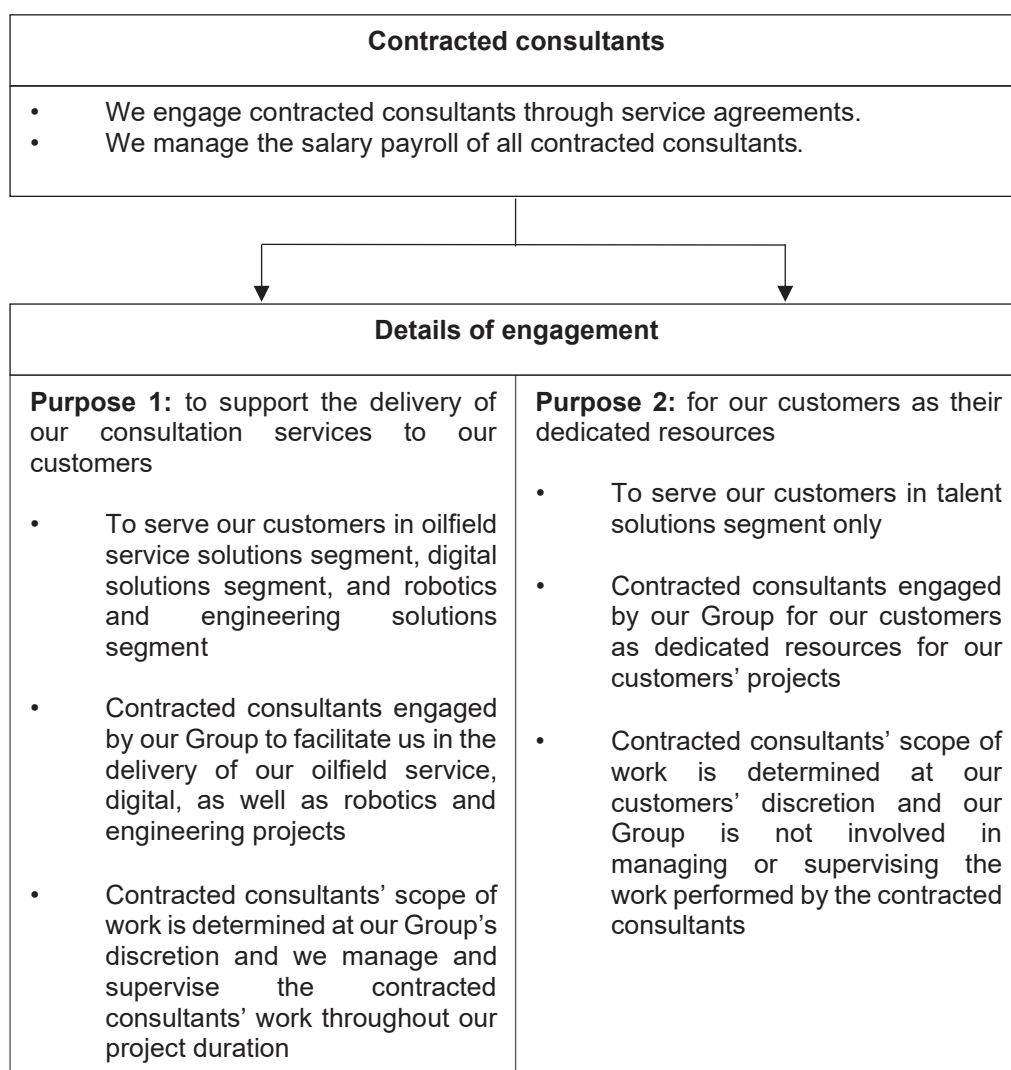
Our suppliers comprise consultants, technology partners, subcontractors and suppliers:

(i) Contracted consultants

Our Group operates with a lean core workforce and we engage consultants on contract basis for 2 purposes:

- (a) to support the delivery of our consultation services to our customers and implementation of our projects in oilfield service solutions segment, digital solutions segment, and robotics and engineering solutions segment; and
- (b) for our customers under our talent solutions segment as dedicated resources for their projects.

The contracted consultants are deployed as a dedicated resource on a project basis. These consultants consist of specialised consultants and skilled personnel, such as subsurface professionals, wells professionals, asset integrity professionals, ICT specialists and finance personnel. Our Group engages these consultants under contract through service agreements, and we are responsible for managing the salary payroll for the contracted consultants as part of our project scope of work required by our customers.

7. BUSINESS OVERVIEW (Cont'd)

Our Group leverages on contracted consultants to support the implementation of our oilfield service solutions, digital solutions, as well as robotics and engineering solutions projects. As at the LPD we have 224 contracted consultants engaged for our oilfield service solutions, digital solutions, and robotics and engineering solutions projects. This enables us to adapt and customise our services for our customers through sourcing and engaging contracted consultants for their specific experience and technical expertise based on the requirements of the projects we secure, as set out by our respective customers. The contracted consultants' scope of work is determined at our discretion based on project requirements and we manage and supervise their work throughout our project duration, ensuring the quality and timely completion of deliverables to our customers' satisfaction. The duration of the consultants' service agreement is subject to their scope of work required for our oilfield service solutions, digital solutions, or robotics and engineering solutions projects.

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7. BUSINESS OVERVIEW (Cont'd)

Further, for our talent solutions projects, our Group sources and engages contracted consultants to provide services for our customers' projects. As such, we engage the contracted consultants for their specific experience and expertise based on the requirements of our customers' projects. As at the LPD, we have 405 contracted consultants engaged for our customers' projects. Under the service agreements entered into between the contracted consultants and our Group, the consultants agree to provide services to our customers, whereby the consultants' scope of work is determined at our customers' discretion and our Group is not involved in managing or supervising the work performed by the consultants. The duration of the consultants' service agreement is subject to their scope of work required for our customers' projects.

(ii) Technology partners

As an asset-light company, we do not own proprietary technology or manufacture our own products. We source and establish agency-principal relationships with our technology partners, whereby we serve as agents to our technology partners, who are the principals.

Under the Petroleum Development Act 1974, companies are required to be registered and licensed with PETRONAS to supply products and services to exploration and O&G companies in Malaysia. Further, the products and services regulated under the PETRONAS license are classified by SWEC. This indirectly acts as a barrier to entry to the O&G services and equipment industry in Malaysia. As such, with the wide scope of our Group's PETRONAS licenses (i.e. comprising a total of 269 SWEC), we have been able to attract and secure a broad network of multinational principal technology partners which provide products and services to support the O&G industry.

Our ability to source diverse services and technologies from our network of technology partners on a need basis gives us operational flexibility whereby we can tap into a diverse pool of technology partners as project requirements arise. This approach allows us to quickly assemble and deploy tailored solutions that meet the needs of each customer and project. Our established relationships with these technology partners give us direct access to the latest technologies and resources, and enabling us to accelerate project delivery timelines. This need-based, flexible sourcing model ensures we can support a wide range of O&G projects. Further, we leverage on the technical knowledge and expertise gained through collaboration with our principals to better understand our customers' requirements and propose relevant solutions to our customers. Subsequent to securing a project contract, our Group may execute the project through our in-house engineers and contracted consultants using services and equipment provided by our principals. Alternatively, we may jointly execute the project together with our principal, in which our principal will provide the skilled resources as well as services and equipment required for the project while our Group will project manage the execution of the entire project and supervise all the work done by our principal.

During the FYEs 2022 to 2025 and up to the LPD, our Group had a total of 27 active principals as our technology partners. Please refer to Section 7.5 of this Prospectus for further details on the technology partners which comprised our major suppliers during the FYEs 2022 to 2025.

(iii) Subcontractors

We source subcontractors for complementary service such as maintenance, inspection, repair, monitoring and analysis services for projects in our robotics and engineering solutions segment.

7. BUSINESS OVERVIEW (Cont'd)**(iv) Suppliers**

We source machinery, equipment and IT related products (e.g. IT system software, IT equipment, software licensing and subscription, and associated services) from suppliers based on the requirements of projects awarded to our Group. There is no long-term arrangement with these suppliers.

7.2.1.3 Our Customers

Our Group mainly serves the O&G companies in Malaysia which contributed 96.81%, 97.73%, 98.16% and 99.19% of our Group's revenue during the FYEs 2022 to 2025 respectively. However, our talent solutions, digital solutions, as well as robotics and engineering solutions also serve companies from other industries in Malaysia, such as insurance companies, software companies and infrastructure companies.

The breakdown of our revenue contribution by customer type for the past 4 FYEs 2022 to 2025 is as follows:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
O&G	94,359	96.81	169,741	97.73	218,779	98.16	262,531	99.19
Non-O&G	3,105	3.19	3,947	2.27	4,097	1.84	2,133	0.81
Total	97,464	100.00	173,688	100.00	222,876	100.00	264,664	100.00

Within our O&G customers, the breakdown of our revenue contribution by projects with and without PETRONAS license requirement for the past 4 FYEs 2022 to 2025 is as follows:

PETRONAS license requirement	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
With	82,915	85.07	148,817	85.68	197,699	88.70	235,766	89.08
Without	11,444	11.74	20,924	12.05	21,080	9.46	26,765	10.11
Total	94,359	96.81	169,741	97.73	218,779	98.16	262,531	99.19

Our sales to our customers are transacted on contract basis. Each contract represents one project and each project is tailored to our customers' requirements. There are 2 types of contracts, namely fixed project contract and umbrella contract:

- Fixed project contracts are contracts where our Group acts as sole-vendor and the duration as well as scope of work of the project are outlined in the contract. Where the products and/or services required by the customer are determined prior to the commencement of the projects, the contract value will be outlined in the contract. Where the products and/or services required by the customer are determined over the course of the duration of the project (i.e. call out projects), the contract value will be determined based on the value of the actual products and/or services provided to the customer. Billing is generally issued by milestone of completion of project. As at the LPD, we have 109 active fixed project contracts where we act as sole-vendor.
- As at the LPD, we have also secured 31 ongoing umbrella contracts. Through umbrella contracts, we are able to participate in closed bidding activities amongst participating contractors, and successful bidding would enable us to secure work orders under the umbrella contract. As at the LPD, we have yet to secure work orders under 15 of our ongoing umbrella contracts.

7. BUSINESS OVERVIEW (Cont'd)**7.2.1.4 Locations**

Our business operations are based in Malaysia at the following locations:

Facility	Function	Location
Kuala Lumpur Office	Headquarters and offices for Elsa, Elsa Energy, Elsa Digital and Elsa Talent	B-21-01, B-21-02, B-21-03, B-21-03A, B-21-05, B-21-08, Menara G-Vestor, Kompleks Pavilion Ampang, 200 Jalan Ampang, 50450 Kuala Lumpur
Bukit Jalil Technology Park	Robotics and engineering centre	Lot 1-1A, Hive 8, Taman Teknologi MRANTI, Lebuhraya Puchong – Sg. Besi, Bukit Jalil, 57000 Kuala Lumpur

As at the LPD, we rented 2 warehouses as part of our project fulfilment to specific customers based on the requirements of projects awarded to our Group, as follows:

Facility	Function	Location
Kemaman Supply Base	Warehouse for oilfield service solutions segment	Warehouse No. 36 (Door No. 6 and 9), Phase II, Kemaman Supply Base, Teluk Kalong, Kemaman, 24007 Terengganu
Labuan Asian Supply Base	Warehouse for oilfield service solutions segment	Lot 25 (intermediate lot), Block C, O&G SEC Lazenda Warehouse, 87008 Wilayah Persekutuan Labuan

7.2.2 Principal Markets

We derive most of our revenue from Malaysia. The breakdown of our revenue segmentation by principal business activities for the past 4 FYEs 2022 to 2025 is as follows:

Principal activities	business	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
		RM'000	%	RM'000	%	RM'000	%	RM'000	%
Oilfield solutions	service	63,082	64.72	118,582	68.27	105,563	47.36	104,474	39.47
Talent solutions		21,725	22.29	29,353	16.90	62,319	27.96	94,482	35.70
Digital solutions		11,873	12.18	22,302	12.84	47,241	21.20	39,722	15.01
Robotics and engineering solutions		784	0.81	3,451	1.99	7,753	3.48	25,986	9.82
Total		97,464	100.00	173,688	100.00	222,876	100.00	264,664	100.00

For the past 4 FYEs 2022 to 2025, revenue from our oilfield service solutions segment was the largest revenue contributor as it contributed 64.72%, 68.27%, 47.36% and 39.47% respectively to our Group's revenue.

7. BUSINESS OVERVIEW (Cont'd)

The revenue contribution from our talent solutions and digital solutions segments doubled from FYE 2023 to FYE 2024, mainly due to the following:

- For our talent solutions segment, the increase was mainly contributed from 3 new projects secured in FYE 2024 as well as higher deployment of contracted consultants in FYE 2024 for 2 of our existing projects.
- For our digital solutions segment, the increase was mainly contributed from the leasing of IT hardware, provision of software subscription and software development services, and the provision of IT infrastructure services during FYE 2024.

Having secured multiple contracts in our talent and digital solutions segments prior to FYE 2024, our Group enhanced our market visibility and pipeline within the industry and our clientele. These track records laid the groundwork for sustained expansion, contributing to the growth achieved in FYE 2024.

For FYE 2025, our talent solutions and robotics and engineering solutions were the primary contributors towards our growth in revenue.

Please refer to Section 12.2.2(i) for further information.

The breakdown of our revenue by geographical region for the past 4 FYEs 2022 to 2025 is as follows:

Geographical region	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	93,117	95.54	169,296	97.47	209,346	93.93	242,984	91.81
Korea ⁽¹⁾	-	-	-	-	8,056	3.61	16,335	6.17
Malaysia-Thailand Joint Development Area ⁽²⁾	3,072	3.15	3,857	2.22	5,474	2.46	5,345	2.02
Thailand	114	0.12	535	0.31	-	-	-	-
Brunei	1,161	1.19	-	-	-	-	-	-
Total	97,464	100.00	173,688	100.00	222,876	100.00	264,664	100.00

Notes:

(1) Relates to a project awarded by PETRONAS in Korea.

(2) The Malaysia-Thailand Joint Development Area is an area of overlapping continental shelf claimed by both Malaysia and Thailand, located in the lower part of the Gulf of Thailand near the South China Sea.

For the past 4 FYEs 2022 to 2025, our local sales were the largest revenue contributor as they contributed 95.54%, 97.47%, 93.93% and 91.81% respectively to our Group's revenue. During this period, our Group also derived revenue from 4 overseas locations, namely Korea, the Malaysia-Thailand Joint Development Area, Thailand and Brunei.

7. BUSINESS OVERVIEW (Cont'd)

7.2.3 Competitive Strengths**(i) Our capability to provide a wide range of services to support the operations of the O&G industry**

Our Group has the capability to provide a wide range of products and services to support the operations of the O&G industry in Malaysia. Our offerings comprise oilfield service solutions, talent solutions, digital solutions, as well as robotics and engineering solutions, which provide specialised and niche support services for the O&G industry.

Our approach enables us to support our customers throughout the course of the implementation of their projects in the O&G industry from talent and technical expertise to equipment and technological tools. Our capability in providing a wide range of solutions to our customers has made our Group a crucial part of the O&G industry, enabling us to bridge the gap through providing the services to bring the resources required for O&G projects into the industry.

(ii) We have PETRONAS licenses and a broad network of multinational principal technology partners

Under the Petroleum Development Act 1974, the conduct and carrying on of any business or service relating to the exploration, exploitation, winning or obtaining of petroleum as well as of any business involving the manufacture and supply of equipment used in the petroleum industry in Malaysia may be subject to regulatory barriers. Among these is the requirement to be registered and licensed with PETRONAS to supply products and services to exploration and O&G companies in Malaysia. Further, the products and services regulated under the PETRONAS license are classified by SWEC. This indirectly acts as a barrier to entry to help mitigate the competitive intensity within the O&G industry in Malaysia.

Our Group first secured a PETRONAS registration and license comprising 42 SWEC in 2016 and has since obtained 2 additional PETRONAS licenses as well as expanded the scope of our PETRONAS licenses to include 269 SWEC. As such, we are well positioned to supply products and services for a wide variety of work and equipment categories to customers in Malaysia's O&G industry. Please refer to Section 7.8 of this Prospectus for further details on our PETRONAS licenses.

Further, the wide scope of our PETRONAS licenses has enabled us to secure a broad network of multinational principal technology partners who provide products and services which support the O&G industry. During the FYEs 2022 to 2025 and up to the LPD, we had a total of 27 active principals as our technology partners, including Principal A, Baker Oil Tools (Malaysia) Sdn Bhd, Advanced Geophysical Technology and Principal B. Our success in securing multinational principal technology partners is a testament of our ability to introduce new services and technologies into the O&G industry in Malaysia. Our growing reputation will in turn attract more partnerships and continue to enhance our product and service offerings.

(iii) We have a strong portfolio of customers in the O&G industry with which we have established longstanding relationships

Our customers are primarily players supporting the O&G industry in Malaysia, including PETRONAS Group, Hibiscus Oil and Gas Malaysia Limited, EnQuest Petroleum Production Malaysia Ltd, PTTEP Malaysia Assets and Customer A group of companies.

7. BUSINESS OVERVIEW (Cont'd)

Since securing these customers, our Group has established longstanding business relationships with them through repeat contracts as evidenced by the length of relationships with some of our major customers in the past 4 FYEs 2022 to 2025, which ranges from 2 years to 10 years. This has enabled us to pursue future business opportunities with our existing customers. We have recorded a rise in revenue from RM97.46 million in FYE 2022 to RM264.66 million in FYE 2025 despite the challenging operating environment in the O&G industry, partly due to the relationships we have established with our major customers.

Further, since 2022, our Group has also expanded our customer base through securing project contracts for our talent solutions, digital solutions, and robotics and engineering solutions segments with numerous non-O&G customers across various industries. These include, amongst others, educational institutions, financial institutions, food and beverage companies, government agencies and infrastructure companies. During the past 4 FYEs 2022 to 2025, we served a customer base of 61, 74, 78 and 74 customers respectively, of which 14, 26, 20 and 12 comprised new customers, respectively.

Our success in securing and retaining customers is a testament of the quality of our product and service offerings and customer service levels, which provide confidence to our customers. Our growing reputation within the O&G industry as well as other non-O&G industries will in turn attract more business opportunities and continue to enhance our financial performance. As at the LPD, our Group has 140 project contracts in our order book.

(iv) We have a technically strong and experienced management team with substantial industry experience

Our Group is led by a technically skilled and experienced management team with vast experience in the O&G industry, as well as in-depth experience in their respective fields, key expertise and knowledge of our business operations.

Our Managing Director, Daniel, has more than 35 years of working experience in the O&G industry. His technical and industry knowledge is instrumental in steering the overall strategic direction and business development of our Group. He leads our Group together with our Executive Chairman, Amiruddin, who has more than 35 years of experience in the O&G industry.

They are supported by our Key Senior Management team, as follows:

Executive	Position	Years of relevant working experience⁽¹⁾
Azril Hisham Bin Abu Hassan	Chief Operating Officer	25
Lee Beng Hong	Chief Financial Officer	27
Huzaini Bin Abdul Wahab	Corporate Service Manager	11
Chow Sheng Jon	Head of Digital, Robotics and Engineering, and Talent Solutions Department	18
Muhil Prakaash A/L Manickam	Head of Oilfield Service Department	13

Note:

- (1) The years of relevant working experience reflect the experience relevant to their respective work scope, or relevant to the O&G industry, whichever is relevant, up to the LPD.

7. BUSINESS OVERVIEW (Cont'd)

Our management team has in-depth knowledge and capabilities as a result of their years of experience in their respective fields. Our management team has played a vital role in promoting our growth and business expansion, and will continue to contribute to our growth in the future. Please refer to Section 5 of this Prospectus for further details on the profiles of our Managing Director, Executive Chairman and Key Senior Management.

7.2.4 Business Strategies and Prospects**(i) We intend to strengthen our market presence as a provider of O&G service and equipment solutions in Malaysia and increase our portfolio of projects**

We intend to strengthen our market presence as a provider of O&G service and equipment solutions in Malaysia and increase our portfolio of projects. As at the LPD, we have 140 on-going projects. Out of these, we act as sole-vendor for 109 projects with a total estimated remaining contract value⁽¹⁾ of RM416.39 million; of which our remaining firm order value⁽²⁾ is RM202.94 million. The balance 31 projects are umbrella projects⁽³⁾ with a total estimated remaining contract value⁽¹⁾ of RM219.64 million; of which we have remaining firm order value⁽²⁾ of RM62.51 million. In addition, as at the LPD, we have submitted 157 tenders and proposals with an aggregated contract value of RM655.47 million, which are still pending evaluation from the potential contract awarders.

Notes:

- (1) *Estimated remaining contract value refers to the total estimated contract value less the billed contract amount. There is no guarantee that this remaining contract value will materialise.*
- (2) *Firm order value refers to the unbilled purchase orders received and unbilled fixed contractual value, as part of the remaining contract value.*
- (3) *Under the umbrella contracts that have been awarded to our Group, customers pre-qualify us to participate in requests for tender to provide specified services for jobs which our customers may issue during the contract duration period. We will then submit a tender for the job and compete with other pre-qualified service providers to secure the job. However, there is no guarantee that our customer will issue requests for tender under the umbrella contract during the contract duration period. Further, there is no guarantee that the tender that we submit will be successful against the other pre-qualified service providers. As such, our umbrella contracts do not provide assurance of future revenue and if no jobs are awarded during the contract period, we may lose the opportunity to monetise our umbrella contracts and boost our financial performance.*

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7. BUSINESS OVERVIEW (Cont'd)

The scope of work for our portfolio of projects comprises the provision of oilfield service solutions, talent solutions, digital solutions as well as robotics and engineering solutions, whereby our Group will identify, assess, select, source and supply the required resources for the projects according to the specifications of our customers. We intend to allocate RM17.78 million from the total gross proceeds raised from our Public Issue to obtain resources for fulfilling our existing and future projects, as follows:

(a) Funding of consultant-related expenses

As a key part of the delivery of our O&G service and equipment solutions, we source, manage and/or supervise contracted consultants comprising specialised consultants and skilled personnel. During the FYEs 2022 to 2025, consultant-related expenses comprised the majority of our Group's purchases, contributing to 78.71%, 51.15%, 66.90% and 74.05% of our total purchases of RM81.66 million, RM148.78 million, RM197.64 million and RM234.77 million respectively. Our ability to secure sufficient and suitable specialised consultants and skilled personnel is a crucial capacity for us as an O&G service and equipment solutions provider. As we increase the number of project contracts in our order book, we will require funding for increased consultant-related expenses for the fulfilment of our existing and future oilfield service solutions and digital solutions projects. This is to support our Group's future plans to grow our business improving our ability to deliver and secure more projects.

We intend to engage 15 contracted consultants (i.e. comprising 5 wells engineers, 3 wells operations leads, 2 well project managers, 3 geoscientists, and 2 reservoir engineers) for our oilfield service solutions segment, and 18 contracted consultants (i.e. comprising 5 robotics engineers, 5 data engineers, 5 software developers, 1 head of business digitalisation, and 2 solution architects) for our digital solutions segment. As at the LPD, we engaged 62 and 22 contracted consultants of similar positions mentioned above under our oilfield service solutions segment and digital solutions segment respectively.

As such, we intend to allocate RM16.38 million, representing 60.15% of the total gross proceeds raised from our Public Issue, to fund our consultant-related expenses for the expansion of our oilfield service solutions as well as digital solutions segments. We intend to utilise the proceeds allocated for funding of consultant-related expenses for existing projects and for future projects within 24 months of our Listing. Please refer to Section 4.8 for further details on the utilisation of proceeds.

(b) Procurement of drones for the provision of robotics and engineering solutions

As at the LPD, our Group owns 8 drones which are deployed to facilitate the provision of robotics surveillance and inspection services for our customers, under our robotics and engineering solutions segment.

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7. BUSINESS OVERVIEW (Cont'd)

As at the LPD, we have 6 ongoing robotics and engineering solutions projects related to drone solutions with a total estimated remaining contract value of RM18.55 million; of which our remaining firm order value is RM2.13 million. These projects are mainly in relation to the provision of integrated drone services for customers across the O&G industry. Further, we have submitted 7 tenders and proposals for robotics and engineering solutions projects in connection with the provision of integrated drone services, amounting to a total estimated contract value of RM6.64 million as at the LPD, which are currently pending evaluation by the respective potential contract awarders. We also intend to pursue additional tender opportunities in future, especially participating in those projects which require advanced drone application services for inspections in confined spaces and restricted-access environments.

To facilitate the fulfilment of the abovementioned projects as well as to increase our available resources and range of drone applications for undertaking future robotics and engineering solution projects in anticipation of our continued business growth and expansion, we intend to purchase of an additional 8 drones across a period of 2 years. The details of the 8 drones we intend to purchase are set out as follows:

Type of drone	Description	Intended number of units to be purchased	Estimated unit cost RM'000	Total estimated cost RM'000
AI Autonomous Drone	Functions in performing autonomous remote operations for industrial applications.	6	120	720
Advanced Confined Space Drone	Functions in performing advanced inspection in confined spaces and restricted access areas for industrial applications.	2	340	680
Total		8	460	1,400

We intend to allocate RM1.40 million, representing 5.14% of the total gross proceeds raised from our Public Issue, to fully fund the purchase of the 8 drones. We intend to purchase the 8 drones within 24 months of our Listing. Please refer to Section 4.8 of this Prospectus for further details on the utilisation of proceeds.

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7. BUSINESS OVERVIEW (Cont'd)**(ii) We intend to continue to expand our capacity for our robotic and engineering solutions segment**

As an asset-light company, we do not own proprietary technology or manufacture our own products. We source and establish agency-principal relationships with our technology partners, whereby we serve as agents to our technology partners, who are the principals. Through our network of principals, we have flexible and quick access to diverse services and technologies for immediate deployment to the projects awarded to our Group, enabling us to expand our service and equipment offerings to cater to a wide range of O&G projects. Further, we leverage on the technical knowledge and expertise gained through collaboration with our principals to better understand our customer's requirements and propose relevant solutions to our customers.

As at the LPD, we have entered into agency and service agreements with our technology partner, namely Rovula (Thailand) Company Limited, in which we have been appointed to market selected robotics products developed by Rovula (Thailand) Company Limited to PETRONAS in Malaysia. These products include, amongst others, the Xplorer (i.e. an AUV for subsea pipeline inspection services), Nautilus (i.e. a semi-autonomous subsea pipeline repair robot), and Xpsector (i.e. a pipeline inspection data management system for subsea anomaly detection). Pursuant to the agency and service agreements, on 1 April 2025, we were appointed by Rovula (Thailand) Company Limited as sole authorised business partner and service agent for PETRONAS and Vestigo Petroleum Sdn Bhd's projects in Malaysia. These robotics technologies are designed to enhance operational efficiency and reduce the cost of subsea pipeline inspections relative to the conventional methods.

In October 2024, our Group secured a robotics and engineering solutions project with Petronas Technical Services Sdn Bhd in which we successfully conducted a pilot deployment of an AUV to inspect 155 km of subsea pipelines. Subsequently, in June 2025, our Group secured another robotics and engineering solutions project from Vestigo Petroleum Sdn Bhd for the provision of underwater inspection services using an AUV for approximately 60 km of subsea pipelines. With Malaysia's subsea pipeline infrastructure spanning an estimated 12,000 km, we view that there will be a growing demand for AUV subsea pipeline inspection services which play a significant role in driving the future growth of our robotics and engineering solutions segment.

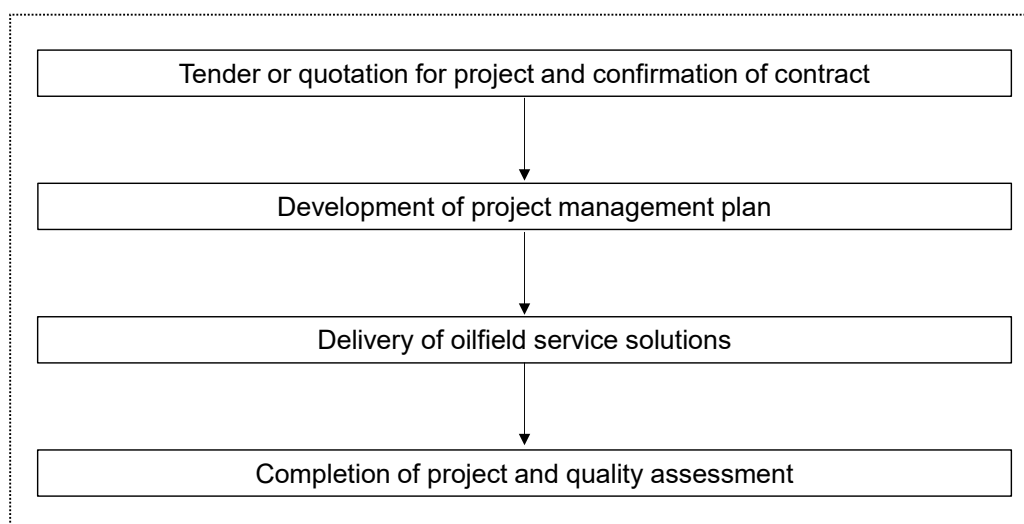
To facilitate the fulfilment of the abovementioned projects as well as to increase our available resources for undertaking future robotics and engineering solutions projects which require AUV subsea pipeline inspection services, we intend to allocate RM3.00 million, representing 11.02% of the total gross proceeds raised from our Public Issue, to invest in the hiring of an additional 9 personnel (i.e. comprising 4 operations engineers, 1 project manager, 2 data processor personnel, 1 business development personnel, and 1 asset integrity engineer) to form an in-house technical team for the management and deployment of the Xplorer, as well as for the subscription to an asset integrity and inspection software. The asset integrity and inspection software system will be used by our personnel in conjunction with the Xplorer, during the project execution phase to managing, storing and analysing subsea pipeline inspection data. We intend to utilise the proceeds for the development of our internal capabilities for the management and deployment of the Xplorer within 24 months of our Listing. Please refer Section 4.8 further details on the utilisation of proceeds.

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7. BUSINESS OVERVIEW (Cont'd)

7.2.5 Business Process

(i) Oilfield service solutions



(a) Tender or quotation for project and confirmation of contract

We may be invited to bid in tenders or receive requests to quote for projects to provide oilfield service solutions to support subsurface geoscience and petroleum engineering services, production optimisation services and well services activities. We will schedule meetings with our prospective customer to discuss their terms such as the scope of work, project budget, project schedule and payment method.

We will evaluate each project to determine the prospective returns, risk assessment, required resources and availability of resources. Following this evaluation, we will prepare a proposal or provide a quotation for our prospective customer. Our customer will issue a letter of award and a contract to us to confirm that we have secured the project.

As and when required, subsequent to the confirmation of contract, we will conduct a kick-off meeting with the relevant stakeholders of the projects (e.g. our customers and technology partners, where required) to understand the needs, objectives, expectations and timeline for the project. If required by specific projects, we will also develop a project charter to formalise the key technical and commercial details of the project (e.g. project objectives, scope of work, deliverables, budget and timeline).

(b) Development of project management plan

Once the project is secured, we will develop a project management plan comprising the formation of a project management team and development of detailed plans for schedule management, cost management, quality management, communications management and/or risk management, according to the needs of the project.

7. BUSINESS OVERVIEW (Cont'd)

A project management team comprises a project manager and engineers as well as other stakeholders such as the required technology partners and/or consultants who will undertake the project. Our project manager and engineers will oversee the delivery of the project, including project management and implementation, the allocation of resources and tasks, overseeing the works performed by our technology partners and/or consultants, and ensuring that deliverables meet our customers' expectations.

(c) Delivery of oilfield service solutions

Throughout the period of project execution for our oilfield service solutions, we will control and monitor the progress of the project and take corrective actions to ensure the timely completion as well as quality of deliverables as needed. Our project control and monitoring procedures may entail weekly meetings or progress reports by the project management team, ensuring that deliverables meet our customers' acceptance criteria, assessing changes in scope of work, and monitoring costs incurred, according to the needs of the project.

We will carry out the delivery of our oilfield service solutions as follows:

Subsurface geoscience and petroleum engineering services

For subsurface geoscience and petroleum engineering services activities, we will conduct a series of detailed studies using tools and technology provided through our technology partners, to discover, determine and plan for the extraction of O&G. We will discuss, plan and schedule the first 3 stages of an oilfield lifecycle in detail, as follows:

- Finding – involves carrying out seismic exploration initiatives using advance seismic technology and geoscience technology. The result of these initiatives provides our project management team with data that will help forecast the value and production capabilities of a potential oilfield.
- Assessment – involves conducting geological modelling, reservoir characterisation and resource assessment works using the data collected in the finding stage. This stage will allow our project management team to make informed decisions regarding the resource development and management, to ensure the implementation of efficient and sustainable extraction practices.
- Development – involves conducting a field development plan to inform our project management team on the best technical solutions to guide subsequent oilfield production to best meet our customers' production requirements. We will prepare and propose the field development plan to our customers for their approval.

Production optimisation services

For production optimisation activities, we will implement production optimisation and enhancement solutions to mitigate the decline and prolong the productivity of oilfields that have surpassed their optimal production period. We will carry out a production well performance review to determine the production strategies which will ensure the oilfield operates at optimal level. Where production displays signs of decline, we will source, supply, assemble and install and/or maintain artificial lift equipment (e.g. gas lift valves, gas lift optimisation, electrical submersible pumps and surface jet pumps) to enhance the productivity of the oilfield.

7. BUSINESS OVERVIEW (Cont'd)

As part of our project control and monitoring procedures for production optimisation activities, we will inspect the equipment sourced to ensure that it meets our customers' specifications as well as conduct factory acceptance tests on the equipment to ensure readiness for the implementation of our solutions.

Well services

For well services activities, once our customer has commenced production at an oilfield, we will provide well drilling services, including gyro wellbore surveying services, according to the requirements of our customers and the agreed field development plan. We will also supply consultants to provide drilling performance coaching services to facilitate drilling operation at rig site, according to the requirements of the project.

During the period of operation of a well, we will work with our technology partners to provide well servicing to our customer. We will clean, repair and repaint downhole tools prior to being sent to our customer's drilling site as well as source and supply tubing or downhole tools for our customer.

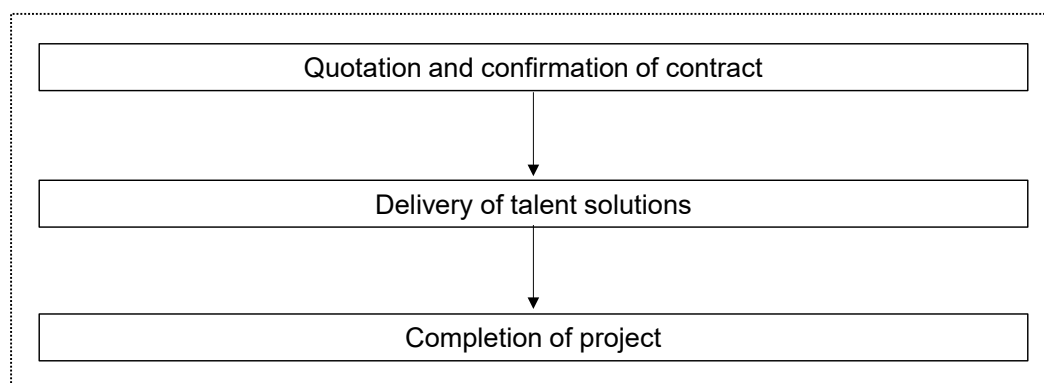
To prevent the deterioration of oil wells due to exposure to high pressure and harsh environments, we will carry out quality control inspection and audit services on the drilling and completion equipment and rigs used by our customers as well as assess the condition of the wells and determine the appropriate well integrity solutions to implement.

(d) Completion of project and quality assessment

A project is rendered complete upon the completion of project activities and the acceptance of all deliverables by our customer. Upon the completion of project activities, we will carry out a final inspection to ensure that our work was completed in compliance with our customer's requirements as well as obtain formal approval of all final deliverables from our customer, according to the requirements of the project.

We do not provide warranty for our oilfield service solutions. However, for any equipment or spare parts, software and/or technology provided to our customers as part of our oilfield service solutions, we have back-to-back arrangements with our suppliers for repair or replacement of up to 24 months in the event of any defect during the warranty period. The cost for repair or replacement incurred during the warranty period will be borne by the respective supplier.

(ii) Talent Solutions



7. BUSINESS OVERVIEW (Cont'd)**(a) Quotation and confirmation of contract**

We may be invited to bid in tenders or receive requests to quote for projects to provide talent solutions. We will meet with our prospective customer to ascertain their requirements and discuss the details of the scope of work, time frame and budget of the talent solutions required by the customer. Based on our customer's requirements, we will prepare and present preliminary recommendations and provide a quotation to our prospective customer. Once our proposal is approved by our customer, our customer will issue a letter of award and contract to us to confirm that we have secured the project.

As and when required, subsequent to the confirmation of contract, we will conduct a kick-off meeting with the relevant stakeholders of the projects to understand the needs, objectives, expectations and timeline for the project.

(b) Delivery of talent solutions

For the provision of talent sourcing services, we will source suitable candidates from our network of talents, according to the timeline and talent profile requirement of our customers. We will identify and shortlist suitable candidates which match our customers' expectations through preliminary assessments. Subsequently, we will conduct formal interviews as well as technical and behavioural assessments for the shortlisted candidates. We will engage the successful candidates which pass our interviews and assessments as our contracted consultants, by entering into a service agreement with the consultants whereby they agree to provide services to our customers. The contracted consultants will be deployed to provide dedicated services at our customer's site under our customer's direction and supervision. For avoidance of doubt, our Group is not involved in managing and overseeing the works and deliverables subsequently performed by the contracted consultants.

For the provision of HR management services, we will undertake employee management and administration tasks in respect of our customers' workforce, such as the issuance and management of salary payroll, work permits and employee insurance.

Throughout the period of project execution for our talent solutions, we will control and monitor the progress of the project and take corrective actions to ensure the quality of our services meet our customers' expectations as needed. Our project control and monitoring procedures may entail obtaining customer feedback and assessing customer satisfaction as well as conducting periodic compliance audits to ensure compliance with labour laws and contractual obligations, according to our customers' requirements.

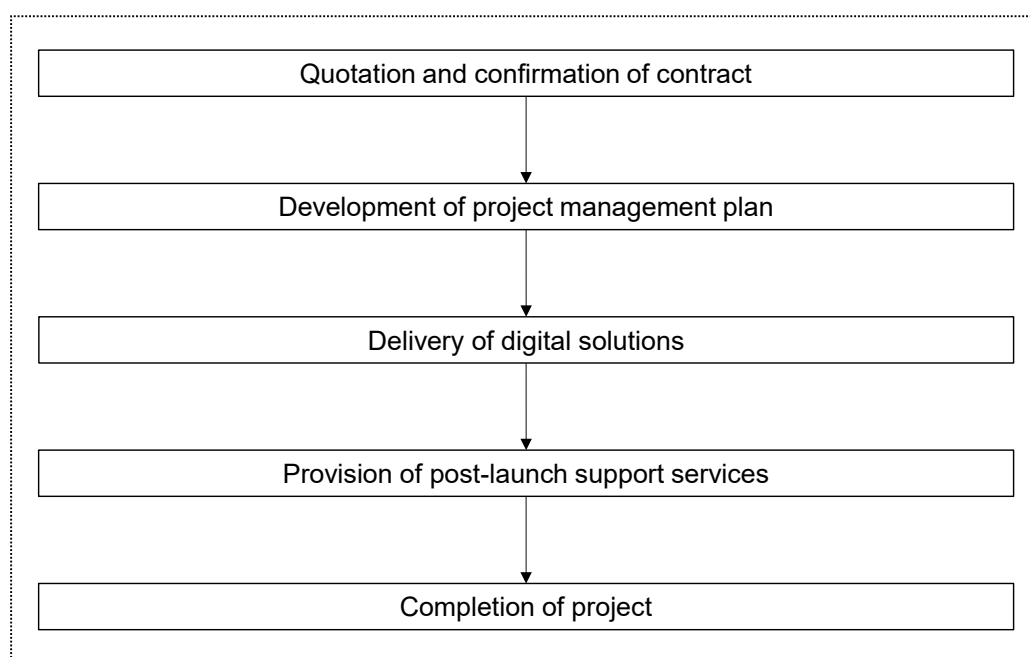
In the event that our customer decides to discontinue the services of the contracted consultants prior to the completion of the project, our customer will notify us regarding the decision to discontinue and we will in turn provide the same notice period to the contracted consultants. The required notice period is specified in the service agreements entered into with the contracted consultants as well as the contract entered into with our customer. If replacement is required, we will source and engage a suitable contracted consultant under a new service agreement.

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7. BUSINESS OVERVIEW (Cont'd)**(c) Completion of project**

Our talent solutions projects will be rendered complete upon the expiry of the contract entered into with our customer. We do not provide any warranty for our talent solutions.

As the duration of contracted consultants' service agreements are subject to their scope of work required for a specified customers' project, we do not undertake any renewal of service agreement or reallocation of contracted consultants to other projects upon the completion of the specified project. Should we decide to engage the same contracted consultants as dedicated resources for other customers' projects, we will enter into a new service agreement with the contracted consultants for the respective project.

(iii) Digital Solutions**(a) Quotation and confirmation of contract**

We may be invited to bid in tenders or receive requests to quote for projects to provide digital solutions. We will meet with our prospective customer to ascertain their requirements and discuss the details of the scope of work, time frame and budget of the project. Based on the project requirements, we will prepare and present preliminary solution recommendations and provide a proposal or quotation to our prospective customer. Amendments to the proposal will be made if required. Once the proposed solutions meet our customer's expectations and requirements, our customer will issue a letter of award and contract to us to confirm that we have secured the project.

As and when required, subsequent to the confirmation of contract, we will develop a project charter to formalise key technical and commercial details of the project (e.g. project objectives, scope of work, deliverables, budget and timeline).

7. BUSINESS OVERVIEW (Cont'd)

(b) Development of project management plan

Once the project is secured, we will develop a project management plan comprising the formation of a project management team and development of detailed plans for scope management, schedule management, cost management, human resource management, communications management and/or risk management, according to the needs of the project.

A project management team comprises a project manager and engineers as well as other stakeholders such as the required technology partners and/or consultants who will undertake the project. Our project manager and engineers will oversee the delivery of the project, including project management and implementation, allocation of resources and tasks, overseeing the works performed by our technology partners and/or consultants, and ensuring that deliverables meet our customers' expectations.

(c) Delivery of digital solutions

Throughout the period of project execution for our digital solutions, we will control and monitor the progress of the project and take corrective actions to ensure timely completion as well as quality of deliverables as needed. Our project control and monitoring procedures may entail status reports by the project management team, ensuring that deliverables meet our customers' acceptance criteria, assessing changes in scope of work, and monitoring costs incurred, according to the needs of the project.

Depending on the requirements of our customer, our team will provide our customer with IT systems and infrastructure, digital talent solutions, digital outsourcing and/or network and cybersecurity solutions, as follows:

IT systems and infrastructure

We will source and supply hardware and software IT solutions as well as subscription services through our technology partners, based on the requirements of our customer for the digitalisation of their business operations. Following this, where required by our customer, we will work together with our technology partners and/or consultants to set up, manage and/or provide IT maintenance and service support for the IT systems and infrastructure supplied.

Digital talent solutions

For digital training and learning solutions, through our consultants, we will create the required digital learning services to support our customers by developing customised e-learning materials based on our customer's physical training materials, in the form of digital programs such as micro learning modules as well as augmented reality and virtual reality learning. We will conduct regular user testing and reviews on the implemented solutions to ensure the programs operate according to our customer's requirements. If required, we will implement modifications to the programs based on the data collected from these tests and reviews. Following this, we will conduct a finalised analysis and present it to our customer for approval.

For the supply talent management systems, we source talent management systems (i.e. learning management system, training management system, HR management system and talent analytics) from our technology partners and sell these systems to our customer on a license subscription basis. Subsequently, we will facilitate the implementation of the systems on behalf of our customer through customising the systems according to our customer's needs.

7. BUSINESS OVERVIEW (Cont'd)

Digital outsourcing

We will assemble a team of consultants with specific experience and expertise in IT for the duration of the project, according to the requirements of the IT project awarded to our Group. Our consultants will assist and support the execution of the IT project or works and/or provide consulting services as required by our customer. We will oversee the delivery of the project, including managing and supervising the performance of the consultants deployed to ensure the quality of the deliverables and services meet our customers' requirements.

Network and cybersecurity solutions

We will conduct consultations alongside our network and cybersecurity product suppliers to determine our customer's network and cybersecurity requirements and concerns. Following this, we will perform vulnerability testing on our customer's network and devices. We will also provide security enablement services through training our customer's in-house professionals in the deployment of security practices in our customer's IT systems.

We source and supply network and cybersecurity products for our customers through our suppliers, in which we implement the integration of the products with our customer's internal system and our technology partners carry out the network and cybersecurity operations and monitoring. We will supervise the operations and monitoring carried out by our technology partners, on behalf of our customer.

(d) Provision of post-launch support services

Subsequent to the launch of our digital solutions, we will conduct ongoing support services to ensure that our digital solutions continue to function smoothly, meet user expectations and adapt to any emerging issues. Our post-launch support services comprise bug fixes and issue resolution, user feedback management, ongoing maintenance, as well as user support and helpdesk services. The tenure of our post-launch support services ranges from 3 months to 3 years, depending on the type of products or services provided and the contractual terms entered into with our customer.

(e) Completion of project

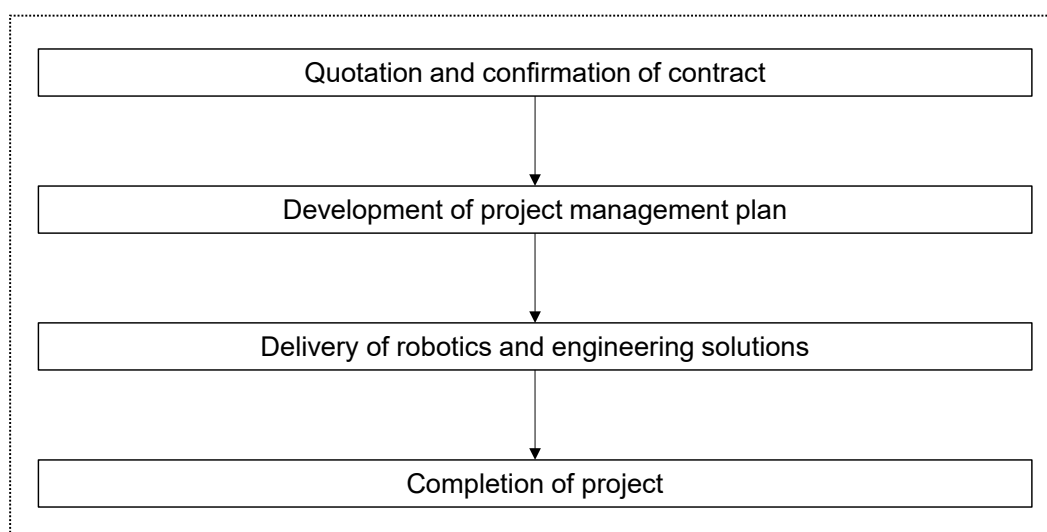
A project is rendered complete upon the completion of project activities and the acceptance of all deliverables by our customers. Upon completion of project activities, we will obtain formal acceptance of all final deliverables from our customer, according to the requirements of the project.

As and when required by specific projects, we will also plan and execute the handover of project deliverables, knowledge or responsibilities to our customers' support teams or other relevant responsible parties.

We do not provide warranty for our digital solutions. However, for any hardware or software provided to our customers as part of our digital solutions, we have back-to-back arrangements with our suppliers for repair or replacement of up to 36 months in the event of any defect during the warranty period. The cost for repair or replacement incurred during the warranty period will be borne by the respective supplier.

7. BUSINESS OVERVIEW (Cont'd)

(iv) Robotics and engineering solutions



(a) Quotation and confirmation of contract

We may be invited to bid in tenders or receive requests to quote for projects to provide robotics and engineering solutions. We will meet with our prospective customer to ascertain their requirements and discuss the details of the scope of work, time frame and budget of the project. We will conduct an initial pilot inspection to gather data for the preliminary solution recommendations. Following this, we will present the recommendations and provide a proposal or quotation to our prospective customer. Amendments to the proposal will be made if required. Once the proposed solutions meet our customer's requirements and the site conditions, our customer will issue a letter of award and contract to us to confirm that we have secured the project.

As and when required, subsequent to the confirmation of contract, we will develop a project charter to formalise key technical and commercial details of the project (e.g. project objectives, scope of work, deliverables, budget and timeline).

(b) Development of project management plan

Once the project is secured, we will develop a project management plan comprising the formation of a project management team and development of detailed plans for scope management, schedule management, cost management, human resource management, risk management and/or procurement management, according to the needs of the project.

A project management team comprises a project manager and engineers as well as other stakeholders such as the required technology partners, consultants and/or subcontractors who will undertake the project. Our project manager and engineers will oversee the delivery of the project, including project management and implementation, allocation of resources and tasks, overseeing the works performed by our technology partners, consultants and/or subcontractors, and ensuring that deliverables meet our customers' expectations.

7. BUSINESS OVERVIEW (Cont'd)

(c) Delivery of robotics and engineering solutions

Throughout the period of project execution for our robotics and engineering solutions, we will control and monitor the progress of the project and take corrective actions to ensure timely completion as well as quality of deliverables as needed. Our project control and monitoring procedures may entail daily meetings or progress reports by the project management team, daily work logs, maintenance logs, conducting quality control tests to ensure the functionality of all equipment required, ensuring that deliverables meet our customers' acceptance criteria, assessing changes in scope of work, and monitoring costs incurred, according to the needs of the project.

Depending on the requirements of our customer, our team will provide our customer with services in robotics surveillance and inspection and/or engineering products through our technology partners, consultants and/or subcontractors, as follows:

Robotics surveillance and inspection

Prior to deploying our robotics services, we will conduct a comprehensive inspection on all equipment required for the project to ensure they are operating without any flaws. All approved equipment is subsequently mobilised and transferred to our customer's site for installation and deployment in our customer's project.

Engineering products

We will source and supply equipment to support the activities of our customers in various industries, including the O&G industry. We will make arrangements for the delivery and installation of the equipment at our customer's designated location, through third party logistics services and our in-house engineering team, technology partners, suppliers or subcontractors, respectively.

(d) Completion of project

A project is rendered complete upon the completion of project activities and the acceptance of all deliverables by our customer. Upon the completion of project activities, we will submit all relevant progress reports and final reports detailing the progress and analysis of the undertaken project to our customer for consideration at the end of the project, according to the requirements of the project. We will also obtain formal acceptance of all final deliverables from our customer, according to the requirements of the project.

We do not provide any warranty for our robotics and engineering solutions. However, for any equipment provided to our customers as part of our engineering solutions, we have back-to-back arrangements with our suppliers for repair or replacement of up to 36 months in the event of any defect during the warranty period. The cost for repair or replacement incurred during the warranty period will be borne by the respective supplier.

7.2.6 Quality Assurance and Quality Control

Our Group places great emphasis on the quality of the products and services we provide to our customers. We are committed to ensuring that the quality control procedures that we have put in place are compliant with internationally recognised standards and practices. We have adopted an internal quality management system to ensure that our products, services and facilities comply with the required quality standards.

7. BUSINESS OVERVIEW (Cont'd)

The certification of compliance to quality assurance and quality control on our products, services and facilities is as shown below:

Standard	Certification body	Date first awarded	Current validity period	Company certified	Scope of certification
ISO 9001:2015	TUV UK Ltd	16 November 2020	4 January 2024 – 15 November 2026	Elsa Talent	Provision of manpower supply
ISO 9001:2015	TUV UK Ltd	16 November 2020	4 January 2024 – 15 November 2026	Elsa Digital	Provision of digital solution services
ISO 9001:2015	TUV UK Ltd	16 November 2020	4 January 2024 – 15 November 2026	Elsa	Provision of corporate support for the subsurface geoscience and petroleum engineering and production optimisation, well services, engineering, digital solutions and manpower services
ISO 9001:2015	TUV UK Ltd	16 November 2020	4 January 2024 – 15 November 2026	Elsa Energy	Provision of subsurface geoscience and petroleum engineering and production optimisation, well services, engineering services
ISO 9001:2015	TUV UK Ltd	16 November 2020	4 January 2024 – 15 November 2026	Elsa Energy	Warehouse (i.e. Kemaman Supply Base)
ISO 9001:2015	TUV UK Ltd	16 November 2020	4 January 2024 – 15 November 2026	Elsa Energy	Warehouse (i.e. Labuan Asian Supply Base)

Further, we also implement an in-house quality, health, safety and environment (“QHSE”) policy, in which we commit to providing quality products and services, maintaining safe and healthy working condition, ensuring compliance with regulatory requirements and minimising environmental impact in all our operations. Our QHSE policy translates ISO 9001:2015 quality management system principles into practical implementation across the organisation, ensuring that quality management is systematically embedded in all functions, particularly within service delivery, engineering and operational activities. This system enables consistent monitoring, evaluation and enhancement of quality performance across our business, ensuring that our operations remain aligned with international quality standards and our customers’ expectations.

7. BUSINESS OVERVIEW (Cont'd)

7.2.7 Sales and Marketing

We actively engage in the following sales and marketing strategies:

(i) Direct approach and industry networking

We secure new customers through direct approach with potential customers by introducing our range of product and service offerings as well as our capabilities as a provider of O&G service and equipment solutions. Further, we also follow up closely with our existing customers to identify opportunities to secure further sales and opportunities to cross-sell our products and services.

Our sales and marketing team also actively engages in networking activities to identify potential customers to increase our sales. In addition, our sales and marketing team continuously keeps abreast with the requirements and developments of the O&G industry to ensure that our product and service offerings are competitive and to enable us to market the technical benefits of our offerings effectively to existing and potential customers.

(ii) Participation in tenders

Our Group participates in various tenders by Government institutions and private entities to introduce our product and service offerings to and secure sales from both existing and potential customers. Our Group's PETRONAS registration and license and MOF license allow us to participate in tenders to supply products and services to exploration and production activities of O&G companies in Malaysia and to Government projects in Malaysia, respectively.

(iii) Corporate website

Our corporate website, <https://www.elsa.com.my/>, is a means of introducing our Group's products and services to our potential customers and provides immediate searchable information on our Group. The current widespread use of the internet as a source of information enables us to cross geographical boundaries and facilitates access from any part of the world, enhancing our potential market reach and exposure.

(iv) Participating in industry networking events

Our Group actively participates in various industry networking events such as conferences, amongst others, as part of our sales and marketing initiatives. These platforms enable us to showcase our range of offerings, promote our market presence amongst industry stakeholders, build customer relationships, as well as identify new sales opportunities. Such engagements also serve as a channel for initiating contact with potential customers and help our Group in keeping abreast with emerging technologies and industry trends. This, in turn, allows us to identify and expand our offerings in response to evolving market trends as well as customer feedback.

For the FYEs 2022 to 2025 and up to the LPD, we participated in 28 industry networking events in Malaysia, for example:

Date	Event name	Location	Organiser
February 2024 – March 2024	Offshore Technology Conference Asia	Kuala Lumpur Convention Centre, Kuala Lumpur	Offshore Technology Conference, Inc

7. BUSINESS OVERVIEW (Cont'd)

Date	Event name	Location	Organiser
November 2024	Asia Petroleum Geoscience Conference and Exhibition (APGCE 2024)	Kuala Lumpur Convention Centre, Kuala Lumpur	International Conference and Exhibition Professionals
December 2024	2 nd Sustainability and ESG Conference 2024	Setia Spice Convention Centre, Penang	Malaysia Semiconductor Industry Association
March 2026 – April 2026	Offshore Technology Conference Asia	Kuala Lumpur Convention Centre, Kuala Lumpur	Offshore Technology Conference, Inc

7.2.8 Operating capacities and outputs

Due to the nature of our business whereby the sourcing and supply of products and services are done based on our customers' project requirements throughout the project tenure, operating capacity is not applicable to our business and operations.

Further, the warehouses for our Kemaman Supply Base and Labuan Asian Supply Base are rented as part of our project fulfilment to specific customers based on their project requirements. These warehouses are dedicated space for these customers which are used as temporary storage or for service and maintenance works before the tools and equipment are deployed to project sites.

7.2.9 Seasonal or cyclical effects

We do not experience any material seasonality or cyclicity in our business as the demand for our products and services are neither subject to seasonal fluctuations nor cyclical variations.

7.2.10 Types, sources and availability of supplies

Our purchases primarily comprise consultant-related expenses, principal-related expenses, subcontracted services, equipment expenses and IT-related expenses, as follows:

Supplies	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Consultant-related expenses ⁽¹⁾	64,275	78.71	76,091	51.15	132,223	66.90	173,845	74.05
Principal-related expenses ⁽²⁾	6,374	7.81	27,575	18.53	35,310	17.87	19,251	8.20
Subcontracted services ⁽³⁾	155	0.19	256	0.17	795	0.40	13,000	5.54
Equipment expenses ⁽⁴⁾	2,844	3.48	29,791	20.02	1,011	0.51	2,729	1.16
IT-related expenses ⁽⁵⁾	8,011	9.81	15,066	10.13	28,300	14.32	25,946	11.05
Total purchases	81,659	100.00	148,779	100.00	197,639	100.00	234,771	100.00

7. BUSINESS OVERVIEW (Cont'd)**Notes:**

- (1) Comprises expenses incurred for engaging consultants on a contract basis for the implementation of projects.
- (2) Comprises expenses incurred for engaging technology partners to carry out services in the oilfield service solutions segment and digital solutions segment.
- (3) Comprises expenses incurred for engaging subcontractors to carry out services in the robotics and engineering solutions segment.
- (4) Comprises expenses incurred for sourcing, supplying, and/or deployment of machinery and equipment based on our customers' project requirements.
- (5) Comprises expenses incurred for purchase of IT system software, IT equipment, IT development services, software licensing and subscription.

In the past 4 FYEs 2022 to 2025, our Group has not encountered any major disruptions in the engagement of consultants, principals and subcontractors as well as purchase of equipment and IT-related products and services.

In the past 4 FYEs 2022 to 2025, we have not experienced any material impact on our financial performance as a result of fluctuation in the price of engaging consultants, principals and subcontractors as well as purchase of equipment and IT-related products and services.

Due to the nature of our business, our purchases may fluctuate from year to year depending on the requirements of our projects in a particular year. Between FYEs 2022 to 2024, our equipment expenses increased from RM2.84 million in FYE 2022 to RM29.79 million in FYE 2023 and subsequently decreased to RM1.01 million in FYE 2024. The increase from FYE 2022 to FYE 2023 was mainly contributed from the supply of ESP equipment to one of our major customers. The decrease from FYE 2023 to FYE 2024 was primarily attributable to a decrease in supply of ESP equipment to the same major customer following the substantial completion of the relevant project in FYE 2023. In FYE 2025, our principal-related expenses decreased to RM 19.25 million in tandem with decrease in revenue in the oilfield service solutions segment and digital solutions segment, while our equipment expenses increased to RM2.73 million due to the supply of equipment to support the delivery of 2 projects in oilfield service solutions segment. Please refer to Section 12.2.2 for further information.

7.2.11 Research and Development

Due to the nature of our business, our Group does not carry out research and development activities. Nevertheless, we work closely with our customers to continuously enhance and improve our product and service offerings by exploring and proposing new methods or technologies which serve the needs of our customer's industrial activities.

7.2.12 Technology used

We do not own proprietary technology. We source and establish agency-principal relationships with our suppliers and technology partners, whereby we serve as agents to our suppliers and technology partners, who are the principals. Please refer to Section 7.2.1.2(ii) of this Prospectus for further information on our technology partners.

7.2.13 Interruptions to our business and operations

Save for the temporary disruptions to our operations from the COVID-19 pandemic in 2020 and 2021, our Group has not experienced any interruptions which significantly affected our business during the past 12 months preceding the LPD.

7. BUSINESS OVERVIEW (Cont'd)**7.3 Employees**

For the FYE 2025, we have a total workforce of 81 employees. Of these, permanent employees and contract employees accounted for 95.06% and 4.94% of our total workforce respectively, and local employees accounted for 100.00% of our total workforce respectively. For the FYE 2025, we did not have any foreign employees. The breakdown of our employees by department as at FYE 2025 is set out as follows:

Department	FYE 2025		
	Permanent	Contract	Total
	Local	Local	
Executive Directors	1	1	2
Key Senior Management	5	-	5
Corporate Services	8	-	8
Finance and Accounting	11	1	12
Operations ⁽¹⁾	52	2	54
Total	77	4	81

Note:

- (1) The breakdown of our total operations workforce of 54 employees as at FYE 2025 by principal business activities is as follows:

Operations department	FYE 2025		
	Permanent	Contract	Total
	Local	Local	
Oilfield service solutions	12	-	12
Talent solutions	20	2	22
Digital solutions	9	-	9
Robotics and engineering solutions	11	-	11
Total	52	2	54

In addition, as at FYE 2025, our Group had engaged 605 contracted consultants (i.e. comprising 551 local contracted consultants and 54 foreign contracted consultants) through service agreements (i.e. ranging between 1 month to 2 years in duration), of which 239 were engaged to support the delivery of our consultation services and 366 were engaged to serve our customers in our talent solutions segment as their dedicated resources. Please refer to Section 7.2.1.2 (i) for further details on our contracted consultants.

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7. BUSINESS OVERVIEW (Cont'd)

As at the LPD, we have a total workforce of 91 employees. Of these, permanent employees and contract employees accounted for 94.51% and 5.49% of our total workforce respectively, and local employees accounted for 100.00% of our total workforce. As at the LPD, we did not have any foreign employees. The breakdown of our employees by department as at the LPD is set out as follows:

Department	As at the LPD		
	Permanent	Contract	Total
	Local	Local	
Executive Directors	1	1	2
Key Senior Management	5	-	5
Corporate Services	10	-	10
Finance and Accounting	14	1	15
Operations ⁽¹⁾	56	3	59
Total	86	5	91

Note:

- (1) The breakdown of our total operations workforce of 56 employees as at the LPD by principal business activities is as follows:

Operations department	As at the LPD		
	Permanent	Contract	Total
	Local	Local	
Oilfield service solutions	14	-	14
Talent solutions	19	3	22
Digital solutions	10	-	10
Robotics and engineering solutions	13	-	13
Total	56	3	59

In addition, as at the LPD, our Group had engaged 629 contracted consultants (i.e. comprising 577 local contracted consultants and 52 foreign contracted consultants) through service agreements (i.e. ranging between 1 month to 2 years in duration), of which 224 were engaged to support the delivery of our consultation services and 405 were engaged to serve our customers in our talent solutions segment as their dedicated resources. Please refer to Section 7.2.1.2 (i) for further details on our contracted consultants.

None of our employees belong to any labour union and we have not experienced any strikes or other disruptions due to labour disputes during the past 4 FYEs 2022 to 2025. During the same period, we did not face any labour shortage that led to any disruption to our business operations.

7. BUSINESS OVERVIEW (Cont'd)**7.4 Major Customers**

Our top 5 customers for the past 4 FYEs 2022 to 2025 are as follows:

FYE 2022

Customers	Country ⁽¹⁾	Type of products/ services sold	Revenue contribution		Length of relationship as at the FYE
			RM'000	%	Years
Hibiscus Oil and Gas Malaysia Limited	Malaysia	Oilfield service solutions, talent solutions, and digital solutions	18,205	18.68	6
PETRONAS Group ⁽²⁾	Malaysia	Oilfield service solutions, talent solutions, digital solutions, as well as robotics and engineering solutions	18,127	18.60	6
EnQuest Petroleum Production Malaysia Ltd	Malaysia	Oilfield service solutions and digital solutions	16,070	16.49	7
PTTEP Assets	Malaysia	Oilfield service solutions, talent solutions and digital solutions	13,407	13.75	4
Customer A group of companies	Malaysia	Oilfield service solutions	4,666	4.79	3
Sub-total			70,475	72.31	
Total revenue			97,464	100.00	

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7. BUSINESS OVERVIEW (Cont'd)**FYE 2023**

Customers	Country⁽¹⁾	Type of products/ services sold	Revenue contribution		Length of business relationship as at the FYE
			RM'000	%	Years
Hibiscus Oil and Gas Malaysia Limited	Malaysia	Oilfield service solutions, talent solutions, and digital solutions	56,740	32.67	7
PETRONAS Group ⁽²⁾	Malaysia	Oilfield service solutions, talent solutions, digital solutions, as well as robotics and engineering solutions	43,537	25.06	7
EnQuest Petroleum Production Malaysia Ltd	Malaysia	Oilfield service solutions, talent solutions, and digital solutions	15,768	9.08	8
PTTEP Assets	Malaysia	Oilfield service solutions, talent solutions, and digital solutions	11,847	6.82	5
Dimension Bid (M) Sdn Bhd	Malaysia	Oilfield service solutions	8,878	5.11	2
Sub-total			136,770	78.74	
Total revenue			173,688	100.00	

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7. BUSINESS OVERVIEW (Cont'd)**FYE 2024**

Customers	Country⁽¹⁾	Type of products/ services sold	Revenue contribution		Length of business relationship as at the FYE
			RM'000	%	Years
PETRONAS Group ⁽²⁾	Malaysia	Oilfield service solutions, talent solutions, digital solutions, as well as robotics and engineering solutions	76,043	34.12	8
Hibiscus Oil and Gas Malaysia Limited	Malaysia	Oilfield service solutions, talent solutions, and digital solutions	33,666	15.10	8
PTTEP Assets	Malaysia	Oilfield service solutions, talent solutions, and digital solutions	19,783	8.88	6
EnQuest Petroleum Production Malaysia Ltd	Malaysia	Oilfield service solutions, digital solutions, as well as robotics and engineering solutions	14,045	6.30	9
Customer B	Malaysia	Oilfield service solutions, and digital solutions	12,682	5.69	7
Sub-total			156,219	70.09	
Total revenue			222,876	100.00	

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7. BUSINESS OVERVIEW (Cont'd)**FYE 2025**

Customers	Country⁽¹⁾	Type of products/ services sold	Revenue contribution		Length of business relationship as at the FYE
			RM'000	%	Years
PETRONAS Group ⁽²⁾	Malaysia	Oilfield service solutions, talent solutions, digital solutions, as well as robotics and engineering solutions	106,309	40.17	9
Hibiscus Oil and Gas Malaysia Limited	Malaysia	Oilfield service solutions, talent solutions, and digital solutions	35,641	13.46	9
EnQuest Petroleum Production Malaysia Ltd	Malaysia	Oilfield service solutions, talent solutions, digital solutions, and robotics and engineering solutions	19,049	7.20	10
PTTEP Assets	Malaysia	Oilfield service solutions, talent solutions, and digital solutions	17,860	6.75	7
Customer C	Malaysia	Talent solutions, digital solutions, and robotics and engineering solutions	9,246	3.49	6
Sub-total			188,105	71.07	
Total revenue			264,664	100.00	

Notes:

- (1) Refers to the country in which the products and services sold were delivered, regardless of the country of incorporation of the respective customer.
- (2) PETRONAS Group comprises Petroliaam Nasional Berhad, Petronas Carigali Sdn Bhd, Petronas Digital Sdn Bhd, Petronas Technology Ventures Sdn Bhd, Petronas Technical Training Sdn Bhd, Petronas Gas Berhad, Petronas Research Sdn Bhd, Petronas Refinery and Petrochemical Corporation Sdn Bhd, and Petronas Technical Services Sdn Bhd.

For the past 4 FYEs 2022 to 2025, our top 5 major customers collectively contributed 72.31%, 78.74%, 70.09% and 71.07% to our Group's total revenue respectively. Out of which, 4 of our customers namely PETRONAS Group, Hibiscus Oil and Gas Malaysia Limited, EnQuest Petroleum Production Malaysia Ltd and PTTEP Malaysia Assets was at some point in time in the past 4 FYEs, become a major customer to our Group with at least 10% revenue contribution. These 4 customers, collectively contributed 67.52%, 73.63%, 64.40% and 67.58% to our Group's total revenue respectively.

7. BUSINESS OVERVIEW (Cont'd)

As at the latest FYE 31 December 2025, PETRONAS Group, Hibiscus Oil and Gas Malaysia Limited, EnQuest Petroleum Production Malaysia Ltd and PTTEP Malaysia Assets have been our customers for the past 9 years, 9 years, 10 years and 7 years respectively. The revenue contribution from Hibiscus Oil and Gas Malaysia Limited, EnQuest Petroleum Production Malaysia Ltd and PTTEP Malaysia Assets had fluctuated over the 4 FYEs 2022 to 2025. Our Group's sales are transacted on a project basis whereby the respective revenue contribution of each of these 4 major customers individually vary from year to year according to the values of the projects secured as well as the progression of the said projects secured by our Group from each customer in a particular year. Save for PETRONAS Group, we are not materially dependent on a single major customer as our sales to each major customer fluctuates from year to year according to the projects secured by our Group. Although Hibiscus Oil and Gas Malaysia Limited was continuously one of our top 2 major customers over the 4 FYEs 2022 to 2025, its revenue contribution fluctuated from 18.68%, 32.67% to 13.46% respectively. Further, we have been securing projects from other customers over the years such as EnQuest Petroleum Production Malaysia Ltd and PTTEP Malaysia Assets which also recorded fluctuating revenue contribution over the same period.

Specifically, for the past 4 FYEs 2022 to 2025, PETRONAS Group's contribution to our revenue grew from 18.60%, 25.06%, 34.12% and 40.17% of our total revenue. PETRONAS, as the national O&G company, plays a key role in the development of O&G resources as well as creating opportunities for O&G services and equipment industry players across the industry's value chain in Malaysia. Accordingly, as a supporting O&G services and equipment industry player, we are dependent on PETRONAS Group. In the event PETRONAS Group ceases to engage our Group's products and services, we may face a reduction in projects which could result in a loss of revenue, if we are not able to replace these customers with new customers or with additional projects from existing customers in a timely manner. Please refer to Section 9.1.2 of this Prospectus for the risk factor involving our dependency on PETRONAS Group.

There have not been any disputes with our major customers in the past 4 FYEs 2022 to 2025.

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7. BUSINESS OVERVIEW (Cont'd)

7.5 Major Suppliers

Our top 5 major suppliers for the past 4 FYEs 2022 to 2025 are as follows:

FYE 2022

Suppliers ⁽¹⁾	Country of origin	Type of products/ services sourced	Purchases		Length of relationship as at the FYE
			RM'000	%	Years
Wellpro Group Limited	United Kingdom	Principal-related expenses (comprising well services and downhole tools)	4,838	5.93	3
Principal A	Malaysia	Principal-related expenses (comprising oilfield production optimisation products and services)	2,834	3.47	6
Supplier A	Malaysia	IT-related expenses (comprising IT equipment and infrastructure)	2,493	3.05	2
KC Citrine Consultancy	Malaysia	Consultant-related expenses (comprising drilling consultancy)	2,137	2.62	1
RM Norraz Enterprise	Malaysia	Consultant-related expenses (comprising drilling consultancy)	2,018	2.47	1
Sub-total			14,320	17.54	
Total purchases			81,659	100.00	

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7. BUSINESS OVERVIEW (Cont'd)
FYE 2023

Suppliers⁽¹⁾	Country of origin	Type of products/ services sourced	Purchases		Length of relationship as at the FYE
			RM'000	%	Years
Baker Oil Tools (Malaysia) Sdn Bhd	Malaysia	Equipment expenses (comprising artificial lift equipment and services)	28,438	19.11	2
Wellpro Group Limited	United Kingdom	Principal-related expenses (comprising well services and downhole tools)	9,043	6.08	4
Principal A	Malaysia	Principal-related expenses (comprising oilfield production optimisation products and services)	6,517	4.38	7
Advanced Geophysical Technology	United States	IT-related expenses (comprising seismic data processing software)	3,339	2.25	1
NTT MSC Sdn Bhd	Malaysia	IT-related expenses (comprising IT equipment and services)	3,185	2.14	4
Sub-total			50,522	33.96	
Total purchases			148,779	100.00	

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7. BUSINESS OVERVIEW (Cont'd)**FYE 2024**

Suppliers⁽¹⁾	Country of origin	Type of products/ services sourced	Purchases		Length of relationship as at the FYE
			RM'000	%	Years
Supplier B	Malaysia	IT-related expenses (comprising IT equipment and services)	11,856	6.00	1
Wellpro Group Limited	United Kingdom	Subcontracted services (comprising well services and downhole tools)	11,377	5.76	5
Principal B	United States	Subcontracted services (comprising software and services)	9,057	4.58	4
Principal A	Malaysia	Subcontracted services (comprising oilfield production optimisation products and services)	7,431	3.76	8
Baker Oil Tools (Malaysia) Sdn Bhd	Malaysia	Subcontracted services (comprising artificial lift equipment and services)	7,329	3.71	3
Sub-total			47,050	23.81	
Total purchases			197,639	100.00	

FYE 2025

Suppliers⁽¹⁾	Country of origin	Type of products/ services sourced	Purchases		Length of relationship as at the FYE
			RM'000	%	Years
Rovula (Thailand) Company Limited	Thailand	Subcontracted services (comprising robotics technology and software)	12,474	5.31	3
Marcon Co, Ltd	Korea	Consultant-related expenses (comprising HR management services)	8,784	3.74	2
Supplier A	Malaysia	IT-related expenses (comprising IT equipment and infrastructure)	6,590	2.81	5
NTT MSC Sdn Bhd	Malaysia	IT-related expenses (comprising IT equipment and services)	6,157	2.62	6
Principal B	United States	Subcontracted services (comprising software and services)	5,960	2.54	5
Sub-total			39,965	17.02	
Total purchases			234,771	100.00	

7. BUSINESS OVERVIEW (Cont'd)**Note:**

(1) Our major suppliers are comprised of our suppliers as well as technology partners.

For the past 4 FYEs 2022 to 2025, our top 5 major suppliers collectively contributed 17.54%, 33.96%, 23.81% and 17.02% to our Group's total purchases respectively. Our largest supplier for the FYE 2022 was Wellpro Group Limited which contributed 5.93% of our Group's total purchases. Our largest supplier for the FYE 2023 was Baker Oil Tools (Malaysia) Sdn Bhd which contributed 19.11% of our Group's total purchases. Our largest supplier for the FYE 2024 was Supplier B which contributed 6.00% of our Group's total purchases. Our largest supplier for the FYE 2025 was Rovula (Thailand) Company Limited which contributed 5.31% of our Group's total purchases.

We are not dependent on our major suppliers and there is no concentration risk associated with any of our major suppliers as our purchases from our suppliers vary from year to year depending on the requirement of our projects in a particular year. Further, during the past 4 FYEs 2022 to 2025 and up to the LPD, we had 27 active principals as our technology partners for the provision of our technology service and equipment solutions. During the past 4 FYEs 2022 to 2025 and up to the LPD, we have not faced any material supply disruptions or delays by our major suppliers.

Rovula (Thailand) Company Limited was the largest major supplier of our Group in FYE 2025, contributing 5.31% of our Group's total purchases. Nevertheless, the Group is of the view that we are not dependent on Rovula (Thailand) Company Limited as the revenue generated from projects which require robotics products developed by Rovula (Thailand) Company Limited contributed only 6.44% of our Group's total revenue in FYE 2025.

As at the LPD, our Group has mutually agreed to terminate the agency agreements we had entered into with Wellpro Group Limited and Principal A, which were amongst our major suppliers during the FYEs 2022 to 2025.

Under our agency agreement with Wellpro Group Limited, our Group is restricted by a post-termination non-compete clause from collaborating with other principals to supply thru-tubing services, for a period of 2 years subsequent to the termination of the agreement. As at the LPD, there are no active projects which require the technology supplied by Wellpro Group Limited. The revenue and gross profit from our projects in which Wellpro Group Limited acted as our technology partner during the FYEs 2022 to 2025 are as follows:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Revenue	5,016	10,148	12,341	-
Gross profit	178	1,106	964	-

We did not recognise any revenue from projects in which Wellpro Group Limited acted as technology partner subsequent to FYE 2024. A summary of the Group's PAT over the past 4 FYEs 2022 to 2025 are as follows:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
PAT	5,359	11,521	10,503	10,759

Premised on the above, the termination of the agency agreement with Wellpro Group Limited on 1 October 2024 did not have a material impact to our Group's financials.

7. BUSINESS OVERVIEW (Cont'd)

Under our agency agreement with Principal A, our Group is restricted by a post-termination non-compete clause from soliciting any customer of Principal A or any prospective customer of Principal A with whom our Group made contact during the term of the agency agreement for the purpose of selling such customer or prospective customer any services directly competitive with Principal A's services, for a period of 6 months subsequent to the termination of the agreement. The revenue and gross profit from our projects in which Principal A acted as our technology partner during the FYEs 2022 to 2025 are as follows:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Revenue	3,351	7,568	8,545	2,632
Gross profit	517	1,051	1,114	395

Post termination of the agency agreement with Principal A on 19 June 2025, we continued to deliver projects for purchase orders which were secured earlier and the project had been completed and fully billed as at 30 November 2025. As at the LPD, we do not have any ongoing contracts or existing tenders which require the technology supplied by Principal A. Premised on the above, the termination of the agency agreement with Principal A on 19 June 2025 does not have a material impact to our Group's financials.

Please refer to Section 9.1.3 of this Prospectus for further details on the termination of our agency agreements with Wellpro Group Limited and Principal A.

Of our 27 active principals during the past 4 FYEs 2022 to 2025 and up to the LPD, we have entered into valid ongoing contractual agreements with 16 principals as at the LPD. The contractual agreements entered into with the remaining 11 principals had expired as at the LPD. Of the 11 principals with expired contractual agreements, we have replaced 2 of these principals with new principals, we have terminated the contractual agreement with 1 of these principals, and we are in the midst of renewing or evaluating the need for renewal of the contractual agreements entered into with 8 of these principals.

We are not restricted by any post-termination non-compete clauses under our valid ongoing contractual agreements with 16 principals as at the LPD.

Our Group does not intend to allow the inclusion of post-termination non-compete clauses in contractual agreements entered into with suppliers and technology partners moving forward. However, there may be instances moving forward that our suppliers and technology partners negotiate the inclusion of such post-termination non-compete clauses in future contractual agreements. In the event that we are restricted by such post-termination non-compete clauses, our business operations, financial performance and prospects may be adversely affected. Nevertheless, the Group will carefully evaluate the merits of the collaboration against the potential adverse impact of such clauses before agreeing to such inclusion of post-termination non-compete clauses.

Further, of our valid ongoing contractual agreements with 16 principals as at the LPD, our Group is restricted under the contractual agreements with 6 principals from representing, promoting, designing, manufacturing, marketing, distributing, licensing and/or selling products and services that are in competition with or perform similar functions to the products and services of these principals, during the term of the respective contractual agreement with each principal. Further, under the contractual agreements with these 6 principals, our Group may also be restricted from soliciting business away from these principals; consulting, advising, counselling or assisting any competitor of these principals; or serving any interest or doing any act or thing which might conflict with the interests of these principals, during the term of the respective contractual agreement with each principal.

There have not been any disputes with our major suppliers in the past 4 FYEs 2022 to 2025.

7. BUSINESS OVERVIEW (Cont'd)

7.6 Intellectual Property Rights

Save for the registered trademark/patent for registration as disclosed below, our Group does not have any trademarks, patents, registrations, applications for registration and other intellectual property rights as at the LPD:

No.	Company	Type of Intellectual Property Rights	Governing/ Issuing Authority	Trademark Number/ Application Number	Status/ Validity Period	Description
1.	Elsa Energy	Trademark:	Intellectual Property Corporation of Malaysia (“MyIPO”)	Trademark Number: TM2020018492	Status: Registered Validity Period: From 26 August 2020 until 26 August 2030	Class 35: Business advisory services; business process re-engineering services; business project management services; business management assistance; business appraisals; business auditing; business efficiency expert services; business inquiries; business investigations; advisory services relating to business management and business operations; advisory services relating to business risk management; assistance, advisory services and consultancy with regard to business planning; assistance, advisory services and consultancy with regard to business analysis; advisory and consultancy services relating to the procurement of goods for others; providing consultancy services in the area of global sustainable business solutions; market studies; consultancy and advisory services relating to personnel placement, recruitment and management; recruitment services; payroll preparation; human resources management services.

7. BUSINESS OVERVIEW (Cont'd)

7.7 Governing Laws and Regulations**Governing laws and regulations relating to Malaysia**

The following is an overview of the regulatory requirements governing our Group which are material to our business operation, which is not intended to be an exhaustive description of all laws and regulations to which our business is subject to:

(i) Petroleum Development Act 1974 (“PDA 1974”) and the Petroleum Regulations 1974 (“Regulations 1974”)

Pursuant to Section 7 of the PDA 1974 and in accordance with Regulation 5 of the Regulations 1974, PETRONAS is entitled to issue licenses under Regulation 3 of the Regulations 1974 for the following:

- (a) the conduct of or the carrying on of:
 - (1) any business or service relating to the exploration, exploitation, winning or obtaining of petroleum;
 - (2) any business involving the manufacture and supply of equipment used in the petroleum industry; and
 - (3) downstream activities and development relating to petroleum.
- (b) the marketing and distribution of petroleum and its products;

in Malaysia, whether onshore or offshore.

Any person who commences or continues any business or service mentioned in regulation 3 of the Regulations 1974 without a license or fails to comply with any condition of any such license shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 2 years or to both and in the case of a continuing offence he shall be liable to a further fine of RM1,000 for each day or part of a day during which the offence continues after the first day in respect of which the conviction is recorded.

As at the LPD, our subsidiaries, Elsa Energy, Elsa Talent and Elsa Digital, are registered with PETRONAS and hold valid PETRONAS licenses to supply the products/services with the relevant SWEC as disclosed in Section 7.8 of this Prospectus to oil/gas companies in Malaysia.

During the Financial Years Under Review and up to the LPD, there were no incidents of non-compliance for the projects that our Group was involved in.

(ii) Local Government Act 1976 (“LGA 1976”)

The LGA 1976 empowers every local authority to grant licenses or permits for any trade, occupation or premise through by-laws. Every license or permit granted shall be subject to such conditions and restrictions as the local authority may think fit and shall be revocable by the local authority at any time without assigning any reason therefor.

7. BUSINESS OVERVIEW (Cont'd)

Our Group's business falls under the jurisdiction of Kuala Lumpur City Hall (Dewan Bandaraya Kuala Lumpur) ("**DBKL**"), Kemaman Municipal Council (Majlis Perbandaran Kemaman) ("**MPK**") and Labuan Corporation. The relevant by-laws governing the conduct of our Group's business are as follows:

- (a) The Licensing of Trades, Businesses and Industries (Federal Territory of Kuala Lumpur) By-Laws 2016 ("**Kuala Lumpur By-Laws**") provides that any person may use any premise for operating any business activity when a business license has been issued pertaining to the said premise by the Commissioner under the Kuala Lumpur By-Laws. Any person who contravenes any provision of the Kuala Lumpur By-Laws shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both, and in the case of a continuing offence, to a fine not exceeding RM200 for each day during which the offence is continued after conviction.
- (b) Advertisements (Federal Territory) By-Laws 1982 ("**Kuala Lumpur (Advertisement) By-Laws**") provides that a person shall not exhibit or cause or permit to be exhibited any advertisement without a license granted or renewed by the Commissioner under the Kuala Lumpur (Advertisement) By-Laws. Any person who contravenes any of the Kuala Lumpur (Advertisement) By-Laws or any condition in a license, or any notice or order of the Commissioner, shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding 1 year or to both such fine and imprisonment.
- (c) The Licensing of Trades, Businesses and Industries (Kemaman Municipal Council) By-Laws 2013 ("**Kemaman By-Laws**") provides that no person shall operate any form of trade, business or industry in a place or premise within the area of Kemaman without a license issued by MPK. Any person who contravenes this provision of the Kemaman By-Laws commits an offence and shall, upon conviction, be liable to a fine not exceeding RM2,000 or imprisonment not exceeding 1 year or both.
- (d) District Council Kemaman (Advertisement) By-Laws 1983 ("**Kemaman (Advertisement) By-Laws**") provides that no person shall exhibit or cause to be exhibited any advertisement without a license issued by the President of the District Council Kemaman. Any person who fails to exhibit the license after the license is granted or to produce such license if required to do so by any officer of the Council shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM500 or to imprisonment for a term not exceeding 6 months or to both such fine and imprisonment.
- (e) Trades Licensing Ordinance 1948 ("**TLO 1948**") provides that a trading license shall be issued by the administrative officer or his assistant in charge of the district in which the premises to be licensed are situated, or if the business is not carried on in definite premises, in which the person carrying on the business usually resides, or has his principal place of business. Any person who contravenes the above shall be liable for each offence to a fine of four times the amount of the license fee and to a further fine of RM10 for each day or part of a day subsequent to a conviction during which the contravention continues. The Licensing of Trades, Businesses and Industries (Federal Territory of Labuan) By-Laws 2016 ("**Labuan By-Laws**") further provides that any person may use any premise for operating any business activity when a business license has been issued pertaining to the said premise by the Labuan Corporation under the Labuan By-Laws. Any person who contravenes any provision of the Labuan By-Laws shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both, and in the case of a continuing offence, to a fine not exceeding RM200 for each day during which the offence is continued after conviction.

7. BUSINESS OVERVIEW (Cont'd)

- (f) Labuan Municipal Council (Advertisement) By-Laws 1996 (“**Labuan (Advertisement) By-Laws**”) provides that no person shall exhibit or cause to be exhibited any advertisement except under and in accordance with a license issued by the Council. Any person who contravenes any of the provisions of the Labuan (Advertisement) By-Laws shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM2,000 and, in the case of a continuing offence, to a fine not exceeding RM200 for every day during which the offence continues after conviction.

Elsa Energy’s office, located at B-21-01, Menara G-Vestor, Kompleks Pavilion Ampang, 200 Jalan Ampang, 50450 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, has been operating without a business license from the date of commencement of business operation at the premises on 27 March 2024 up to 12 January 2025. On 9 January 2025, Elsa Energy applied for the business license, and on 13 January 2025, Elsa Energy obtained the business license from DBKL.

Elsa Digital’s office, located at B-21-03, Menara G-Vestor, Kompleks Pavilion Ampang, 200 Jalan Ampang, 50450 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, has been operating without a business license from the date of commencement of business operation at the premises on 27 March 2024 up to 12 January 2025. On 9 January 2025, Elsa Digital applied for the business license, and on 13 January 2025, Elsa Digital obtained the business license from DBKL.

Elsa Talent’s office, located at B-21-05, Menara G-Vestor, Kompleks Pavilion Ampang, 200 Jalan Ampang, 50450 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, has been operating without a business license from the date of commencement of business operation at the premises on 27 March 2024 up to 12 January 2025. On 9 January 2025, Elsa Talent applied for the business license, and on 13 January 2025, Elsa Talent obtained the business license from DBKL.

Elsa’s office, located at B-21-08, Menara G-Vestor, Kompleks Pavilion Ampang, 200 Jalan Ampang, 50450 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, has been operating without a business license from the date of commencement of business operation at the premises on 15 December 2024 up to 12 January 2025. On 6 January 2025, Elsa has applied for the business license and on 13 January 2025, Elsa has obtained the business license from DBKL.

As at the LPD, our Group has not been fined or issued with any notice of non-compliance from DBKL for the abovementioned. Our Group’s risk of being compounded retrospectively is low given that the non-compliance has been rectified and the respective business licenses have been issued on 13 January 2025. Our Group did not face any significant disruption to our business operations or financial performance from the said past non-compliance.

Elsa Energy’s office, located at 1-1A, Incubator 3, Lebuhraya Bukit Jalil, Taman Teknologi Malaysia, 57000 Kuala Lumpur, has been displaying its signboard without a signboard license from the date of commencement of business operation at the premises on 15 January 2022 up to 2 March 2025. On 14 January 2025, Elsa Energy applied for the signboard license, and on 3 March 2025, Elsa Energy obtained the signboard license from DBKL. As at the LPD, Elsa Energy has not been fined or issued with any notice of non-compliance from DBKL. Our Group’s risk of being compounded retrospectively is low given that the non-compliance has been rectified and Elsa Energy been issued with a signboard license for its office on 3 March 2025. Our Group did not face any significant disruption to our business operations or financial performance from the said past non-compliance.

7. BUSINESS OVERVIEW (Cont'd)

Elsa Energy's rented warehouse, located at Lot 25, Block C, O&G Sec Lazenda Warehouse, 87008, Wilayah Persekutuan Labuan, has been displaying its signboard without a signboard license from the date of commencement of business operation at the premises on 1 October 2019 up to 5 February 2025. On 13 January 2025, Elsa Energy applied for the signboard license and on 6 February 2025, Elsa Energy obtained the signboard license from Labuan Corporation. As at the LPD, Elsa Energy has not been fined or issued with any notice of non-compliance from Labuan Corporation. Our Group's risk of being compounded retrospectively is low given the non-compliance has been rectified and Elsa Energy been issued with a signboard license on 6 February 2025. Our Group did not face any significant disruption to our business operations or financial performance from the said past non-compliance.

Saved as disclosed above, our Group holds and maintains valid business licenses for our operating business premises and a valid signboard license in respect of the premises with an external signboard.

(iii) Construction Industry Development Board Act 1994 ("CIDB Act 1994")

The CIDB Act 1994 governs the establishment of CIDB and provides for its function in relation to the construction industry and all matters connected therewith. The CIDB Act 1994 provides that no person shall carry out or complete, undertake to carry out or complete any construction work or hold himself out as a contractor unless he is registered with CIDB and holds a valid certificate of registration issued by the CIDB under the CIDB Act 1994.

Any person who carries out construction works without being registered with CIDB shall be guilty of an offence and shall, on conviction, be liable to a fine of not less than RM10,000 but not more than RM100,000.

As at the LPD, our subsidiary, Elsa Energy, holds a valid Grade G3 certificate of registration issued under the CIDB Act 1994.

(iv) Street, Drainage and Building Act 1974 ("SDBA 1974")

The SDBA 1974, together with the regulations made thereunder, including the Uniform Building By-Laws 1984, provide that any person who intends to erect any building shall cause to be submitted by a principal submitting person or submitting person to the local authority such plans and specifications as may be required by any by-law made under the SDBA 1974.

Any person who occupies or permits to be occupied any building or any part thereof without a CCC shall be liable on conviction to a fine not exceeding RM250,000 or to imprisonment for a term not exceeding 10 years or both.

As at the LPD, our Group holds valid CF for all our owned and tenanted properties.

(v) Stamp Act 1949 ("SA 1949")

The SA 1949 governs the imposition and collection of stamp duty in Malaysia on instruments specified in the SA 1949. Failure to stamp an instrument within the prescribed time will subject the instrument to payment of the unpaid duty together with a late stamping penalty.

On 31 July 2025, Lembaga Hasil Dalam Negeri Malaysia ("LHDN") has informed Elsa Energy that it will be conducting a stamp duty audit at Elsa Energy's premises. The purpose of the audit is to ensure that all executed instruments or agreements of Elsa Energy have been properly stamped in accordance with the SA 1949 ("**Stamp Duty Audit**"). The Stamp Duty Audit was held on 13 August 2025.

7. BUSINESS OVERVIEW *(Cont'd)*

Following the Stamp Duty Audit, Elsa Energy was notified by LHDN on 9 October 2025 of the findings of the Stamp Duty Audit which required Elsa Energy to pay additional stamp duty amounting to RM29,006.00 ("**Stamp Duty**"). On 15 October 2025, LHDN notified Elsa Energy of the completion of the Stamp Duty Audit following the payment of the Stamp Duty by Elsa Energy on 13 October 2025.

To strengthen the Company's process controls and mitigate future occurrences of oversight, the Company has incorporated enhanced procedures under its Documented Information Control Procedure to ensure compliance with all relevant legislative requirements, including stamp duty obligations. In addition, the Company has enhanced the onboarding checklists across all departments by introducing additional control checkpoints. As part of these enhancements, stamping details are now required to be recorded, verified, and monitored by the respective responsible teams to ensure completeness and ongoing compliance with stamp duty requirements.

Saved as disclosed above, our Group has not received any other notifications or has any outstanding issues raised by LHDN. Our Group has observed and will continue to ensure that we comply with the provisions of the SA 1949.

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7. BUSINESS OVERVIEW (Cont'd)

7.8 Material Licenses, Permits and Approvals

Details of material licenses, permits and approvals obtained for our Group's business as at the LPD are as follows:

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
1.	MOF	Elsa Energy	Field Code:	Certificate of Registration	Effective Date: 9 September 2025	General Conditions:	Complied
			(i) Publishing and broadcasting/ publishing/ online electronics publishing	Certificate no.: K101324112 44286334	Expiry Date: 24 September 2028	(i) The company shall ensure that the registered field codes registered in this certificate do not overlap with the field codes that have been approved for any of the following companies:	
			(ii) Publishing and broadcasting/ publishing/electronic publishing materials and songs (Ready to Print)			(a) Have the same owner or board of directors/directors, management and employees; or	
			(iii) Publishing and broadcasting/ publishing educational and training equipment/ educational kits			(b) Operating on the same premises.	
			(iv) Publishing and broadcasting/ publishing educational and training equipment/ educational materials			(ii) Failure to apply for renewal of registration after the expiry date may result in the company's registration with MOF being cancelled and automatically removed from "Sistem ePerolehan". The company will be required to make a new application.	
			(v) Furniture, office equipment, interior and domestic decoration/ office supplies and stationery/ stationery (excluding forms and all types of paper)				
			(vi) Transportation, components, and accessories/ rail vehicles, equipment and spare parts/ rail vehicles and cable cars				
			(vii) Transportation, components and accessories/ rail vehicles, equipment and spare parts/ locomotives				

7. BUSINESS OVERVIEW (Cont'd)

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed Suspension/Cancellation of Registration:	Status of compliance
			(viii) Transportation, components and accessories/ rail vehicles, equipment and spare parts / railway equipment and spare parts			Company registration shall be suspended/cancelled if the company has committed any of the following offences:	
			(ix) Transportation, components, and accessories/boats and ships/boats			(i) The company/ owner/ partnership/ director/ any member of management has committed a crime and been found guilty by a court in Malaysia or abroad or is subject to civil liability;	
			(x) Transportation, components and accessories/ boats and ships/ sea vessels/ submarines			(ii) The company withdraws the offer before the tender is considered or rejects it after the offer is made;	
			(xi) Transportation, components and accessories/ boats and ships/ boat and ship spare parts and equipment			(iii) The company fails to fulfil the obligations of the contracts that have been signed with the Government;	
			(xii) Transportation, components and accessories/ boats and ships/ boat, ship, and submarine simulators			(iv) The company is found to have amended this certificate with the intent to deceive or for other purposes;	
			(xiii) Engineering equipment and production machinery/ machines, workshop equipment and production machinery/ machines and workshop equipment			(v) The company allows this certificate to be misused by other individuals/ companies;	
			(xiv) ICT (information communication technology)/ computer equipment and accessories, hardware and components/ hardware (low end technology)				

7. BUSINESS OVERVIEW (Cont'd)

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
			(xv) ICT (information communication technology)/ computer equipment and accessories, hardware and components/ hardware (high-end technology)			(vi) The company is found to have engaged in price-fixing with other companies when participating in Government tenders or subcontracts without prior consent from the relevant Government agencies.	
			(xvi) ICT (information communication technology)/ computer equipment and accessories, hardware and components/ computer software, operating system, database, off-the-shelf packages including maintenance			Renewal:	
			(xvii) ICT (information communication technology)/ computer equipment and accessories, hardware and components/ software/ system development/ customization and maintenance			(i) The company is required to submit an application for renewal 3 months before the expiry of the registration period; and	
			(xviii) ICT (information communication technology)/ computer equipment and accessories, hardware and components/ telecommunication/ networking-supply product, infrastructure, services including maintenance			(ii) The application received after the expiry of the registration period will be considered as a new registration.	
			(xix) ICT (information communication technology)/ computer equipment and accessories, hardware and components/ data management – providing services including disaster				

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
			(xx) ICT (information communication technology)/ computer equipment and accessories, hardware and components/ ICT security and firewall, encryption, PKI, antivirus				
			(xxi) ICT (information communication technology)/ computer equipment and accessories, hardware and components/ multimedia products, services and maintenance				
			(xxii) ICT (information communication technology)/ computer equipment and accessories, hardware and components/ hardware and software leasing/renting				
			(xxiii) ICT (information communication technology)/ telecommunication equipment and accessories/ communication devices				
			(xxiv) ICT (information communication technology)/ telecommunication equipment and accessories/ communication and telecommunication systems				

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
			(xxv) ICT (information communication technology)/ telecommunication equipment and accessories/ connectivity and telecommunication accessories				
			(xxvi) Services/energy use/diving services				
			(xxvii) Services/arts, entertainment, and tourism/photography				
			(xxviii) Services/editorial, graphic design, fine arts, and intellectual property/all types of writing				
2.	PETRONAS	Elsa Energy	Elsa Energy is licensed to supply the products/ services to exploration and oil/gas companies in Malaysia as detailed in Appendix I of this Prospectus.	License to Supply Product/ Service to Exploration and Oil/Gas Companies in Malaysia License no.: 200501001718	Effective Date: 21 January 2025 Expiry Date: 25 February 2028	(i) Company is required to register, obtain a license, permit or authorisation from the relevant authority to carry out the services or supply of product or material used in company's operation and activities; (ii) This license is not transferable to any company/ other party; (iii) This license will be revoked if the company is found to be in the process of liquidation, winding-up or dissolution;	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
		Elsa Talent	Elsa Talent is licensed to provide soil/land remediation services to exploration and oil/gas companies in Malaysia as detailed in Appendix I of this Prospectus.	License to Supply Product/ Service to Exploration and Oil/Gas Companies in Malaysia License no.: 202001028232	Effective Date: 26 December 2025 Expiry Date: 25 December 2028	(iv) Company shall inform PETRONAS on any changes related to company's position such as equity ownership, board of directors and management staff within 14 days. Failure to do so can result in revocation of license. Please refer to Note (1) for more information in relation to the Bumiputera requirement;	
		Elsa Digital	Elsa Digital is licensed to provide other instrument accessories to exploration and oil/gas companies in Malaysia as detailed in Appendix I of this Prospectus.	License to Supply Product/ Service to Exploration and Oil/Gas Companies in Malaysia License no.: 202001028230	Effective Date: 5 January 2026 Expiry Date: 4 January 2029	(v) Company should take immediate action to adhere to the special conditions imposed as stated in the appendix of the PETRONAS license certificate and to inform PETRONAS on the progress of this action; (vi) Company is not allowed to take another company as principal, agent, sub-contractor or otherwise to provide any service or supply of any facility, fittings or equipment on its behalf without prior written consent from PETRONAS;	

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
						(vii) This license is only valid for services and supply of products as stated in the appendix of the PETRONAS license certificate;	
						(viii) Company can be penalised if in PETRONAS' opinion, it has conducted one or more of the following:	
						(a) Failed to execute the award job until completion;	
						(b) Failed to perform a contractual obligation or any other obligations under the law to partners, principals, agents, sub-contractors and others;	
						(c) Received garnishee order;	
						(d) Facing bankruptcy action;	
						(e) Cannot be traced through the last address;	

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
						(f) Sub-contract work to another contractor without written permission from PETRONAS;	
						(g) Reject any contract or tender awarded;	
						(h) Entering or accepting contract or tender during the license suspension period;	
						(i) Provide false, inaccurate, or misleading information;	
						(j) Does not follow tender's regulations and ethics including but not only limited to sending poison-pen letters, bribing or lobbying; or	
						(k) Engaged in any inappropriate activities with this license.	

7. BUSINESS OVERVIEW (Cont'd)

<u>No.</u>	<u>Issuing authority</u>	<u>Company</u>	<u>Description of approval/license/permit</u>	<u>Licensee/ Reference no.</u>	<u>Validity period</u>	<u>Major conditions imposed</u>	<u>Status of compliance</u>
						(ix) According to Regulation 9 of the Petroleum Regulations 1974 (" Regulations 1974 ") which are made pursuant to Petroleum Development Act 1974, a person who initiate or continue any business or continue providing services as mentioned in Regulation 3 of Regulations 1974 without a license or do not comply with any condition of the license is committing a crime and can be fined not exceeding RM50,000.00 or imprisonment for a period not more than 2 years or both and in respect of each continuous crime, it is subject to further fine of RM1,000.00 for every one day or any part of one day which the offence continues after the first conviction is recorded;	
						(x) Company either by itself, through its employees, directors, agents or its employees:	

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
						(a) Not allow to use the logo of the PETRONAS' oil drop or the word "PETRONAS" or use any mark, logo or words or wearing typeface, font, which resembles the appearance or colour trademarks owned or used by PETRONAS or its subsidiaries in any form whether in printing materials, websites or hand board; and	
						(b) Not allow to perform any act or in any way either directly or indirectly admits that it is a partner or have any connection/ relationship with PETRONAS and/or its subsidiaries, unless and except the company is allowed to use reference [company] is licensed by PETRONAS [No license], under Regulation 3 of the Regulations 1974;	

7. BUSINESS OVERVIEW (Cont'd)

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
						(xi) This license may be revoked, suspended, or blacklisted at any time if any of the above conditions, general conditions of PETRONAS license and registration and any other conditions set in PETRONAS License and Registration General Guidelines are not fulfilled.	
						Note: Licensee must apply for renewal 4 months before the expiry date.	
3.	DBKL	Elsa Energy	Elsa Energy is licensed to carry out its office operation and put up the signboard at 1-1A, Incubator 3, Lebuhraya Bukit Jalil, Taman Teknologi Malaysia, 57000 Kuala Lumpur.	Business and Signboard License File no.: DBKL.JPPP/ 03320/02/20 22/PR01	Effective Date: 14 May 2026 Expiry Date: 13 May 2027	The license holder shall renew license every year 60 days before the expiration of the license without notice from the mayor of Kuala Lumpur.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
4.	MPK	Elsa Energy	Elsa Energy is licensed to operate warehouse, carry out its business and to put up the signboard at Door 6 & 9, Warehouse 36, Phase II, Kemaman Supply Base, Teluk Kalong, 24007 Kemaman, Terengganu.	Business License File reference no.: 06/11/09/2402	Effective Date: 1 January 2026 Expiry Date: 31 December 2026	General Conditions: (i) The license shall be displayed in a place that is easily visible; (ii) The conditions of the license shall be adhered to as stipulated from time to time by MPK; (iii) The conditions of the license that are stipulated shall be fulfilled within the specified period; (iv) Violation of the conditions of the license may result in the license being revoked; (v) It is the responsibility of license holder to renew the license every time the license period expires; and (vi) Written notification shall be given to MPK headquarters if the business is discontinued or closed.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
5.	Labuan Corporation	Elsa Energy	Elsa Energy is licensed to carry out its operation at Lot 25, Block C, O&G Sec Lazenda Warehouse, 87008, Wilayah Persekutuan Labuan for services including supplying materials for the oil/gas/liquid industry, exploring oil/gas, supplying spare parts for the O&G industry, downstream industrial equipment.	Business License License no.: PL: 056233	Effective Date: 1 January 2026 Expiry Date: 31 December 2026	Nil	N/A
6.	Labuan Corporation	Elsa Energy	Elsa Energy is licensed to carry out its office operation at Lot 25, Block C, O&G Sec Lazenda Warehouse, 87008, Wilayah Persekutuan Labuan for petroleum products including lubricating oil and other similar oils.	Business License License no.: PL: 056234	Effective Date: 18 December 2025 Expiry Date: 17 December 2026	The renewal of the license shall be done within 90 days before the expiry date of the license.	Complied
7.	Labuan Corporation	Elsa Energy	Elsa Energy is licensed to carry out its office operation at Lot 67, Block F, O&G Sec Lazenda Warehouse, 87000, Wilayah Persekutuan Labuan for services including supplying materials for the oil/gas/liquid industry and providing spare parts for the O&G industry.	Business License License no.: PL: 056237	Effective Date: 1 January 2026 Expiry Date: 31 December 2026	Nil	N/A

7. BUSINESS OVERVIEW (Cont'd)

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance								
8.	Labuan Corporation	Elsa Energy	Elsa Energy is licensed to carry out its office operation at Lot 67, Block F, O&G Sec Lazenda Warehouse, 87000, Wilayah Persekutuan Labuan.	Business License License no.: PL: 056238	Effective Date: 5 November 2025 Expiry Date: 4 November 2026	The renewal of the license shall be done within 90 days before the expiry date of the license.	Complied								
9.	Construction Industry Development Board Malaysia ("CIDB Malaysia")	Elsa Energy	Certificate of registration in respect of: <table><tr><th>Grade</th><th>Category</th><th>Specialisation</th></tr><tr><td rowspan="2">G3</td><td>B (Building)</td><td>B04 (Building Construction Works)</td></tr><tr><td>CE (Civil Engineering)</td><td>CE21 (Civil Engineering Construction)</td></tr></table>	Grade	Category	Specialisation	G3	B (Building)	B04 (Building Construction Works)	CE (Civil Engineering)	CE21 (Civil Engineering Construction)	Certificate of Registration Registration no.: 0120240408-WP135670	Effective Date: 23 April 2026 Expiry Date: 22 April 2029	Licensing Conditions: (i) This certificate is non-transferable; (ii) The contractor shall not participate in any tender or execute any construction works after the expiration of this certificate unless it is renewed; (iii) The contractor shall not undertake any construction projects which exceeds the value of construction works specified under the registration grade and shall not execute any type of construction work outside of its registered category(ies); and	Complied
Grade	Category	Specialisation													
G3	B (Building)	B04 (Building Construction Works)													
	CE (Civil Engineering)	CE21 (Civil Engineering Construction)													

7. BUSINESS OVERVIEW (Cont'd)

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
						(iv) The contractor shall apply for a renewal of registration within 60 days before the expiry date specified in this certificate.	
10.	DBKL	Elsa Energy	Elsa Energy is licensed to carry out its office operation at B1-3A-3, Soho Suites @ KLCC, Jalan Perak KLCC, 50450 Kuala Lumpur.	Business License File no.: DBKL.JPPP/ 02009/04/20 25/KM01	Effective Date: 23 May 2025 Expiry Date: 22 May 2026	Licensing Conditions: (i) The license holder shall renew license every year 60 days before the expiration of the license without notice from the mayor of Kuala Lumpur; and (ii) Employees on the premises shall be 50% citizens and 50% non-citizens with valid work permits. Temporary Conditions: (i) The license holder shall only carry out activities that are licensed and complied with licensing conditions that have been determined;	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
						(ii) The license holder shall register a business and submit copies of current financial statements and annual statements to Companies Commission of Malaysia; (iii) The license holder shall obtain planning approval; (iv) The license holder shall not carry out illegal activities; and (v) The license holder shall obtain and comply with all conditions of approval for the building plan from the Department of Building Control.	
	Elsa Energy	Elsa Energy is licensed to carry out its office operation at B-21-01, Menara G-Vestor, Kompleks Pavilion Ampang, Jalan Ampang, 50450 Kuala Lumpur.	Business License	File no.: DBKL.JPPP/ 00994/01/20 25/KM01	Effective Date: 14 January 2026 Expiry Date: 13 January 2027	The license holder shall renew license every year 60 days before the expiration of the license without notice from the mayor of Kuala Lumpur.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
		Elsa Digital, Elsa and Elsa Talent	Elsa Digital, Elsa and Elsa Talent are licensed to carry out their office operations at B-21-03 (Elsa Digital), B-21-02, B-21-03A and B-21-08 (Elsa and B-21-05 (Elsa Talent), Menara G-Vestor, Kompleks Pavilion Ampang, Jalan Ampang, 50450 Kuala Lumpur.	Business License File no.: DBKL.JPPP/ 01034/01/20 25/KM01 (for B-21-03) DBKL.JPPP/ 01187/01/20 25/KM01 (for B-21-02 and B-21-03A) DBKL.JPPP/ 00536/01/20 25/KM01 (for B-21-08) DBKL.JPPP/ 01036/01/20 25/KM01 (for B-21-05)	Effective Date: 14 January 2026 Expiry Date: 14 January 2027	The license holder shall renew license every year 60 days before the expiration of the license without notice from the mayor of Kuala Lumpur.	

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
11.	Labuan Corporation	Elsa Energy	Elsa Energy is licensed to put up the signboard at Lot 67, Block F, O&G Sec Lazenda Warehouse, 87000, Wilayah Persekutuan Labuan.	Signboard License License no.: PL: 070535	Effective Date: 16 December 2025 Expiry Date: 15 December 2026	Nil	N/A
12.	Labuan Corporation	Elsa Energy	Elsa Energy is licensed to put up the signboard at Lot 25, Block C, O&G Sec Lazenda Warehouse, 87008, Wilayah Persekutuan Labuan	Signboard License License no.: PL: 052825	Effective Date: 6 February 2026 Expiry Date: 5 February 2027	Nil	N/A

7. BUSINESS OVERVIEW (Cont'd)

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
13.	Aerodyne Geospatial Sdn Bhd (an approved Remote Pilot Training Organisation by the Civil Aviation Authority of Malaysia ("Approved RPTO"))	-	Remote Pilot Certificate of Competency-Basic ("RCoC-B") of Abdul Wafi Bin Fauzi (an employee of Elsa Energy) as a competent remote pilot	Certificate of Competency Certificate ID: 2200020AFI-B	Effective Date: 15 June 2022 Expiry Date: 30 June 2027	NIL	N/A
14.	SG Akademi (M) Sdn Bhd (Approved RPTO)	-	RCoC-B of Muhammad Arrif Amirul Bin Azmi (an employee of Elsa Energy) as a competent remote pilot	Certificate of Competency Certificate ID: RCOCB_001578	Effective Date: 31 August 2025 Expiry Date: 31 August 2030	NIL	N/A

7. BUSINESS OVERVIEW (Cont'd)

No.	Issuing authority	Company	Description of approval/license/permit	Licensee/ Reference no.	Validity period	Major conditions imposed	Status of compliance
15.	SG Akademi (M) Sdn Bhd (Approved RPTO)	-	RCoC-B of Shahafnan Bin Sulaiman (an employee of Elsa Energy) as a competent remote pilot	Certificate of Competency Certificate ID: RCOCB_001 313	Effective Date: 31 December 2024 Expiry Date: 31 December 2029	NIL	N/A

Notes:

- (1) One of the general conditions for SWEC is the Bumiputera requirement at all four level i.e. equity, board of director, management and employment. For information, PETRONAS license is only applicable to Elsa Energy, hence, these requirements are only applicable to Elsa Energy. The Petronas Licence Management System (“**PLMS**”) requires that a private limited company maintains a minimum Bumiputera composition of at least 51% for equity, board of directors, management, and employment, pursuant to the SWEC Minimum Bumiputera Requirement guidelines. Based on the information extracted from PLMS, Elsa Energy's Bumiputera composition currently stands at 75.00% for equity, 66.70% for the board of directors, 62.50% for management and 86.70% for employment.

Elsa Energy confirms that its PETRONAS licence carries similar Bumiputera requirements at all four levels (equity, board of directors, management, and employment), consistent with the general conditions applicable to the SWEC. Elsa Energy is in compliance with these Bumiputera requirements as at the LPD and will be in compliance upon Listing.

As at LPD, licenses and approvals held by our Group which have a remaining validity period of less than 12 months will be renewed in the ordinary course of business. In the past, our Group has not encountered any difficulties in renewing the licenses, permits and approvals, where applicable. In the event that any of these licenses or approvals are not renewed, we will face difficulties in conducting our day to day operations as detailed in the risk factors set out in Section 9.1 of this Prospectus.

7. BUSINESS OVERVIEW (Cont'd)

7.9 Environmental, Social and Governance Management

Our Group is committed to incorporating ESG considerations into our business operations and decision-making processes. Our ESG commitments and practices are summarised as follows:

(i) Environmental

Whilst we operate in the O&G sector, our business model is centered on the provision of services primarily involving project management, consultancy and data analytics. We are not directly involved in resource extraction, refining, or other emission-intensive processes and hence, our direct emissions are not material when compared to upstream O&G operators. Premised on this, we are not deemed as a high-emission company. Nonetheless, our Group is committed to monitoring and managing its carbon footprint as outlined below:

(a) Engaging sustainable business partners

Our Group is committed to continuous sustainable practices, and we work closely with suppliers and subcontractors to promote sustainability in the supply chain, particularly in sourcing sustainable raw materials. As a licensed supplier PETRONAS, we are part of the PETRONAS Supplier Support Program (“PSSP”). This program is designed to support companies such as ours to strengthen sustainability readiness and align with PETRONAS’ sustainability goals. Through this partnership, we continue to enhance our operations and develop sustainable and energy efficient solutions.

(b) Promoting energy efficiency

Our Group has implemented office-wide energy-saving measures and is developing a Green Office Programme to promote energy-efficient procurement. As part of our initiative towards this cause, we plan to track progress via clear key performance indicators, such as setting a year-on-year energy usage benchmarks, with oversight by our Sustainability Working Committee to ensure alignment with our energy efficiency objectives.

(c) Formulating responsible waste management strategies

We have identified paper usage as the largest contributor to our office waste and have implemented a paperless policy, supported by active monitoring and cost control measures. To further manage Scope 3 emissions (i.e. indirect greenhouse gas emissions arising from activities outside of our direct operations which includes, amongst others, electricity, water and paper consumption, as well as employee commuting and business travel), we are developing structured incentives and programmes to promote the use of public transportation among employees, thereby reducing greenhouse gas emissions from commuting.

In line with our commitment to sustainability and environmental innovation, our Group leverages technology-driven solutions that help clients reduce their operational carbon footprint.

One such solution is the use of AUV such as Xplorer (i.e. an AUV for subsea pipeline inspection services). This equipment reduces the need for fuel-intensive support vessels and manual offshore operations through its autonomous capabilities. This innovation significantly shortens inspection timelines, substantially lowering energy consumption and emissions while enhancing safety, efficiency, and accuracy in subsea pipeline inspections.

7. BUSINESS OVERVIEW (Cont'd)

This reflects our proactive integration of environmental considerations into our services, reducing our own impact while supporting clients in achieving their decarbonisation and sustainability goals.

(ii) Social

Our Group recognises that our people and the community we serve are central to our long-term success. As part of our commitment to responsible and sustainable business practices, we actively foster a safe, inclusive, and supportive work environment while also contributing meaningfully to society. Our social initiatives are as follows:

(a) Maintaining a safe and healthy workplace

We have appointed a Health, Safety and Environment (“HSE”) Officer to enforce strict compliance with the Site Safety and Health Guidelines. In addition, we provide our employees the necessary safety tools, information, training and personal protective equipment to ensure a safe working environment at our warehouses and project sites.

(b) Promoting employee wellbeing

We actively support employee wellbeing through initiatives such as the Annual Weight Loss Challenge regular physical activities, encouraging community healthier lifestyles and promoting work-life balance.

(c) Adopting fair employment practices

Compliance with the Employment Act 1955 is strictly observed. We uphold fair wages, non-discrimination, and respect for labour rights. Employee benefits include group medical coverage, life insurance, and various support tokens (e.g., wedding, bereavement), reinforcing our commitment to fair and supportive employment.

(d) Promoting diversity and inclusion

We embrace gender and cultural diversity across our Board and workforce. Programs are in place to empower women in management through mentoring and leadership training, with the target of achieving at least 40% women in management roles by 2030. We have already begun aligning our organisational mindset with this target, ensuring that our recruitment, development, and promotion practices support a more inclusive leadership pipeline.

(e) Community engagement

Our Corporate Social Responsibility (“CSR”) initiatives focus on uplifting local communities, creating employment opportunities, and contributing meaningfully to social development. Our recent initiatives include donating laptops to Rumah Anak Yatim Raudhatul Jannah to bridge the digital divide for underprivileged children and sponsoring SPE ENERGY4ME, a program aimed at introducing primary school students to the world of Science, Technology, Engineering and Mathematics (“STEM”).

(iii) Governance

Our Group is committed to ethical business conduct, with a zero-tolerance approach to bribery and corruption, supported by key policies including our Whistleblowing Policy, Anti-Bribery and Anti-Corruption Policy, and Code of Conduct and Ethics, as well as Human Rights training. We align our practices with the principles of MCCG and uphold transparency, accountability, and integrity across all business operations.

7. BUSINESS OVERVIEW (Cont'd)

We maintain a comprehensive Risk Management Framework, which is regularly reviewed to address strategic, operational, regulatory, and financial risks.

In addition, we have a diverse Board that brings a range of expertise, enhancing governance and decision-making.

We embedded quality assurance throughout our operations, in line with ISO 9001:2015 standards, ensuring consistent performance and stakeholder trust.

Our Board oversees the integration of ESG principles into our business through a formal Sustainability Policy and a dedicated Sustainability Working Committee. Initiatives such as our monthly ESG & HSE newsletter promote internal engagement and transparency. Moving forward, our ESG practices will be disclosed via the Sustainability Statement in our annual report, prepared in accordance with the Bursa Securities' Sustainability Reporting Guide.

7.10 Environmental Matters

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

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7. BUSINESS OVERVIEW (Cont'd)**7.11 Material Properties, Machinery and Equipment****7.11.1 Properties owned by our Group**

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

No.	Title details/ Postal address	Description of property/ Existing use/ Tenure (if any)/ Category of land use	Registered owner	Land area/ Built-up area (sq ft)	Date purchase/ Date CCC/CF	of of	Express conditions/ Restriction of interest/ Encumbrances	of	Audited NBV as at 31 December 2025 (RM'000)
1.	Title details: Strata Title No. Geran 75820/M1/5/31, Petak No. 31, Tingkat No. 5, Bangunan No. M1, Lot No. 20006 Seksyen 57, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur	Description: 1 unit of Soho Existing Use: Project office for Elsa Energy Tenure: Freehold Category of Land Use: Building	Elsa Energy	Land area: N/A Built-up area: 710	Date purchase: 30 December 2020 Date of CF: 9 January 2014	of	Express conditions: Office Restriction of interest: Nil Encumbrances: Charge no. PDSC3937/2023 created in favour of CIMB Islamic Bank Berhad which was registered on 31 January 2023		600.45
	Postal address: B1-3A-3, Soho Suites @ KLCC, 20, Jalan Perak, 50450 Kuala Lumpur								

7. BUSINESS OVERVIEW (Cont'd)

No.	Title details/ Postal address	Description of property/ Existing use/ Tenure (if any)/ Category of land use	Registered owner	Land area/ Built-up area (sq ft)	Date purchase/ Date CCC/CF	of of	Express conditions/ Restriction of interest/ Encumbrances	Audited NBV as at 31 December 2025 (RM'000)
2.	Title details: Strata Title No. Geran 75820/M1/6/51, Petak No. 51, Tingkat No. 6, Bangunan No. M1, Lot No. 20006, Seksyen 57, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur Postal address: B2-5-3, Soho Suites @ KLCC, 20, Jalan Perak, 50450 Kuala Lumpur	Description: 1 unit of Soho Existing Use: Serviced apartment ⁽¹⁾ Tenure: Freehold Category of Land Use: Building	Elsa Energy	Land area: N/A Built-up area: 678	Date purchase: 30 December 2020 Date of CF: 9 January 2014	of of of	Express conditions: For serviced apartment Restriction of interest: Nil Encumbrances: Charge no. PDSC3936/2023 created in favour of CIMB Islamic Bank Berhad which was registered on 31 January 2023.	776.88

Note:

- (1) Elsa Energy rents the said premise to Outliers Solutions Perkongsian Liabiliti Terhad for a 2-year tenancy period commencing from 1 September 2024 to 31 August 2026. For information, save for landlord-tenant relationship, our Group has no other transaction with Outliers Solutions Perkongsian Liabiliti Terhad.

7. BUSINESS OVERVIEW (Cont'd)

7.11.2 Properties rented by our Group

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

No.	Postal Address	Landlord/ Tenant	Description/ Existing use	Date of CCC or equivalent Date of CF:	Land area/ Floor area (sq ft)	Period tenancy of Commencement Date: Expiry Date:	Rental per annum (RM'000)
1.	Warehouse No. 36 (Door No. 06 and 09), Phase II, Kemaman Supply Base, Teluk Kalong, Kemaman, 24007 Terengganu	Landlord: Pangkalan Bekalan Kemaman Sdn Bhd Tenant: Elsa Energy	1 unit of single- storey warehouse which is used as the warehouse for oilfield service solutions segment	2 February 2015	N/A ⁽¹⁾ / 4,004	1 December 2024 30 November 2027	95.98
2.	Lot 25 (intermediate lot), Block C, O&G SEC Lazenda Warehouse, 87008 Wilayah Persekutuan Labuan	Landlord: Sabah Energy Corporation Sdn Bhd Tenant: Elsa Energy	1 unit of one and half storey warehouse which is used as the warehouse for oilfield service solutions segment	22 May 2017	N/A ⁽¹⁾ / 4,335	1 October 2025 30 September 2027	55.80
3.	Lot 1-1A, Hive 8, Taman Teknologi MRANTI, Lebuhraya Puchong – Sg. Besi, Bukit Jalil, 57000 Kuala Lumpur	Landlord: MRANTI Corporation Sdn Bhd Tenant: Elsa Energy	1 unit of office lot which is used as the robotics and engineering centre	14 July 2000	N/A ⁽¹⁾ / 1,355	15 January 2026 14 January 2028	58.56

7. BUSINESS OVERVIEW (Cont'd)

No.	Postal Address	Landlord/ Tenant	Description/ Existing use	Date of CCC or equivalent	Land area/ Floor area (sq ft)	Period tenancy of	Rental per annum (RM'000)
4.	Lot 67, Block F, O & G Sec Lazenda Warehouse, (Ground & 1 st Floor), 87000 Wilayah Persekutuan Labuan	Landlord: YC Engineering Supply Tenant: Elsa Energy	1 unit of 2-storey warehouse which is used as the warehouse for the oilfield services solutions segment ⁽²⁾	Date of CF: 22 May 2017	N/A ⁽¹⁾ / 3,466	Commencement Date: 22 May 2024 Expiry Date: 21 May 2028	69.60
5.	B-21-01, B-21-02, B-21- 03, B-21-03A, B-21-05, Menara G-Vestor, Kompleks Pavilion Ampang, 200 Jalan Ampang, 50450 Kuala Lumpur	Landlord: Upper Matrix Enterprise (M) Sdn Bhd Tenant: Elsa	1 unit of office lot is used as headquarters and office for Elsa, while 4 units of office lots are used as offices for Elsa, Elsa Energy, Elsa Digital and Elsa Talent.	Date of CF: 12 December 2022	N/A ⁽¹⁾ / 6,559	Commencement Date: 15 January 2024 Expiry Date: 14 January 2027	1st Year: 393.54 2nd Year: 409.28
6.	B-21-08 Menara G- Vestor, Kompleks Pavilion Ampang, 200 Jalan Ampang, 50450 Kuala Lumpur	Landlord: Upper Matrix Enterprise (M) Sdn Bhd Tenant: Elsa	1 unit of office lot is used as office for Elsa	Date of CF: 12 December 2022	N/A ⁽¹⁾ / 1,050	Commencement Date: 15 December 2024 Expiry Date: 14 December 2026	1st Year: 63.00 2nd Year: 65.52

7. BUSINESS OVERVIEW *(Cont'd)*

Notes:

- (1) Not applicable as the units rented are part of a larger land/building and as such, the land area is not available for individual quantification.
- (2) As part of Elsa Energy's business arrangement with Omega Well Intervention Ltd, Elsa Energy has entered into sub-tenancy agreements with Omega Well Intervention Ltd for a warehouse owned by YC Engineering Supply commencing from 22 May 2024 to 21 May 2028, wherein the registered owner of the said premise is YC Engineering Supply. For information purposes, YC Engineering Supply has given its consent to Elsa Energy to sub-let the said entire premise to Omega Well Intervention Ltd. Save as disclosed whereby Omega Well Intervention Ltd is a sub-tenant of Elsa Energy and a customer for talents solutions segment of our Group, Elsa Energy does not have any other relationship with Omega Well Intervention Ltd.

Based on the letter of consent to sub-let warehouse provided by YC Engineering Supply to Elsa Energy, Elsa Energy shall remain fully responsible for complying with all terms and conditions of the tenancy agreement and Omega Well Intervention Ltd shall not contravene any terms and conditions of the original tenancy agreement between Elsa Energy and YC Engineering Supply.

For avoidance of doubt, Omega Well Intervention Ltd is responsible for obtaining and maintaining all necessary permits, approvals and compliances relating to its operations within the warehouse. Elsa Energy confirms that Omega Well Intervention Ltd is responsible for its own operational compliance with oilfield, safety and other applicable regulations, and that the Group is not involved in or responsible for any penalties or enforcement actions arising from Omega Well Intervention Ltd's activities, save for Elsa Energy's obligations under the original tenancy with YC Engineering.

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7. BUSINESS OVERVIEW (Cont'd)**7.11.3 Material machinery and equipment**

As at LPD, a summary of the material machinery and equipment owned and used by our Group are set out as below:

Machinery/ Equipment	Description/ Function	No. of units	Year of purchase	Average lifespan (years)	Average age (years)	NBV as at 31 December 2025 (RM'000)
Drones						
Blueye Pioneer	A remotely operated vehicle (“ ROV ”) which is designed for underwater surveillance, inspection and monitoring. It is primarily used to examine underwater structures and assets by capturing high-resolution video and collecting real-time sensor data during operations.	1	2020	5	5	-
DJI M350	An industrial-grade unmanned aerial vehicle (“ UAV ”) designed for heavy-duty aerial operations such as inspection, surveying, mapping and monitoring of assets and large areas. It features a highly interchangeable payload system, and an extended flight duration suited for industrial applications. It is also weather-resistant rated to ensure functionality in challenging environments.	1	2024	5	1	62
Skydio X2D	An autonomous UAV equipped with advanced vision-based artificial intelligence technology, enabling autonomous navigation, autonomous obstacle avoidance, advanced asset modelling and night-vision operational capabilities. It is specifically designed for industrial applications such as asset inspection, monitoring and surveillance.	1	2024	5	1	36
Skydio X10D	An autonomous UAV which is the upgraded version of Skydio X2D. While it shares the same core functionalities as Skydio X2D, it is designed with enhanced sensor packages, computing power and modularity.	1	2025	5	Less than 1	61
		1	2026	5	Less than 1	N/A

7. BUSINESS OVERVIEW *(Cont'd)*

Machinery/ Equipment	Description/ Function	No. of units	Year of purchase	Average lifespan (years)	Average age (years)	NBV as at 31 December 2025 (RM'000)
DJI Mavic 3E	An enterprise-grade UAV designed for lightweight enterprises or prosumer-level applications including inspection, surveying, mapping and monitoring of assets. It features a fixed payload optimised for photogrammetry and video purposes. It is designed for short-duration missions, which is best suited for use in fair weather conditions and brief industrial operations.	2	2025	5	Less than 1	33 (for 2 units)
DJI Mavic 4T	An enterprise-grade UAV designed for various industrial applications including inspection, surveying, mapping and monitoring of assets. It features a high-performance wide-angle camera, advanced thermal imaging, an integrated laser rangefinder, and RTK-enabled precision navigation. With its powerful sensors, extended flight time and all-weather capabilities make it ideal for critical missions requiring real-time thermal and visual data with high accuracy and reliability.	1	2025	5	Less than 1	25
Data storage system						
NetApp digital storage system	A comprehensive data storage solution designed for enterprises to efficiently store, organise, manage and access large volumes of structured and unstructured data. It handles both block-level and file-level data within a single digital storage system.	1	2023	5	2	897

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7. BUSINESS OVERVIEW *(Cont'd)*

Machinery/ Equipment	Description/ Function	No. of units	Year of purchase	Average lifespan (years)	Average age (years)	NBV as at 31 December 2025 (RM'000)
Computing device						
Dell Precision 7960 Tower Workstation	A tower workstation designed for high-performance computing applications.	4	2025	5	Less than 1	399 (for 4 units)

7.12 Dependency on Contracts, Agreements, Documents or Other Arrangements

As at the LPD, our Group is not materially dependent on any contracts, agreements, documents or other arrangements.

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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: 6 May 2026

The Board of Directors

Elsa Berhad

B-21-02, Menara G-Vestor,
Kompleks Pavilion Ampang,
200 Jalan Ampang,
50450 Kuala Lumpur,
Wilayah Persekutuan

Dear Sirs/ Madams,

Independent Market Research Report on the Oil and Gas Services and Equipment (“OGSE”) 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 Elsa 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 Elsa Berhad and its subsidiaries (“Elsa Group”) operate and to offer a clear understanding of the industry dynamics. As Elsa Group is principally involved in the provision of OGSE solutions, where their main business segments comprise oilfield service solutions, talent solutions, digital solutions and robotics and engineering solutions, the scope of work for this IMR Report will address the following areas:

- (i) The OGSE industry in Malaysia;
- (ii) Key demand drivers, risk and challenges of the OGSE industry in Malaysia; and
- (iii) Competitive overview of the OGSE industry in Malaysia.

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 or otherwise.

For and on behalf of SMITH ZANDER:



STEPHANIE NG EE MUNN
EXECUTIVE DIRECTOR

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)

SMITH ZANDER

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The research for this IMR Report was completed on 5 May 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, Stephanie Ng Ee Munn

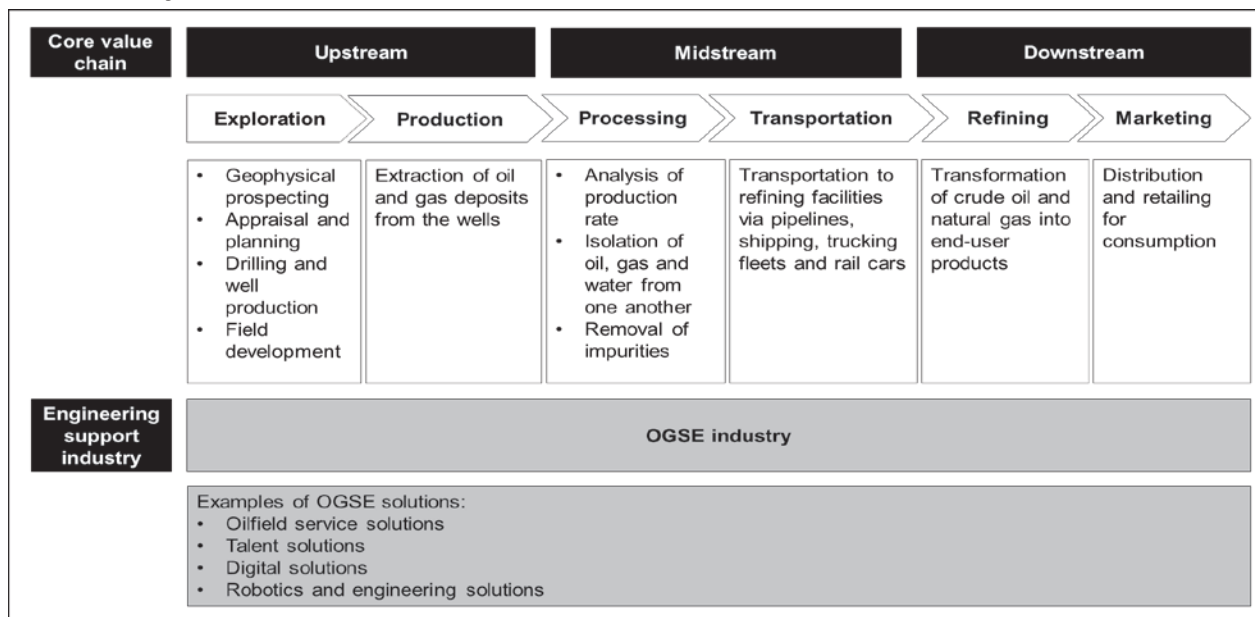
Stephanie Ng is the Executive Director of SMITH ZANDER. Stephanie Ng has over 11 years of experience in executing independent market research and due diligence studies. She was also involved in corporate finance and private banking. Stephanie Ng has a Bachelor of Science (Hons) in Chemistry from Universiti Tunku Abdul Rahman, Malaysia.

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)

SMITH ZANDER

1 THE OGSE INDUSTRY IN MALAYSIA

The O&G industry value chain comprises upstream, midstream and downstream segments. The upstream segment refers to the exploration and production activities, while the midstream segment involves processing and transportation activities. The downstream segment refers to the refining of crude oil and natural gas to transform them into end-user products, and the marketing and distribution of these end-user products. O&G companies across the value chain are supported by OGSE companies that provide engineering support services to facilitate the activities and processes in the upstream, midstream and downstream segments.

O&G industry value chain**Notes:**

- The examples listed are not exhaustive.
-  denotes the segment of the O&G industry value chain in which Elsa Group operates.

Source: SMITH ZANDER

In order to participate in the O&G industry, whether within the core value chain or as engineering support service providers, O&G players must be registered and/or licensed by Petroleum Nasional Berhad ("PETRONAS").

In 2024, there are approximately 1,883¹ registered and/or licensed OGSE companies offering a wide range of products and services across the O&G value chain. On top of having in-house expertise, OGSE companies may establish agent-principal relationships with their suppliers and technology partners, whereby the OGSE companies serve as agents to their suppliers, who are the principals, to service the O&G industry in Malaysia. Further, with a network of principals locally and overseas, OGSE companies strengthen their ability to maintain a continuous supply of various technology, equipment, services and relevant expertise in the market. OGSE companies play a vital role in O&G solutions consultancy by combining their technical expertise to understand customer needs with collaboration from technology partners to deliver appropriate and effective technological solutions.

Moreover, a critical function that OGSE companies play is to source for specialised and niched solutions and expertise that are not available in the local market in which they serve and bridge this gap by engaging overseas OGSE companies and establishing agent-principal relationships with these OGSE companies to enable the provision of these services in the local market with localised customer experience. As such, OGSE

¹ The final population of OGSE companies as identified by Malaysia Petroleum Resources Corporation ("MPRC") for the computation of the OGSE industry size in 2024.

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)

SMITH ZANDER

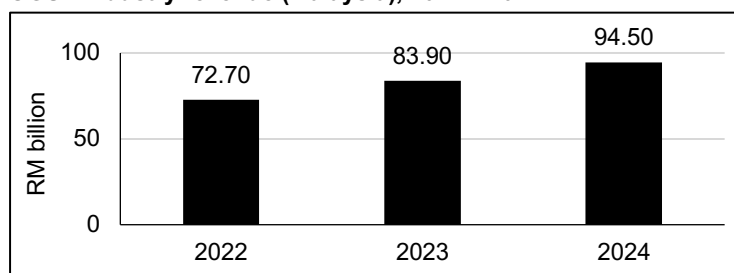
companies is a key enabler for the successful execution of activities across the value chain of the O&G industry.

PETRONAS plays a key role in the nation's O&G industry today and drives economic growth through the development of O&G resources as well as creating opportunities for local industry players to build capacity and capability across the industry's value chain. According to the Petroleum Development Act 1974, PETRONAS has the entire ownership and exclusive rights, powers, liberties and privileges of exploring, exploiting, winning and obtaining petroleum whether onshore or offshore of Malaysia. Under the Act, PETRONAS also has the power to take over or acquire by agreement, assignment, purchase or by any other means the whole or any part of any commercial undertaking, business or enterprise of whatever form of any person or body of persons (corporate or unincorporate) and carry out or enter into any activity, whether mentioned in the Act or not, which prior to such taking over or acquisition was carried out by, and for the purpose of, that undertaking, business or enterprise.

In concurrence with their authority to govern and control upstream activities in the O&G industry, the Petroleum Regulations 1974 has granted PETRONAS the authority to issue registration and/or licenses to commence or continue any business or service, onshore or offshore relating to the exploration, exploitation, winning and obtaining of petroleum and, in particular involving the supply and use of rigs, derricks, ocean tankers and barges as well as the authority to issue licenses to commence or continue any business or service involving the supply of equipment and facilities and services required in connection with the exploration, exploitation, winning and obtaining of petroleum such as survey and exploration services, all engineering, technical and consultancy services involved in exploration, drilling and production of crude oil and natural gas, all engineering, construction and maintenance works connected with upstream activities, rigs and drilling services, supplies of all exploration, drilling and production materials, equipment, platforms, derricks, tools and installations, pipe and pipe-laying services, barges and tankers and supply of general services connected with upstream operations. Consequently, OGSE players servicing PETRONAS in the upstream and downstream segments of the O&G industry must be registered and/or licensed by PETRONAS, who acts through Malaysia Petroleum Management (MPM), in order to carry out their business.

Industry Performance, Size and Growth

The OGSE industry size in Malaysia is represented by the OGSE industry revenue in Malaysia.

OGSE industry revenue (Malaysia), 2022 – 2024

Note: Latest available data as at the research completion date of this IMR Report. The data for 2025 is not publicly available.

Source: MPRC

From 2022 to 2024, the OGSE industry size increased at a compound annual growth rate ("CAGR") of 14.01% from RM72.70 billion to RM94.50 billion. The growth exhibited could be attributed to increased drilling activities, higher demand for offshore support vessels (OSV), increased activities in the international business segment and various O&G initiatives.

Please refer to **Chapter 2 – Key Demand Drivers** of this IMR Report for further details on the global O&G demand analysis as well as other key drivers of the growth and prospects of the OGSE industry in Malaysia.

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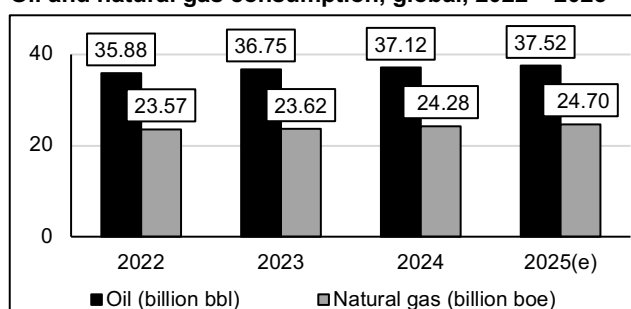
2 KEY DEMAND DRIVERS, RISKS AND CHALLENGES OF THE OGSE INDUSTRY IN MALAYSIA

Key Demand Drivers

► **The demand for oil and natural gas drives the growth of the O&G industry and subsequently the growth of the OGSE industry as an engineering support industry**

- Oil and natural gas are one of the major global commodities that are vital in supporting a myriad of economic and social activities.
- Oil and natural gas as well as their derivatives are input materials in various manufacturing activities, enabling the production of a variety of everyday end-consumer goods, such as fuel, fertilisers, plastics, personal care products, fabrics, automobiles, aircraft and medical devices, amongst many others.
- In addition, natural gas is an important source of fuel in power generation to provide uninterrupted supply of electricity for heating and lighting across the globe.
- As such, the demand for oil and natural gas is expected to be sustained by the abovementioned activities.
- The demand for oil and natural gas can be represented by global consumption and exports of oil and natural gas, as follows:

Oil and natural gas consumption, global, 2022 – 2025

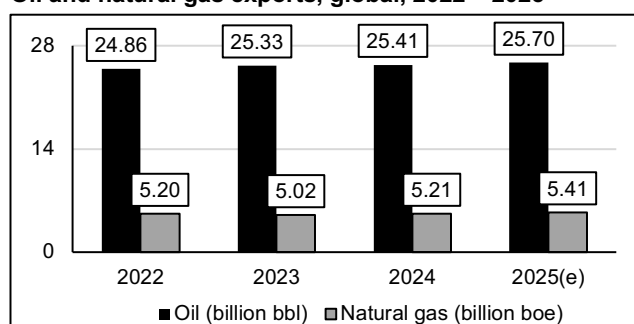


Note: (e) – estimate. Estimated figure is shown in the absence of actual figure.

Sources: Energy Institute, International Gas Union (“IGU”), Organization of the Petroleum Exporting Countries (“OPEC”), SMITH ZANDER

- From 2022 to 2024, the consumption of oil increased at a CAGR of 1.71% from 35.88 billion barrels of oil (“bbl”) in 2022 to 37.12 billion bbl in 2024.
- Over the same period, the consumption of natural gas rose at a CAGR of 1.49% from 23.57 billion barrels of oil equivalent (“boe”) in 2022 to 24.28 billion boe in 2024.
- In 2025, the consumption of oil and natural gas increased year-on-year (“YOY”) by 1.08% to 37.52 billion bbl and 1.72% to 24.70 billion boe, respectively.

Oil and natural gas exports, global, 2022 – 2025



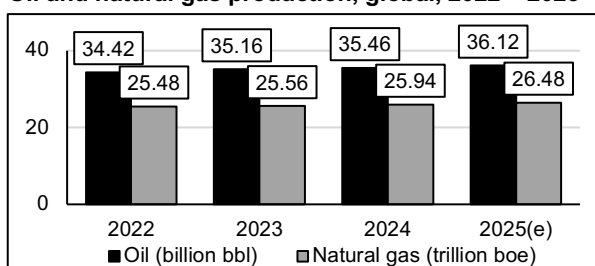
Note: (e) – estimate. Estimated figure is shown in the absence of actual figure.

Sources: Energy Institute, IGU, OPEC, SMITH ZANDER

- In 2023, natural gas exports decreased YOY by 3.46% from 5.20 billion boe in 2022 to 5.02 billion boe in 2023, largely affected by supply chain disruptions from the Russian-Ukraine war. In 2024, it increased YOY by 3.78% to 5.21 billion boe as Russia increased its exports.
- The demand for oil is primarily supported by transportation activities, while the demand for natural gas is primarily driven by electricity generation, in which the demand rises with population growth.

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)**SMITH ZANDER**

- Both global aircraft deliveries (placed and scheduled) and global automobile production increased from 2022 to 2024 with a CAGR of 1.12% from 1,238 aircraft delivered in 2022 to 1,265 aircraft delivered in 2024², and 4.52% from 84.88 million units in 2022 to 92.72 million units in 2024³, respectively. In 2025, global aircraft deliveries (placed and scheduled) grew YOY by 28.93% to 1,631 aircraft delivered, while global automobile production grew YOY by 3.95% to 96.38 million units. The growth in aircraft deliveries and automobile production is expected to continue to spur the demand for oil as fuel.
- According to Energy Institute, global electricity generated grew from 2022 to 2024 with a CAGR of 3.47% from 29.20 petawatt-hours in 2022 to 31.26 petawatt-hours in 2024. The growth in demand for electricity will continue to be driven by growing global population. The data for global electricity generated for 2025 is not publicly available.
- Growth in population translates to greater demand for electricity due to rising households as well rising economic activities to meet the increasing demands for various goods and services to support everyday life. According to the World Bank, global population is expected to continue to grow at a CAGR of 0.64% from an estimated 8.21 billion in 2025 to 9.63 billion in 2050.
- Overall, global demand for oil and natural gas is expected to expand as the world continues to remain dependent on oil and natural gas for a variety of economic and social activities, which subsequently is expected to drive the growth and sustainability of the O&G industry. As such, the OGSE industry is expected to grow as it continues to provide support to the O&G industry.

Oil and natural gas production, global, 2022 – 2025

Note: (e) – estimate. Estimated figure is shown in the absence of actual figure.

Sources: Energy Institute, IGU, OPEC, SMITH ZANDER

- Increased production of oil and natural gas is needed to support the rising demand for oil and natural gas, which directly drives the demand for OGSE solutions.
- From 2022 to 2024, global oil production and global natural gas production grew at a CAGR of 1.50% from 34.42 billion bbl in 2022 to 35.46 billion bbl in 2024 and 0.90% from 25.48 trillion boe in 2022 to 25.94 trillion boe in 2024.
- In 2025, global oil and natural gas production rose YOY by 1.86% to 36.12 billion bbl and 2.08% to 26.48 trillion boe, respectively.

► **Continuous need for technology to enhance the efficiency and sustainability of operations and processes in the O&G industry drives the demand for OGSE**

- The continuous demand for innovative and improved technologies in the O&G industry is driven by the need for more cost-effective and practical techniques to recover natural reserves at marginal and maturing fields, while maintaining productivity levels as well as operational sustainability in the O&G industry to ensure continuous supply of O&G.
- The deployment of new technologies is inevitable and essential to increase the competitiveness of Malaysia's O&G industry.
- With the expected rise in demand for O&G, the role of technology, which is enabled by the OGSE industry, will become more apparent to keep production costs and supply sustainable.
- For instance, traditional methods of plant inspection and maintenance involve the use of scaffolds and rope access for working-at-height. These methods are labour intensive with high health, safety and environment risks. Through the adoption of advanced technologies such as robots and drones, inspection and maintenance processes can be carried out with reduced risks of lost time injuries and costs.

² Source: International Air Transport Association (IATA)

³ Source: International Organization of Motor Vehicle Manufacturers

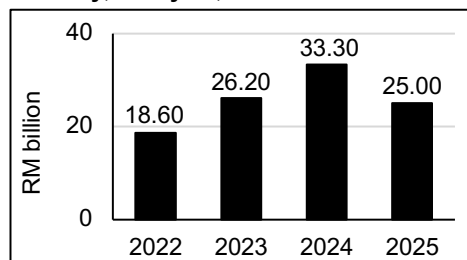
8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)**SMITH ZANDER**

- When operational processes are more cost-effective and efficient, O&G industry players may enjoy lower production costs and subsequently may be able to channel more capital investments in exploration activities to discover new sites for extraction of O&G reserves.
- Furthermore, through the Innovation Gateway @ PETRONAS ("iG@P") initiative, PETRONAS aims to boost competitive advantage and innovation in the O&G industry by capitalising on technology. The iG@P is an online crowdsourcing platform that encourages industry players across the O&G industry value chain, amongst others, to propose technological solutions to overcome operational challenges faced in the O&G industry.
- As such, the availability of new and advance technologies that can improve the productivity and sustainability of O&G operations is expected to drive the demand for technology in O&G operations and in turn, spur the growth of OGSE companies that offer these services and equipment.

► **Increased capital expenditure in the O&G industry to meet the demand for O&G will in turn drive the OGSE industry**

- Increased capital expenditure in the O&G industry indicates greater available investments to support new projects across the O&G industry value chain, driving the growth and sustainability of the O&G industry.
- New projects and growth in the O&G industry translate to the purchase of new equipment as well as the acquisition of various services to support these new projects and sustain the growth of the O&G industry.
- Hence, the growth of the O&G industry will in turn drive the growth of the OGSE industry.
- The capital expenditure of the O&G industry in Malaysia can be represented by the domestic capital expenditure of PETRONAS, given that PETRONAS, as the authority of the Malaysian O&G industry, spearheads the growth direction of the O&G industry in Malaysia.

Domestic capital expenditure in the O&G industry, Malaysia, 2022 – 2025



Source: PETRONAS

- Between 2022 to 2024, the domestic capital expenditure increased at a CAGR of 33.80% from RM18.60 billion to RM33.30 billion, contributing to the growth of the O&G industry.
- The domestic capital expenditure in the O&G industry increased during this period, notwithstanding the decline in Brent crude oil spot prices, as disclosed in the key industry risks and challenges of this IMR Report. The increase in capital expenditure was aligned with PETRONAS' focus on sustaining long term development of the O&G industry to support future production and national energy security.
- For instance, in 2023 and 2024, PETRONAS' total upstream capital expenditure, which was the major contributor to its total capital expenditure, was primarily allocated to exploration, development and production activities focused on sustaining and expanding production in Malaysia and at its international operations. This includes strengthening efforts to improve recovery from existing fields and advance the development of new fields. These investments are pivotal to ensure continuous supply of O&G in the long run.
- As such, while the decline in Brent crude oil spot prices since 2023 may adversely impact operating expenses and capital expenditure of industry players across the value chain, PETRONAS's capital expenditure did not immediately reflect this market trend due to its commitment to support the sustainability of the O&G industry in the long term.
- In 2025, the continued decline in Brent crude oil spot prices led PETRONAS to adjust its domestic capital expenditure downward by 24.92% to RM25.00 billion, demonstrating its efforts in ensuring that projects were executed in a cost-efficient and economically viable manner in light of the declining Brent crude oil spot price.
- Moving forward, PETRONAS' domestic capital expenditure is expected to be supported by various projects that are expected to be rolled out based on the PETRONAS Activity Outlook 2025-2027 and PETRONAS Activity Outlook 2026-2028.

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)**SMITH ZANDER**

- According to the PETRONAS Activity Outlook 2025-2027, more than 400 wells are expected to be drilled, and an estimated 23 upstream projects are expected to be executed in the next 3 years. Examples of these projects include the construction of 3 offshore Central Processing Platforms (CPPs), the construction of 3 onshore facilities, and the fabrication and installation of approximately 700 km of pipelines.
- Moreover, according to PETRONAS Activity Outlook 2025-2027, PETRONAS will be focusing on key projects such as the Kawasari, Gumusut-Kakap Redevelopment, Bekok Oil Redevelopment, Tabu Redevelopment and Seligi Redevelopment projects in Peninsular Malaysia, amongst others, in order to achieve its O&G production target of 2 million boe per day.
- According to PETRONAS Activity Outlook 2026-2028, in the upstream segment, PETRONAS will focus on strengthening Malaysia's exploration and production activities in the near term (i.e. 2026 to 2028) to support domestic energy security. This includes increasing exploration in both new and existing fields, expediting appraisal of recent discoveries and ensuring resources are developed timely to maintain production levels. Key projects including Belud, Kurma Manis and Sepat are expected to contribute significantly to meeting production targets.
- The above projects are expected to continue to spur domestic capital expenditure in the O&G industry to facilitate the execution of the projects, which will then drive the growth of the OGSE industry that enables the successful implementation of the projects.

► **Government support and initiatives drive the growth of the O&G and OGSE industries**

- The Government of Malaysia conducted a mid-term review of the National OGSE Industry Blueprint 2021 – 2030 in 2024 which streamlined the previous 31 initiatives into 26 updated initiatives for the benefit of the OGSE industry in Malaysia. Examples of these initiatives are as follows:
 - Implementation of OGSE Technology Network (OGTEN), a collaborative platform that facilitates innovation and research and development ("R&D") by connecting industry players to R&D supply and providing support in the form of funding, technical services and market access with the goal of commercialising outputs.
 - Supporting OGSE companies with accessing resources to finance and facilitate export activities, such as risk insurance and capacity-building programmes, to increase competitiveness and access to global markets.
 - Targeted promotion of Malaysia's OGSE exports through events and engagements with foreign importers on products/opportunities/projects identified through collaborative efforts of industry stakeholders; and
 - Provide an alternative financing platform for Malaysian OGSE companies to diversify financing sources away from traditional loans to enable them to take risks and engage in innovation, exports and other growth opportunities, as well as develop financial management skills for sustainable growth and resilience.
- Through the PETRONAS Activity Outlook 2026-2028, PETRONAS has unveiled the Capital Project Investment Destination ("CAPE") Masterplan 2030, which is in alignment with the National OGSE Industry Blueprint 2021 – 2030, with the aim to enhance the competitiveness of the OGSE industry and encourage data-driven resource planning to achieve top-quartile performance in the region by 2030. The key strategic priorities of the CAPE Masterplan 2030 comprise enhancing project delivery efficiency, strengthening OGSE industry competitiveness and embracing integrated, data-driven resource planning.
- Under Budget 2024, the Government of Malaysia has announced the following incentives for companies in the O&G industry value chain:
 - Subsidising small and medium enterprises (SMEs) involved in marine, O&G, aerospace and logistic activities and services under the Logistics and Transportation scheme worth RM1 billion, which is an initiative that will be continued under Budget 2025; and
 - Providing tax incentives to chemical and petrochemical product manufacturing companies in the Pengerang Integrated Complex, whereby with a minimum investment of RM500 million, these companies will become eligible for tax rates of either 5% or 10% on income from qualifying chemical and petrochemical manufacturing activities for a period of up to 10 years or an investment tax allowance of 100% for a period of up to 10 years and can be set off against up to 100% of the statutory income for each year of assessment.

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)**SMITH ZANDER**

- Further, the Government of Malaysia intends to attract more international investors into the O&G industry through the following initiatives, amongst others:
 - o Providing tax-free pioneer status to approved companies for partial or full exemption of payment of income tax on statutory income for a period of 5 to 10 years;
 - o Granting investment tax allowance of between 60 to 100% of qualifying capital expenditure incurred within 5 years from the date the first qualifying capital expenditure incurred, such as factories, plants, machinery or other equipment used for approved projects, which can be offset against statutory income for each year of assessment and unutilised allowance can be carried into subsequent years until fully utilised;
 - o Reducing tax rate from 38% to 25% for marginal oil field development;
 - o Accelerating capital allowance to 5 years from 10 years for marginal oil field development;
 - o Providing tax incentives for qualifying exploration expenditure; and
 - o Waiving export duty on oil produced and exported from marginal oil field development.
- With these initiatives supported by and incentives provided by the Government of Malaysia, the growth of the O&G industry is expected to expand and in turn stimulate growth in the OGSE industry.

Key Industry Risks and Challenges**► Exposure to impacts resulting from changes in regulations, requirements or standards outlined by the relevant authorities for the O&G industry in Malaysia**

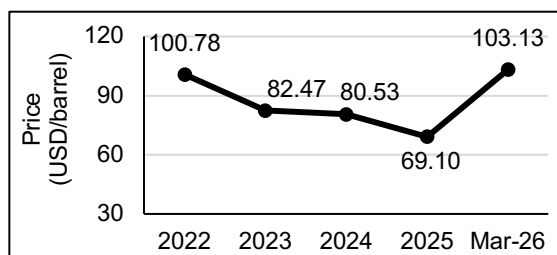
- The Petroleum Development Act 1974 gives PETRONAS exclusive ownership rights to the O&G resources in Malaysia and makes it the main licensing body for upstream O&G activities.
- PETRONAS is also the regulator of all upstream activities where the Petroleum Regulations 1974 provides PETRONAS the rights to issue licenses to any entity to supply goods and/or services in the upstream segment of the O&G industry, servicing PETRONAS and any other company operating in the upstream segment. Licenced entities are also allowed to offer products and services to PETRONAS and other companies operating in the downstream segment.
- In contrast, companies holding a valid registration may supply goods and/or services within the downstream segment of the O&G industry, only to PETRONAS subsidiaries.
- As such, OGSE industry players are required to comply with the requirements or standards outlined by the relevant authorities to obtain relevant registration and/or licenses to render services pertaining to upstream and downstream activities.
- Industry players who are not able to comply or adapt their resources or operations to meet the relevant requirements may not be able to obtain or renew licenses to supply and render services in the upstream and downstream segments of the O&G industry or participate in any tenders to render services.
- As such, the financial performance of these OGSE industry players may be adversely affected.

► The growth of the OGSE industry is dependent on the performance of O&G industry which is exposed to global political and economic uncertainties

- Unexpected crises such as global political and economic uncertainties, amongst others, may affect the prices of O&G as well as the supply and demand for O&G, which may subsequently impact the performance and growth of the O&G industry.
- The O&G industry value chain comprises various activities which require the support of the OGSE industry to supply O&G companies with specialised services and equipment for specific functions. Hence, the growth of the OGSE industry may be affected by the performance of the O&G industry.
- Increasing global supply of oil, coupled with economic uncertainty leading to weakened demand, have led to declining oil prices.

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)

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Brent crude oil spot price, 2022 – 2025, March 2026

Source: United States Energy Information Administration
("US EIA")

- From 2022 to 2024, global crude oil prices, represented by the Brent crude oil spot price, decreased at a CAGR of 10.61% from USD100.78 per barrel to USD80.53 per barrel due to sluggish oil demand and oversupply of oil.
- In 2025, the Brent crude oil spot price further declined YOY by 14.19% to USD69.10 per barrel due to continued weak global oil demand and oversupply.
- The decline in the O&G industry activities, particularly in the upstream segment, may have an adverse impact on the downstream segment and the OGSE industry as an engineering support industry.
- Nevertheless, this negative impact was expected to be cushioned against the continuous need for OGSE support at existing O&G sites for planned inspections, preventive maintenance works and planned repairs. These continue to be carried out to ensure reliability of equipment and reduce unplanned breakdown of equipment.
- The operating environment of the O&G industry has been challenging, whereby O&G players worldwide are facing increasing operational expenses, tighter environmental regulations and significant costs for the adoption of advanced technologies. This has resulted in workforce restructuring and downsizing by overseas O&G players such as Shell, BP and Chevron, as well as PETRONAS in Malaysia. In June 2025, PETRONAS had announced a company restructuring and workforce reduction exercise affecting approximately 10% of its workforce which amounts to roughly 5,000 employees as an effort to reduce costs due to declining crude oil prices and declining output from its older assets. PETRONAS will also freeze its hiring until December 2026.
- As PETRONAS is the regulator the upstream segment of the O&G industry in Malaysia, the restructuring had caused widespread uncertainty amongst industry players within the value chain as to the performance and outlook of the O&G industry. Nonetheless, OGSE solutions are still required to maintain existing oilfields and the development of new oilfields to support the demand for oil and gas which is expected to be driven by increasing consumption and exports. This is expected to sustain the growth of the OGSE industry.
- Notwithstanding the challenging operating environment of the O&G industry, from 2022 to 2024, PETRONAS' domestic capital expenditure increased due to its commitment to support the sustainability of the O&G industry in the long term. However, PETRONAS' domestic capital expenditure saw a decline in 2025. Further information on PETRONAS' domestic capital expenditure is disclosed in the key demand drivers of this IMR Report.
- On 28 February 2026, an escalation of tensions in the Middle East occurred when the United States ("US") and Israel launched a joint attack on Iran, prompting Iran to carry out retaliatory strikes against Israel and several US military bases across the Middle East. The renewed military confrontation has driven oil price shocks due to concerns over disruptions in key supply routes, primarily the Strait of Hormuz, which transports approximately 20.00% of global oil consumed. As at March 2026, the Brent crude oil spot price has risen to USD103.13 per barrel, according to US EIA, due to strained global oil supply.
- While the Strait of Hormuz has been inaccessible to most commercial traffic, the Iran-controlled strait has allowed access to a limited number of countries.
- Although Malaysian-flagged vessels can transit the Strait of Hormuz, Malaysia remains exposed to disruptions in oil supply and pricing. Any reduction in overall oil exports through the Strait of Hormuz, even if Malaysia's shipments continue, contributes to global supply tightening, which drives higher Brent crude oil prices.
- According to PETRONAS, 48.00% of Malaysia's crude oil is produced domestically and 52.00% is imported. Of the imported crude oil, 38.00% passes through the Strait of Hormuz and the remaining 14.00% is imported from Southeast Asia, West Asia and other regions.

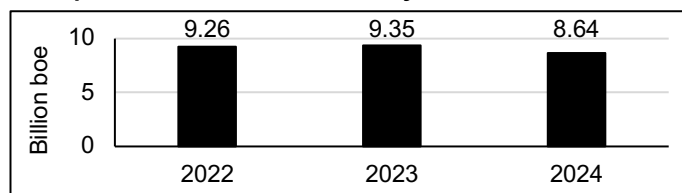
8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)

SMITH ZANDER

- PETRONAS has implemented a series of measures to ensure the continuity of Malaysia's crude oil and fuel supply, including:
 - Diversifying crude oil imports by sourcing additional supply from West Africa and Latin America to reduce reliance on any single shipping route;
 - Prioritising the allocation of Malaysian crude oil to domestic refineries to maximise local fuel production;
 - Adjusting refinery operations to concentrate on essential fuels, specifically petrol, diesel, jet fuel, and liquefied petroleum gas; and
 - Preparing the PETRONAS Refinery Chemical refinery in Pengerang to help balance gasoline and jet fuel demand as crude oil feedstock becomes available.
- While domestic fuel supply is secured under current consumption rates through the end of May 2026, the abovementioned coordinated mitigation efforts are in place to maintain supply continuity beyond June 2026.⁴
- Rising oil prices, supply disruptions and the abovementioned PETRONAS supply continuity measures create strong incentives for O&G companies in Malaysia to accelerate and optimise production, as higher prices improve revenue and margins.
- Furthermore, production acceleration and optimisation as well as refinery optimisation require extensive support, generating greater demand for OGSE such as drilling, maintenance and specialised equipment deployment. This can support the growth of the OGSE industry.
- The situation in the Strait of Hormuz remains fluid and subject to change as underlying geopolitical tensions persist. Given the evolving nature of the conflict, movements in oil prices are expected to remain volatile.

► **Declining petroleum reserves over the long term may pose a threat to overall O&G activities, including demand for OGSE solutions**

Total petroleum 2P⁵ reserves, Malaysia, 2022 – 2024



Note: Latest available data as at the research completion date of this IMR Report. The data for 2025 is not publicly available.

Source: PETRONAS

- According to PETRONAS, Malaysia's total petroleum 2P reserves increased YOY% by 0.97% from 9.26 billion boe in 2022 to 9.35 billion boe in 2023. This increase was primarily due to the maturation of contingent resources⁶ to reserves.
- In 2024, the total petroleum 2P reserves in Malaysia saw a YOY decline by 7.59% to 8.64 billion boe, which can be attributed to maturing fields.
- Malaysia's maturing fields may reduce long-term reserves but production can be sustained in the near term by well optimisation, integrity work, and tie-backs.
- Over the longer term, significant decline in O&G reserves could gradually affect O&G production activities and various other O&G activities across the value chain, including OGSE activities due to cascading impacts.
- Nonetheless, PETRONAS continues to work towards rolling out new projects to mitigate reducing petroleum reserves. According to PETRONAS, Malaysia's untapped petroleum reserves in deepwater areas require sophisticated technology and strategic investment to realise their full potential. To address this, PETRONAS is intensifying exploration activities and utilising the Malaysia Bid Round⁷ to attract global partners with the necessary technical expertise and capabilities.

⁴ Source: Bernama. (2026, March 12). Malaysia has some structural resilience to external shocks but cannot fully insulate itself – Petronas. <https://www.bernama.com/en/news.php?id=2533397>

⁵ 2P refers to the best estimate of reserves. It is the sum of proved plus probable reserves.

⁶ Contingent resource refers to estimated quantities of petroleum from known accumulations that are not yet commercially viable.

⁷ The Malaysia Bid Round is an annual bid exercise organised by PETRONAS which aims to offer potential investors with various opportunities to grow their energy portfolio and create value.

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)

SMITH ZANDER

3 COMPETITIVE OVERVIEW OF THE OGSE INDUSTRY IN MALAYSIA

Competitive Landscape

The OGSE industry in Malaysia is competitive due to the large number of industry players that are involved in the provision of various OGSE solutions. The barriers to entry for the OGSE industry are high due to industry regulations, PETRONAS registration/licensing requirements and high operating expenditure, amongst others. Furthermore, as engineering support companies, industry players are required to have in-depth technical knowledge of the O&G industry in order to understand their customer's requirements and provide suitable OGSE solutions.

OGSE industry players compete in terms of range of solutions offered, pricing, quality and ability to deliver on timely manner, amongst others. In order to sustain and grow their business operations, it is imperative for industry players to have relationships with a wide network of brand principals, suppliers and technology partners to ensure their ability for the continuous provision of solutions, as well as to stay abreast with the latest technologies and trends in the industry to offer suitable solutions to their customers.

Key Industry Players

Elsa Group is principally involved the provision of OGSE solutions, where their main business segments comprise oilfield service solutions, talent solutions, digital solutions and robotics and engineering solutions. The basis of selection of key industry players are as follows:

- Companies that are involved in the provision of OGSE solutions, where their business segments include oilfield service solutions, talent solutions, digital solutions and/or robotics and engineering solutions which are similar to the OGSE solutions offered by Elsa Group;
- Companies that are listed on Bursa Malaysia Securities Berhad; and
- Companies that recorded revenue of at least RM150.00 million in their latest available financial year.

Name ⁽¹⁾	Examples of solutions similar to Elsa Group				Latest available financial year	Total revenue ⁽²⁾ (RM million)	Segmental revenue ⁽³⁾ (RM million)	Gross profit ("GP") / (gross loss) ("GL") (RM million)	GP / (GL) margin (%)	Profit after tax ("PAT") / (Loss after tax) ("LAT") (RM million)	PAT / (LAT) margin (%)
	Oilfield services solutions	Talent solutions	Digital solutions	Robotics and engineering solutions							
Dagang NeXchange Berhad ⁽⁴⁾	• Subsurface • Wells	• Talent sourcing	• IT systems and infrastructure	Not applicable	31 December 2025	1,041.05	240.11	148.63	14.28	(465.55)	(44.72)
Deleum Berhad ⁽⁴⁾	• Subsurface • Production • Wells	Not applicable	Not applicable	Not applicable	31 December 2025	997.15	234.21	263.76	26.45	100.95	10.12
T7 Global Berhad ⁽⁴⁾	• Wells	Talent sourcing	Not applicable	Not applicable	31 December 2025	721.17	554.65	290.79	40.32	46.99	6.52
Uzma Berhad ⁽⁴⁾	• Production • Wells	Not applicable	Not applicable	Not applicable	30 June 2025	716.65	Not available	220.12	30.72	55.89	7.80
Destini Berhad ⁽⁴⁾	• Wells	• Not applicable	Not applicable	Not applicable	30 June 2025	341.80	20.69	130.73	38.25	31.18	9.12

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)

SMITH ZANDER

Name ⁽¹⁾	Examples of solutions similar to Elsa Group				Latest available financial year	Total revenue ⁽²⁾ (RM million)	Segmental revenue ⁽³⁾ (RM million)	Gross profit ("GP") / (gross loss) ("GL") (RM million)	GP / (GL) margin (%)	Profit after tax ("PAT") / (Loss after tax) ("LAT") (RM million)	PAT / (LAT) margin (%)
	Oilfield services solutions	Talent solutions	Digital solutions	Robotics and engineering solutions							
Carimin Petroleum Berhad ⁽⁴⁾	Not applicable	• Talent sourcing	Not applicable	• Engineering products and services	30 June 2025	229.52	44.59	24.72	10.77	1.69	0.74
Elsa Berhad	• Subsurface • Production • Wells	• Talent sourcing • HR management services	• IT systems and infrastructure • Digital talent solutions • Digital outsourcing Network and cybersecurity solutions	• Robotics surveillance and inspection • Engineering products and services	31 December 2025	264.66	264.66	29.89	11.29	10.76	4.07
Reservoir Link Energy Berhad ⁽⁴⁾	• Production • Wells	• Talent sourcing	Not applicable	Not applicable	30 June 2025	125.40	86.55	23.68	18.88	27.84	22.20

Notes:

- Latest available information as at the research completion date of this IMR Report.
- The list of key industry players is not exhaustive.

(1) These companies may also be involved in the provision of other products, services and solutions besides OGSE solutions.

(2) The total revenue may include revenue derived from other businesses that are not related to OGSE solutions.

(3) Segmental revenues comprising revenues derived from related OGSE solutions that are similar to Elsa Group's are disclosed where the information is publicly available. These segmental revenues may include revenues derived from other OGSE solutions that are not similar to Elsa Group's, of which further breakdown of these revenues are not publicly available.

(4) Listed on the Main Market of Bursa Malaysia Securities Berhad.

Sources: Elsa Group, Bursa Malaysia Securities Berhad, various company websites and annual reports, SMITH ZANDER

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8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)

SMITH ZANDER

Elsa Group's Market Share in Malaysia, 2024



Sources: Elsa Group, SMITH ZANDER

For the year ended 2024, Elsa Group with a revenue of RM222.88 million captured a 0.24% market share in the OGSE industry in 2024, which is represented by the OGSE industry size of RM94.50 billion in Malaysia.

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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 heavily dependent on the PETRONAS license and PETRONAS' policies towards O&G industry to operate our core business which mainly serves O&G companies in Malaysia**

Our Group mainly serves the O&G companies in Malaysia which contributed 96.81%, 97.73%, 98.16% and 99.19% of our Group's revenue during the FYEs 2022 to 2025 respectively. The breakdown of our revenue contribution by customer type for the past 4 FYEs 2022 to 2025 is as follows:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
O&G	94,359	96.81	169,741	97.73	218,779	98.16	262,531	99.19
Non-O&G	3,105	3.19	3,947	2.27	4,097	1.84	2,133	0.81
Total	97,464	100.00	173,688	100.00	222,876	100.00	264,664	100.00

Within our O&G customers, the breakdown of our revenue contribution by projects with and without PETRONAS license requirement for the past 4 FYEs 2022 to 2025 is as follows:

PETRONAS license requirement	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
With	82,915	85.07	148,817	85.68	197,699	88.70	235,766	89.08
Without	11,444	11.74	20,924	12.05	21,080	9.46	26,765	10.11
Total	94,359	96.81	169,741	97.73	218,779	98.16	262,531	99.19

Based on the Petroleum Development Act 1974 and Petroleum Regulations 1974, in order to participate in the O&G activities in Malaysia, a company is required to have a valid license issued by PETRONAS. Hence, our Group's core business operations are primarily dependent on the PETRONAS license which permits our Group to supply products and services to exploration and O&G companies in Malaysia.

As at the LPD, our Group has 3 PETRONAS licenses which each have a validity period of 3 years up to 25 February 2028, 25 December 2028 and 4 January 2029, respectively. The PETRONAS licenses are subject to renewal within 4 months before the expiry date of the license. In addition to having a valid PETRONAS license, we must meet the requirements for each SWEC under the license which allows our Group to provide specific categories of work and equipment to our customers in Malaysia. As at the LPD, our Group's PETRONAS licenses comprise a total of 269 SWEC codes.

9. RISK FACTORS (Cont'd)

SWEC minimum Bumiputera requirements	Minimum Required Bumiputera Composition			
	Equity	Board of Directors	Management	Employment
51%	51% for "Sdn Bhd" / "Berhad" (private-limited)	51%	51%	51%
	35% for "Sdn Bhd" vendor which is owned at least 51% by a Berhad (public-listed)			
30%	30% for "Sdn Bhd" / "Berhad" (private-limited) / "Berhad" (public-listed) / "Sdn Bhd" company which is owned at least 51% by a Berhad (public-listed)	30%	30%	30%

As at LPD, our subsidiaries that hold SWECs are Elsa Energy, Elsa Talent and Elsa Digital. Based on PETRONAS' general guidelines and SWEC requirements, depending on the respective SWEC requirements stipulated for the SWEC held by the respective subsidiaries, our Group shall maintain a minimum Bumiputera composition at two levels (i.e. at Elsa level (applicable for the equity requirements) and at the respective subsidiary level (applicable for the board of directors, management and employment requirements)).

As at the LPD, our Group's SWEC Bumiputera composition are as follows:-

	SWEC Bumiputera Composition			
	Equity	Board of Directors	Management	Employment
	%	%	%	%
Elsa	75.00 ⁽ⁱ⁾	-	-	-
Elsa Energy	-	66.67 (2 out of 3)	62.50 (5 out of 8)	86.67 (52 out of 60)
Elsa Talent	-	66.67 (2 out of 3)	100.00 (3 out of 3)	90.00 (18 out of 20)
Elsa Digital	-	66.67 (2 out of 3)	100.00 (3 out of 3)	90.00 (9 out of 10)

Note:

- (i) Based on the collective shareholdings of the Bumiputera shareholders in our Company of 75.00% as at the LPD as detailed in Note (3) of Section 2.1.2 of this Prospectus.

9. RISK FACTORS (Cont'd)

Immediately after the completion of our Listing, our Group's SWEC Bumiputera composition will be as follows:-

	SWEC Bumiputera Composition			
	Equity	Board of Directors⁽ⁱⁱ⁾	Management⁽ⁱⁱ⁾	Employment⁽ⁱⁱ⁾
	%	%	%	%
Elsa	58.10 ⁽ⁱ⁾	-	-	-
Elsa Energy	-	66.67 (2 out of 3)	62.50 (5 out of 8)	86.67 (52 out of 60)
Elsa Talent	-	66.67 (2 out of 3)	100.00 (3 out of 3)	90.00 (18 out of 20)
Elsa Digital	-	66.67 (2 out of 3)	100.00 (3 out of 3)	90.00 (9 out of 10)

Notes:

- (i) Based on the collective shareholdings of the Bumiputera shareholders in our Company of 58.10% after the Proposed Listing as detailed in Note (3) of Section 2.1.2 of this Prospectus.
- (ii) Assuming there is no change from the LPD.

Our Group remains confident in meeting the PETRONAS Bumiputera composition requirement for equity upon listing and in the foreseeable future in view that:

- (i) Sparkle Success, Nurul Syakinah and Amiruddin have provided written undertakings to apply a moratorium on its entire shareholdings in our Company in accordance with Rule 3.19(1) of the Listing Requirements as detailed in Section 2.2.1 of this Prospectus;
- (ii) Prestasi Emas Sdn Bhd has voluntarily provided its written undertaking to apply a moratorium on its entire shareholdings in our Company for a period of 6 months from the date of our admission to the Official List of the ACE Market as detailed in Section 2.2.2 of this Prospectus;
- (iii) The ultimate shareholder of Sparkle Success, namely Nurul Syakinah, has undertaken not to sell, transfer or assign her shareholdings in Sparkle Success in accordance with Rule 3.19(2) of the Listing Requirements as detailed in Section 2.2.1 of this Prospectus; and
- (iv) The ultimate shareholder of Prestasi Emas Sdn Bhd, namely Dato' Ahmad Redza Bin Abdullah, has undertaken not to sell, transfer or assign his shareholding in Prestasi Emas Sdn Bhd for a period of 6 months from the date of our admission to the Official List of the ACE Market in accordance to Rule 3.19(2) of the Listing Requirements as detailed in Section 2.2.2 of this Prospectus.

Beyond this period, the Group will rely on the Promoters to work closely with the Board to ensure continued compliance through periodic monitoring of its Bumiputera shareholding levels.

Our eligibility for the PETRONAS license and corresponding SWEC is subject to continuous review under PETRONAS' conditions, general guidelines and minimum technical requirements which are subject to change from time to time. Please refer to Section 7.8 of this Prospectus for further details of our PETRONAS license and SWEC that we require for our operations.

9. RISK FACTORS (Cont'd)

Failure to comply with the conditions/ requirements as stated in PETRONAS' conditions, general guidelines and SWEC requirements relevant to our business may lead to the revocation, suspension, blacklisting or non-renewal of our PETRONAS license. Such conditions/ requirements include the following, amongst others:

- (i) Commercial/ financial conditions, such as if our Group is found to be in the process of liquidation, winding-up or dissolution;
- (ii) Operational conditions, such as failure to execute awarded jobs until completion, failure to perform a contractual obligation or any other obligation under the law, sub-contracting work to another contractor without written permission from PETRONAS, and rejection of any contract or tender awarded; and
- (iii) SWEC requirements, such as failure to meet the minimum Bumiputera requirement or minimum technical requirements, including but not limited to:
 - Minimum Bumiputera requirements at all four levels (equity, board of directors, management and employment);
 - Availability of key personnel with minimum qualifications and years of relevant experience;
 - Availability of relevant facilities and equipment;
 - Our Group's minimum years of relevant experience;
 - Relevant quality and/ or standard accreditations; and
 - Registrations and/ or licenses from external bodies/ authorities.

In the event we fail to comply with the rules and regulations issued by PETRONAS or we fail to meet our SWEC requirements, PETRONAS may take action against our Group, such as the revocation, suspension, blacklisting or non-renewal of our PETRONAS license and/or the respective SWEC. Such revocation, suspension, blacklisting or non-renewal of our license will impinge our ability to carry on our business operations which mainly involve serving O&G companies in Malaysia, thus affecting our profitability. In the past 4 FYEs 2022 to 2025, our Group did not encounter any revocation, suspension, blacklisting or non-renewal of our license issued by PETRONAS prior to expiration. Nevertheless, there can be no assurance that in the future, our Group will continue to successfully secure renewals of our PETRONAS license and qualify for our existing SWEC or qualify for new SWEC, especially if there are changes to the present rules, guidelines, regulations and/ or policies.

In addition, any breach of the rules and regulations under which our PETRONAS license and SWEC were issued can result in penalties, fines and/or potential prosecution against our Group and/or our directors. In the past 4 FYEs 2022 to 2025, our Group did not experience any incidences of non-compliance which had subjected our Group to penalties, fines and/or prosecution. However, there can be no assurance that such incidences will not occur in the future.

9.1.2 We are dependent on PETRONAS Group

For the past 4 FYEs 2022 to 2025, PETRONAS Group's contribution to our revenue grew from 18.60%, 25.06% and 34.12% to 40.17% of our total revenue. PETRONAS, as the national O&G company, plays a key role in the development of O&G resources as well as creating opportunities for O&G services and equipment industry players across the industry's value chain in Malaysia. Accordingly, as a supporting O&G services and equipment industry player, we are dependent on PETRONAS Group.

Given our past and ongoing contracts with PETRONAS Group, it may continue to contribute significantly to our Group's revenue in the future. As at the LPD, we have 27 ongoing contracts with PETRONAS Group, with expiration dates of up to January 2031.

9. RISK FACTORS (Cont'd)

As such, our financial performance may be materially and adversely affected if PETRONAS Group was to terminate its ongoing contracts with our Group and we were unable to secure new customers to replace the loss of business in a timely manner. In addition, there is no assurance that PETRONAS Group will continue to engage with our Group in the future. In the event that it ceases to engage our Group's products and services, we may face a reduction in projects which could result in a loss of revenue, if we are not be able to replace this customer with new customers or with additional projects from existing customers who can contribute a similar proportion to our Group's revenue in a timely manner.

Furthermore, our business operations and financial performance may be adversely affected should there be any adverse changes specific to the operations or financial performance of PETRONAS Group, and external factors that are beyond their control. PETRONAS Group is subject to inherent risks in the O&G industry, particularly on the level of capital spending and activity in the exploration, development as well as production of crude O&G which are influenced by the fluctuation of crude O&G price. In a situation of diminishing levels of the aforesaid exploration, development and production activities, its operations will be adversely affected which may result in the delay and/or default in its contractual payments to us and may also lead to the decline in the number of contracts to be awarded to us. Given the above, there is no assurance that our financial performance and business operations will not be adversely affected by our reliance on PETRONAS Group.

During the past 4 FYEs 2022 to 2025 and up to the LPD, we have not encountered any issues arising from our past and ongoing contracts with PETRONAS Group. Further, as a provider of oil and gas service and equipment solutions, our Group has continued to support the operations of PETRONAS Group following the corporate restructuring and workforce reduction it undertook in June 2025 and we have not experienced any resultant adverse impact as at the LPD. Nevertheless, there is no assurance that we will not encounter any issues arising from our contracts with PETRONAS Group in future which may adversely affect our financial performance and business operations.

9.1.3 We are dependent on our suppliers and technology partners for the required technologies, machinery and equipment as well as contracted consultants for immediate deployment to our customers' projects

As an asset light company, we do not own proprietary technology. We source and establish agency-principal relationships with our suppliers and technology partners, whereby we serve as agents to our suppliers and technology partners, who are the principals. As such, we are dependent on our agency-principal relationships with our technology partners for the required technologies, machinery and equipment for deployment to our customers' projects. During the past 4 FYEs 2022 to 2025 and up to the LPD, we had 27 active principals as our technology partners for the provision of our technology service and equipment solutions.

Our business operations and financial performance may be materially and adversely affected if one or more of our technology partners were to terminate agency-principal relationships with our Group in the midst of our ongoing projects and we were unable to secure new technology partners to replace them in a timely manner. Further, there is no assurance that our existing technology partners will continue to engage with our Group in the future. If one or more of our existing technology partners were to terminate their business relationship with our Group, we may not be able to secure other technology partners who can provide our Group with similar technologies, machinery and equipment in a timely manner. This may in turn adversely impact our ability to deliver our projects on time as well as the financial performance and prospects of our business.

9. RISK FACTORS (Cont'd)

On 1 October 2024, our Group and Wellpro Group Limited (i.e. a technology partner of our Group during the FYEs 2022 to 2024) mutually agreed to terminate the agency agreement entered between our companies. We had entered into the agency agreement with Wellpro Group Limited in April 2020. The termination of the said agreement was mutual between the parties. This decision was reached following a review of the business arrangement between the companies after considering our resources, business interests and strategies moving forward. Under the agency agreement, our Group is restricted by a post-termination non-compete clause from collaborating with other principals to supply thru-tubing services, for a period of 2 years subsequent to the termination of the agreement. As at the LPD, there are no active projects which require the technology supplied by Wellpro Group Limited.

The revenue and gross profit from our projects in which Wellpro Group Limited acted as our technology partner during the FYEs 2022 to 2025 are as follows:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Revenue	5,016	10,148	12,341	-
Gross profit	178	1,106	964	-

Further, on 19 June 2025, our Group and Principal A (i.e. a technology partner of our Group during the FYEs 2022 to 2025) mutually agreed to terminate the agency agreement entered into between our companies. We had entered into an agency agreement with Principal A in June 2022. Under the agency agreement, our Group is restricted by a post-termination non-compete clause from soliciting any customer of Principal A or any prospective customer of Principal A with whom our Group made contact during the term of the agency agreement for the purpose of selling such customer or prospective customer any services directly competitive with Principal A's services, for a period of 6 months subsequent to the termination of the agreement. As at LPD, we do not have any ongoing contracts or existing tenders which require the technology supplied by Principal A.

The revenue and gross profit from our projects in which Principal A acted as our technology partner during the FYEs 2022 to 2025 are as follows:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Revenue	3,351	7,568	8,545	2,632
Gross profit	517	1,051	1,114	395

Of our 27 active principals during the past 4 FYEs 2022 to 2025 and up to the LPD, we have valid ongoing contractual agreements with 16 principals as at the LPD. The contractual agreements entered into with the remaining 11 principals have expired as at the LPD. Of the 11 principals with expired contractual agreements, we have replaced 2 of these principals with new principals, we have terminated the contractual agreement with 1 of these principals, and we are in the midst of renewing or evaluating the need for renewal of the contractual agreements entered into with 8 of these principals.

We are not restricted by any post-termination non-compete clauses under our valid ongoing contractual agreements with 16 principals as at the LPD.

9. RISK FACTORS (Cont'd)

Our Group does not intend to allow the inclusion of post-termination non-compete clauses in contractual agreements entered into with suppliers and technology partners moving forward. However, there may be instances moving forward that our suppliers and technology partners negotiate the inclusion of such post-termination non-compete clauses in future contractual agreements. In the event that we are restricted by such post-termination non-compete clauses, our business operations, financial performance and prospects may be adversely affected.

Further, of our valid ongoing contractual agreements with 16 principals as at the LPD, our Group is restricted under the contractual agreements with 6 principals from representing, promoting, designing, manufacturing, marketing, distributing, licensing and/or selling products and services that are in competition with or perform similar functions to the products and services of our these principals, during the term of the respective contractual agreement with each principal. Further, under the contractual agreements with these 6 principals, our Group may also be restricted from soliciting business away from these principals; consulting, advising, counselling or assisting any competitor of these principals; or serving any interest or doing any act or thing which might conflict with the interests of these principals, during the term of the respective contractual agreement with each principal.

9.1.4 Our existing contracts with our customers may not provide assurance of future revenue and may be subjected to early termination or revision in the scope of work

Our existing contracts with our customers may also be subjected to early termination. This may result from the suspension of works or failure to commence works due to external factors such as adverse weather conditions, timely receipt and renewal of requisite licenses, permits and approvals, or the availability of machinery and equipment. In the event of any early termination of our existing contracts, for whatever reason, the loss of revenue arising from such early termination may materially affect our business prospects and financial conditions. During the past 4 FYEs 2022 to 2025 and up to the LPD, we have not experienced any early termination of our existing contracts with our customers. Nevertheless, there is no assurance that such incidents may not occur in future.

In addition, the scope of work of our existing contracts with our customers may be revised by our customers due to internal management decisions. Should this occur, our Group may generate lower revenue from the affected project and, as such, our financial performance may be adversely affected.

Further, as at the LPD, we have 31 ongoing umbrella contracts with our customers. The duration of our umbrella contracts ranges from 2 to 5 years. Umbrella contracts do not provide any assurance of future revenue.

Under the umbrella contracts that have been awarded to our Group, our customers pre-qualify us to participate in requests for tender to provide specified services for jobs which our customers may issue during the contract duration period. We will then submit a tender for the job and compete with other pre-qualified service providers to secure the job. However, there is no guarantee that our customer will issue requests for tender under the umbrella contract during the contract duration period. Further, there is no guarantee that the tender that we submit will be successful against the other pre-qualified service providers. As such, our umbrella contracts do not provide assurance of future revenue and if no jobs are awarded during the contract period, we may lose the opportunity to monetise our umbrella contracts and boost our financial performance.

9.1.5 Our future growth depends on our ability to execute our business strategies

Our future plans and strategies are focused on leveraging our key strengths and capitalising on our core competencies in our operation as an integrated O&G service and equipment solution provider. Please refer to Section 7.2.4 of this Prospectus for further details of our future plans and strategies.

9. RISK FACTORS (Cont'd)

As the prospects of these initiatives are uncertain, there can be no assurance that we will be able to successfully execute our plans or that these business strategies will not prove to be more difficult or costly than we had originally anticipated. In this respect, our strategic initiatives may expose us to a number of risks and challenges, among others:

- (i) the implementation of our operational plans and business strategies may require higher capital expenditures and operational costs than initially planned or anticipated. We may not be able to secure sufficient funding and/or bank borrowings in addition to the IPO proceeds;
- (ii) to obtain more projects and increase the Group's market share in the O&G industry, we may need to lower our profit margins to enhance competitiveness and secure additional projects. There is no guarantee that we will be able to lower profit margins for many projects over a prolonged period. In such event, our financial performance and prospects may be adversely affected;
- (iii) expanded business activities may result in lower growth or profit than we anticipate or not profitable at all. For example, we may incur higher overhead costs than initially planned for our procurement subcontracted services, purchase of equipment, tools and consumables, as well as hiring of additional employees. Such increase in costs will lead to a decrease in our profit margins if our business is unable to generate additional sales following the implementation of these strategies. In such event, our financial performance and prospects may be adversely affected;
- (iv) to support our continued growth, we are required to manage relationships with our customers and suppliers. If we are unable to expand our service and equipment offerings when required, or our business processes are inadequate to support the future growth of these relationships, we could experience delays or disruptions in the delivery of our projects, which would adversely impact our industry reputation; and
- (v) the implementation of our future plans may require devotion of substantial amount of time by our management and may divert our attention and resources from our existing operations.

While our management has the experience and expertise in running our business operations, we are not able to guarantee that we will be successful in executing our future plans and strategies. Further, we cannot assure that we will be able to anticipate and mitigate all the business and operational risks associated with our future plans and strategies. In the event of any delays or failures in implementing our future plans and strategies efficiently, our growth may be negatively impacted and this could lead to a material adverse effect on our prospects and financial performance.

9.1.6 We are subject to risk of delays to the completion of our projects which may affect our financial performance

Our sales to our customers are transacted on a contract basis, whereby billing is generally issued by milestone of completion of project or delivery of service. Given the nature of our business, our financial performance is dependent on our ability to ensure the timely completion of project deliverables. However, we are subject to risk of delays to the completion of our projects due to factors beyond our control such as customer's operational needs, customer site readiness, unexpected equipment failures and environmental factors (e.g. unfavourable weather conditions and natural disasters).

9. RISK FACTORS (Cont'd)

Billing issued by milestone of completion of project or delivery of service also expose our Group to the risk of uncertainty of realising the value of projects in our order book, which in turn reduces the visibility of our future earnings. In the event that we are unable to realise the value of unbilled purchase orders and fixed project contracts in our order book prior to the expiry of said purchase orders and contracts, we will lose the opportunity to monetise this potential revenue thus resulting in lower revenue recorded.

During the past 4 FYEs and up to the LPD, our Group did not experience any delay to the completion of our projects which led to material adverse impact on our financial performance.

However, there is no assurance that such delays may not occur in future.

9.1.7 We are dependent on our management team for the continued success and growth of our business

Our Group's continued and future success largely depends on the collective and continuing contribution of our management team, comprising our Executive Directors and Key Senior Management, all of whom have substantial experience in the O&G industry as well as within their respective fields of expertise.

Our Managing Director, Daniel, and our Executive Director, Amiruddin, each has over 35 years of experience in the O&G industry. They are supported by our Key Senior Management, with years of working experience ranging from 11 years to 27 years in their respective fields of expertise and/or in the O&G industry. Please refer to Section 5 of this Prospectus for further details on the profiles of our Executive Directors and Key Senior Management.

We recognise that our Group's ability to maintain and sustain our level of excellence in our products and services and our longstanding relationships with our customers and partners depend significantly on the capabilities and efforts of our management team. As such, the loss of any of these personnel simultaneously or within a short period of time and without suitable and timely replacements would have an unfavourable and material impact on our Group's ability to remain on par with our competitors, our operations and our financial performance, affecting the future growth our business.

9.1.8 We are exposed to the risk of workplace health and safety hazards

Our business operations are subject to laws and regulations relating to workplace health and safety requirements enacted or issued by government bodies. The primary legislation, regulations and industry code of practice applicable to our workplace health and safety practises include, but are not limited to, the Occupational Safety and Health Act 1994.

The nature of our business which involves the provision of O&G service and equipment solutions requires our employees to implement workplace health and safety practises as any improper safety practises may cause accidents to occur. For example, the manoeuvring of certain equipment as well as performing services at O&G worksites such as rigs may result in injury if proper safety practises are not put in place. Such incidences may subject our Group to investigations that may disrupt or lead to the suspension of our Group's operations, as well as lead to negative publicity and/or liabilities and legal proceedings filed against our Group which will have an adverse impact on our reputation and financial performance.

In the past 4 FYEs 2022 to 2025 and up to the LPD, we have not encountered any material workplace health and safety accidents in the course of our business operations.

9. RISK FACTORS (Cont'd)**9.1.9 We are exposed to foreign exchange fluctuation risks which may impact the profitability of our Group**

We are exposed to foreign exchange transaction risk which arises from our exposure to USD and THB. Our sales which are denominated in USD contributed 5.81%, 25.48%, 13.80% and 9.89% to our Group's total revenue for the past 4 FYEs 2022 to 2025 respectively. Further, our Group's purchases from suppliers which are denominated in USD contributed 17.71%, 13.73%, 16.23% and 11.28% to our Group's total purchases for the past 4 FYEs 2022 to 2025 respectively.

Our revenue and purchases in respective currencies in the past 4 FYEs 2022 to 2025 are as follows:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Revenue								
denominated in:								
RM	91,803	94.19	129,436	74.52	192,111	86.20	238,493	90.11
USD	5,661	5.81	44,252	25.48	30,765	13.80	26,171	9.89
Total	97,464	100.00	173,688	100.00	222,876	100.00	264,664	100.00
Purchases								
denominated in:								
RM	67,194	82.29	128,348	86.27	165,566	83.77	205,312	87.45
USD	14,465	17.71	20,431	13.73	32,073	16.23	26,488	11.28
THB	-	-	-	-	-	-	2,971	1.27
Total	81,659	100.00	148,779	100.00	197,639	100.00	234,771	100.00

We are exposed to fluctuations of the USD and THB, and any adverse movements in the foreign exchange markets may have an adverse impact on our financial performance. Any significant appreciation or depreciation of the RM against the USD/THB may either positively or negatively affect our Group's financial performance. In circumstances where the USD/THB significantly appreciates against the RM, we will record higher revenue and higher purchases in RM after conversion. Conversely, in circumstances where the USD/THB significantly depreciates against the RM, we will record lower revenue and lower purchases in RM after conversion. If we are unable to pass the increase in cost to our customers in a timely manner, our financial performance may be affected.

For the past 4 FYEs 2022 to 2025, the gains and losses from foreign exchange fluctuations are as follows:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Realised gain/(loss) on foreign exchange	205	288	448	(307)
Unrealised loss on foreign exchange	-	(325)	(4)	-
Net gain/(loss)	205	(37)	444	(307)

Please refer to Section 12.11 of this Prospectus for further details on the impact of foreign exchange rates.

There can be no assurance that any future foreign exchange rate fluctuations will not have a material adverse effect on the financial performance of our Group.

9. RISK FACTORS (Cont'd)**9.1.10 We may be involved in legal and other proceedings arising from our operations from time to time**

We may be involved from time to time in disputes with various parties such as our consultants, technology partners, customers and other parties involved in the course of the delivery of the projects we secure. Costs, time and management resources would have to be diverted towards defending such claims should they arise. Such disputes and claims may lead to legal and other proceedings, administrative proceedings against our Group, and unfavourable decrees issued against our Group which may cause us to suffer additional costs, delays and/or financial losses. Further details on our Group's litigation cases are as set out in Section 15.7 of this Prospectus.

We are unable to give any assurance that whenever disputes and claims arise, they will be settled on terms which are favourable to our Group or if such disputes and claims result in litigation or arbitration, such judgement, order or award will not adversely affect our business operations, financial condition, prospects and reputation.

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 coverage at levels that are customary in our industry to protect against various losses and liabilities in our business operations. As at the LPD, our Group has taken up the following insurance policies which include but are not limited to medical insurance and term life insurance, fire insurance and company car insurance. Further, our Group maintains insurance policies for our projects operations, which include but are not limited to general liability insurance, workmen's compensation insurance, all risks insurance for machinery and equipment, public liability insurance, personal accident insurance, medical insurance, term life insurance, and unmanned aerial system insurance.

As these insurance coverages are subject to exclusions and limitations of liability both in amount and with respect to the insured events, our insurance may not be adequate to cover all losses or liabilities that might be incurred in our operations as a result of any unforeseen circumstances. If we were to incur a significant liability for which we were not fully insured, it could have a material adverse effect on our business operations and financial performance. 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. On 28 August 2025, we submitted a claim of RM60,000 under unmanned aerial system insurance for a drone accident that occurred when our Skydio X10D drone was undertaking an inspection task. Of the amount claimed, approximately RM35,000 was reimbursed to us under the insurance policy for the purchase of a replacement drone. Save for this, during the past 4 FYEs 2022 to 2025 up to the LPD, we did not submit any other insurance claims in connection with our operations.

9.1.12 We are subject to credit risk and default payment by our customers

Our Group is dependent on the ability of our customers to make timely or full payments to us as any payment delays from them will result in a negative impact on our Group's cash flow position.

Under such circumstances, we may provide impairment loss on trade receivables or write off trade receivables as bad debts, which will adversely affect our financial performance. We generally grant our customers between 45 to 60 days credit period. Our trade receivables turnover period for the past 4 FYEs 2022 to 2025 were 43 days, 34 days, 35 days and 33 days, respectively. For the past 4 FYEs 2022 to 2025, our Group's trade receivables turnover period were within the normal credit terms.

9. RISK FACTORS (Cont'd)

Our net impairment gain on financial assets during the past 4 FYEs 2022 to 2025 up to the LPD are as follows:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Net impairment gain on financial assets	8	-	-	-

Please refer to Section 12.8.1 of this Prospectus for details on our trade receivables turnover and our outstanding trade receivables which yet to be collected.

Notwithstanding the above, there can be no assurance that payments from any of our customers will be received in full or on time in the future. In the event of a delay, missed or reduced in payments to us, our Group's operating cash flow and liquidity will be materially and adversely affected.

9.2 Risk Relating to the Industry in Which our Group Operates**9.2.1 We face competition from other industry players in Malaysia**

Our Group operates in the OGSE industry in Malaysia, which is fragmented and competitive due to the large number of industry players including public listed companies and private listed companies, competing in the provision of various types of OGSE.

OGSE industry players compete in terms of range of product and service offerings, pricing, quality and ability to deliver in a timely manner, amongst others. Industry players are required to have in-depth technical knowledge of the O&G industry in order to understand their customer's requirements and provide the suitable products and services. In order to stay relevant and sustain business operations, it is imperative for industry players to have relationships with a wide network of suppliers to ensure continuous supply of products and services, as well as to stay abreast with the latest technologies and trends in the industry to offer suitable solutions to their customers.

Failure to remain competitive may adversely impact our Group's ability to sustain the projects secured from existing customers at current or increased levels in the future, as well as to attract new customers. As such, this may affect our Group's financial performance.

9.2.2 Our business may be affected if crude oil and natural gas reservoirs in Malaysia become depleted

All crude oil and natural gas reservoirs are non-renewable, as it is not possible to regenerate them within a reasonable timeframe once they have been extracted. As such, all crude oil and natural gas reservoirs will eventually be depleted. The depletion of reservoirs is likely to have a negative impact on O&G production activities, which will in turn affect the demand for O&G services like exploration and wells maintenance.

There can be no assurance that O&G players in Malaysia will continue to discover recoverable reserves quickly enough to replace reserves that have been extracted. There is no assurance that technological and other advances can materially increase the amount of crude oil and natural gas available for extraction from existing, new or inaccessible reserves. As a provider of integrated O&G service and equipment solutions, our Group primarily serves customers in the Malaysian O&G industry. If the crude oil and natural gas reservoirs in Malaysia become depleted, the operations, financial performance and prospects of our business would be adversely impacted.

9. RISK FACTORS (Cont'd)

9.2.3 We may be adversely affected by fluctuation in the global crude oil and natural gas prices

Crude oil and natural gas are internationally traded commodities whose prices are subject to fluctuation. Global economic conditions and outlook, geopolitical factors, unexpected supply disruptions, increase and reduction in demand, and other factors may influence the market price of these commodities.

The level of O&G industry activity including operating expenses and capital expenditure are, to some degree, affected by fluctuations in the market price of crude oil and natural gas. For example, the level of activity tends to increase when prices are sustained at a high level, as producers tend to increase exploration and development activities to identify new reservoirs and bring them into production and they have more financial resources to do so. This increase in activity generally results in increases in operating expenses and capital expenditure by operators.

O&G industry activity tends to decline when prices are sustained at a low level as producers may temporarily scale down development and production activities, and plug and abandon wells that are no longer commercially valuable. Exploration activity may still continue, although at a reduced level. This generally results in a decrease in capital expenditure as operators reduce investment in exploration and development activities. Operating expenses are also reduced, although usually to a lesser extent as operators seek to maintain existing production wells to sustain production.

Despite the decline in crude oil and natural gas prices in 2023 and 2024, PETRONAS' domestic capital expenditure was sustained during the same period, as evident by the rising domestic capital expenditure in the O&G industry, according to the IMR Report. The increase in domestic capital expenditure was supported by exploration, development and production activities that continue to be carried out by PETRONAS, according to PETRONAS' annual reports and activity outlook. Examples of related activities are well optimisation, integrity work and tie-backs.

However, prolonged low crude oil and natural gas prices over a longer period may impact PETRONAS' capital expenditure over the longer term. There is a risk that sustained low price of hydrocarbons will negatively affect O&G industry activities, leading to lower demand for O&G services and equipment. According to the IMR Report, in 2025, continued decline in crude oil prices led PETRONAS to adjust its domestic capital expenditure downward, demonstrating its efforts in ensuring that projects were executed in a cost-efficient and economically viable manner in light of the declining crude oil price. This may adversely affect our financial performance if the projects in which our Group is involved are delayed, suspended or terminated. Such delayed, suspended or terminated projects could lead to deferment in recognising revenue and profit until after such time as the affected projects resume or loss of revenue, which may adversely affect our Group's financial performance and prospects.

On 28 February 2026, an escalation of tensions in the Middle East occurred when the United States ("US") and Israel launched a joint attack on Iran, prompting Iran to carry out retaliatory strikes against Israel and several US military bases across the Middle East. The renewed military confrontation has driven oil price shocks due to concerns over disruptions in key supply routes, primarily the Strait of Hormuz, which transports approximately 20.00% of global oil consumed. Any reduction in overall oil exports through the Strait of Hormuz, even if Malaysia's shipments continue, contributes to a global supply tightening, which drives higher crude oil prices. As at March 2026, the Brent crude oil spot price has risen to USD103.13 per barrel, due to strained global oil supply. While higher crude oil prices may encourage acceleration and optimisation of O&G production activities and in turn, support the demand for OGSE such as drilling, maintenance and specialised equipment deployment, there is no assurance that these conditions can be sustained.

9. RISK FACTORS (Cont'd)

9.2.4 We are subject to political, regulatory and economic risks

As our business operations are concentrated in Malaysia, any adverse developments in the political, economic and regulatory conditions in the country may potentially cause undesirable impacts on our financial performance and business prospects. These risks include, among others, changes in the political leadership leading to an unstable political environment, terrorism, changes in interest rates, fluctuation in currency exchange rates, changes in accounting and tax policies, changes in government policies, as well as changes in import duties on equipment purchased by our Group (e.g. drones). The occurrence of one or more of such negative developments could reduce O&G industry capital investments and operational expenditures, which could reduce demand for our products and services and could adversely affect our financial performance.

With reference to the escalation of tensions in the Middle East on 28 February 2026, as at the LPD, our Group has not encountered any material disruptions to our business operations or adverse impact to our financial performance. While rising oil prices and supply disruption due to the ongoing tensions in the Middle East leads to higher travel and transportation costs, our logistics costs related to flights and equipment transfer are minimal relative to project contract value. Nevertheless, the situation in the Strait of Hormuz remains fluid and subject to change as underlying geopolitical tensions persist. Given the evolving nature of the conflict, movements in oil prices are expected to remain volatile. While higher crude oil prices may encourage acceleration and optimisation of O&G production activities and in turn, support the demand for OGSE such as drilling, maintenance and specialised equipment deployment, there is no assurance that these conditions can be sustained.

Any slowdown in the global or local economy may also have an adverse impact on the demand for our services, which will in turn affect our Group's business and financial performance. There is no assurance that any adverse changes in political, economic and regulatory conditions will not materially affect our business in the future.

9.3 Risks Relating to the Investment in our Shares and our Listing**9.3.1 There is no prior market for our Shares**

Prior to our Listing, there was no public trading for our Shares. Hence, there is no assurance that upon Listing, an active market for our Shares will develop, or if developed, that such a market will be sustainable. There is also no assurance as to the liquidity of any market that may develop for our Shares, the ability of holders to sell our Shares or the selling prices at which holders would be able to sell our Shares.

We and our Promoters have no obligation to make our Shares marketable. The IPO Price was determined after taking into consideration various factors, and these factors could cause our Share price to fluctuate, which may adversely affect the market price of our Shares.

There can be no assurance that the IPO Price will correspond to the price at which our Shares will trade on the ACE Market upon our Listing and that the market price of our Shares will not decline below the IPO Price.

9.3.2 The trading price and trading volume of our Shares following our Listing may be volatile

The trading price and volume of our Shares may fluctuate due to various factors, some of which are not within our control and may be unrelated or disproportionate to our financial results. These factors may include variations in the results of our operations, changes in analysts' recommendations or projections, changes in general market conditions and broad market fluctuations.

9. RISK FACTORS (Cont'd)

The performance of Bursa Securities is also affected by external factors such as the performance of the regional and world bourses, inflow or outflow of foreign funds, economic and political conditions of the country as well as the growth potential of the various sectors of the economy. These factors invariably contribute to the volatility of trading volumes witnessed on Bursa Securities, thus adding risks to the market price of our Shares.

9.3.3 Our Promoters will be able to exert significant influence over our Company

Our Promoters will collectively hold approximately 55.65% of our enlarged share capital upon Listing. Because of the size of their shareholdings, our Promoters will have significant influence on the outcome of certain matters requiring the vote of shareholders unless they are required to abstain from voting by law and/or as required by the relevant authorities.

9.3.4 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 occurs:

- (a) the selected investors fail to subscribe for their portion of our IPO Shares;
- (b) our Underwriter exercising its rights under the Underwriting Agreement to discharge itself from its obligations therein; and
- (c) 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.

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.

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 High Court of Malaya or with notice to be sent to the Director General of the Inland Revenue Board and Registrar of Companies 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 or at all in such circumstances.

9.3.5 Forward-looking/prospective statements in this Prospectus may not be achievable

Certain statements or expectations or forecasts in this Prospectus are based on historical data which may not be reflective of our future results. Forward-looking statements in this Prospectus are based on assumptions and subject to uncertainties and contingencies.

There can be no assurance that such prospective statements or expectations or forecasts will materialise and actual results may be deviate significantly. Such deviation may have a material and adverse effect on us.

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10. RELATED PARTY TRANSACTIONS

Pursuant to the Listing Requirements, a “**related party transaction**” is a transaction entered into by a listed corporation or its subsidiaries, which involves the interest, direct or indirect, of a related party. A “**related party**” is defined as:

- (i) a director, having the meaning given in Section 2(1) of the CMSA and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a director of the listed corporation, its subsidiary or holding company, or a chief executive of the listed corporation, its subsidiary or holding company;
- (ii) a major shareholder and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed corporation or its subsidiaries or holding company and has or had an interest or interests in 1 or more voting shares in a corporation and the nominal amount of that share on the aggregate of the nominal amounts of those shares is:
 - (a) 10.00% or more of the aggregate of the nominal amounts of all the voting shares in the corporation; or
 - (b) 5.00% or more of the aggregate of the nominal amounts of all the voting shares in the corporation where such person is the largest shareholder of the corporation; or
- (iii) person connected with such director or major shareholder.

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10. RELATED PARTY TRANSACTIONS (Cont'd)**10.1 Related Party Transactions**

Our Directors have confirmed that there are no material related party transactions that we had entered into with related parties in respect of the FYE 2022, FYE 2023, FYE 2024, FYE 2025 and up to the LPD.

Our Directors also confirm that there are no other related party transactions that have been entered by our Group that involves 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.

After our Listing and in accordance with the Listing Requirements, we may be required to seek our shareholders' approval each time we enter into material related party transactions. However, if the related party transactions can be deemed as recurrent related party transactions, we may seek a general mandate from our shareholders to enter into these transactions without having to seek separate shareholders' approval each time we wish to enter into such related party transactions during the validity period of the mandate.

If any proposed related party transactions require prior approval from our shareholders, our Directors, major shareholders and/or persons connected with them who have any direct or indirect interest in the proposed related party transactions shall abstain from deliberation and voting on resolution(s) pertaining to the respective transactions. Under the Listing Requirements, related party transactions may be aggregated to determine their materiality if the transactions occurred within a 12-month period, are entered into with the same party or with parties related to one another or if the transactions involve the acquisition or disposal of securities or interests in one corporation/asset or of various parcels of land contiguous to each other.

After our Listing, the Audit Committee will review the terms of any related party transactions and ensure that any related party transactions (including any recurrent related party transactions) are carried out on terms not more favourable to the related party than those generally available to the third parties dealing at arm's length basis with our Group and are not to the detriment to our minority shareholders. Our Group will seek such relevant shareholders' approval where required. We will make disclosures in our annual report of the aggregate value of the recurrent related party transactions entered into by us based on the nature of the transactions made, names of the related parties involved and their relationship with our Group during the financial year.

10.2 Transactions Entered into that are Unusual in Their Nature or Conditions

Our Directors have confirmed that there are no transactions that were unusual in their nature or condition, involving goods, services, tangible or intangible assets, to which our Group were a party in respect of the FYE 2022, FYE 2023, FYE 2024, FYE 2025 and up to the LPD.

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10. RELATED PARTY TRANSACTIONS (Cont'd)**10.3 Loans and Financial Assistance Made to or for the Benefit of, or from Related Parties****10.3.1 Loans and financial assistance made to or for the benefit of related parties**

Our Directors have confirmed that there are no material loans and/or financial assistance (including guarantees of any kind) made by our Group to or for the benefit of the related parties for the FYE 2022, FYE 2023, FYE 2024, FYE 2025 and up to the LPD.

Moving forward, our Company has put in place strict internal control and compliance procedures in relation to loans and financial assistance to third parties, and no loans or financial assistance will be given to any related parties by our Group unless such loans and financial assistance are permitted under law and the Listing Requirements and brought to the Audit Committee and our Board for deliberation and approval.

10.3.2 Loans and financial assistance from related parties

Saved as disclosed below, our Directors have confirmed that there are no other material loans and/or financial assistance (including guarantees of any kind) due to any related party for the FYE 2022, FYE 2023, FYE 2024, FYE 2025 and up to the LPD.

No.	Transacting parties	Nature of relationship	Nature of transaction	Outstanding Amount				
				FYE 2022	FYE 2023	FYE 2024	FYE 2025	1 January 2026 and up to the LPD
				RM'000	RM'000	RM'000	RM'000	RM'000
1.	Providing party: Daniel	Daniel is our Promoter, substantial shareholder and Managing Director. He is also the director of Elsa Energy.	Loan from Daniel to Elsa Energy for working capital purposes ⁽¹⁾ .	(2)-	-	-	-	-
	Receiving party: Elsa Energy							

Notes:

- (1) The loan was subject to an interest rate of 6.00% p.a., for a flexible loan tenure, agreed by both providing and receiving parties. This transaction was one-off and was conducted on an arm's length basis and on terms and conditions which was not unfavourable to our Group. For information, the said interest rate of 6.00% p.a. was similar to the relevant bank loan rates at the point in time.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

- (2) Daniel provided a loan amounting to RM750,000 to Elsa Energy in April 2022. The entire amount of the loan has been paid off by Elsa Energy as at 31 December 2022, hence there was no outstanding amount for this transaction in FYE 2022.

As at the LPD, our Directors confirm that there is no outstanding amount from the transaction as disclosed above will subsist after our Listing.

After our Listing and in accordance with the Listing Requirements, the Audit Committee will review the terms of any future loans and/or financial assistance from related parties to our Group and ensure that these transactions are carried out on terms not more favourable to the related party than those generally available to the third parties dealing at arm's length basis with our Group and are not detrimental to our minority shareholders.

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10. RELATED PARTY TRANSACTIONS (Cont'd)**10.4 Guarantees**

As at the LPD, Daniel, Nurul Syakinah, Chow Sheng Jon and Amiruddin, being our Promoters and substantial shareholders have given their joint and several personal guarantees, while Elsa has given its corporate guarantee for the banking facilities extended by the following financial institutions ("**Financiers**"):

No.	Company	Guarantor	Financial Institution	Facility / Purpose	Amount Guaranteed	Outstanding Amount as at the LPD
					RM'000	RM'000
1.	Elsa Energy	Daniel and Nurul Syakinah	CIMB Islamic Bank Berhad ("CIMB Islamic")	<u>Facility</u> Term Financing <u>Purpose</u> To redeem a Small Office Home Office (SOHO) from Maybank Berhad and balance for working capital purpose	(1)790	654
2.	Elsa Energy	Daniel and Nurul Syakinah	CIMB Islamic	<u>Facility</u> Term Financing <u>Purpose</u> To redeem a Small Office Home Office (SOHO) from Maybank Berhad and balance for working capital purpose	(1)750	623
3.	Elsa Energy	Daniel, Nurul Syakinah, Chow Sheng Jon and Amiruddin	HSBC Bank Malaysia Berhad	<u>Facility</u> Bank Guarantee <u>Purpose</u> For issuance of security deposit/ tender/ performance bonds and other guarantee requirements related to the company's business	(1)9,900	6,949

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Company	Guarantor	Financial Institution	Facility / Purpose	Amount Guaranteed	Outstanding Amount as at the LPD
4.	Elsa Energy	Daniel, Nurul Syakinah, Amiruddin, Elsa and Syarikat Jaminan Pembiayaan Perniagaan Berhad	Bank Islam Malaysia Berhad	<u>Facility</u> Trade Financing / Bank Guarantee <u>Purpose</u> Working capital / For the issuance of performance and financial guarantees in favour of Government Body & Agencies, Government-Linked Companies, public utilities and other private corporations	⁽¹⁾ 3,200 ⁽²⁾ 3,200 ⁽³⁾ 3,200	3,981
5.	Elsa Energy	Daniel, Nurul Syakinah, Amiruddin and Elsa	Hong Leong Islamic Bank Berhad ("HLIB")	<u>Facility</u> Trade Financing <u>Purpose</u> Working capital	⁽¹⁾ 20,000 ⁽²⁾ 20,000	-
6.	Elsa Energy	Daniel, Nurul Syakinah, Amiruddin and Elsa	HLIB	<u>Facility</u> Islamic Trade Financing / Islamic Forex <u>Purpose</u> Working capital	⁽¹⁾ 3,050 ⁽²⁾ 3,050	2,909
7.	Elsa Energy	Daniel, Nurul Syakinah, Amiruddin and Elsa	RHB Islamic Bank Berhad ("RHB")	<u>Facility</u> Trade Financing <u>Purpose</u> Working capital	⁽¹⁾ 5,000 ⁽²⁾ 5,000	4,046

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Company	Guarantor	Financial Institution	Facility / Purpose	Amount Guaranteed	Outstanding Amount as at the LPD
8.	Elsa Energy	Daniel, Nurul Syakinah, Amiruddin and Elsa	RHB	<u>Facility</u> Project Financing <u>Purpose</u> Blanket Contract Financing Line. For financing of progress claim related to the contract acceptable to the Bank	⁽¹⁾ 10,000 ⁽²⁾ 10,000	-
9.	Elsa Energy	Daniel, Nurul Syakinah, Amiruddin and Elsa	RHB	<u>Facility</u> Bank Guarantee <u>Purpose</u> For issuance of tender bonds and performance bonds acceptable to the Bank related to the business/contract particulars	⁽¹⁾ 10,000 ⁽²⁾ 10,000	3,639

Notes:

- (1) Joint and several personal guarantees by individual guarantors.
 (2) Corporate guarantee.
 (3) Government guarantee through Syarikat Jaminan Pembiayaan Perniagaan Berhad.

In conjunction with the Listing, we have applied to the Financiers to obtain a release and/or discharge of the guarantees by substituting the same with a corporate guarantee from our Company and/or other securities from our Group acceptable to the Financiers. Until such release and/or discharge are obtained from the respective Financiers, our Promoters, substantial shareholders and directors will continue to guarantee the banking facilities extended to our Group.

As at the date of this Prospectus, we have obtained conditional approvals from all the Financiers to discharge the abovementioned guarantees by substituting the same with a corporate guarantee from our Company. The Financiers who have provided the aforementioned conditional approval have imposed conditions which include, amongst others, the discharge is conditional upon the completion of the Listing and execution and perfection of a corporate guarantee by our Company.

10. RELATED PARTY TRANSACTIONS (Cont'd)**10.5 Monitoring and Oversight of Related Party Transactions and Conflict of Interest****10.5.1 Audit Committee review**

Our Audit Committee assesses the financial risk and matters relating to related party transactions and conflict of interest situations that may arise within our Group including any transactions, procedures or course of conduct that raises questions of management integrity. Our Audit Committee maintains and periodically reviews the adequacy of the procedures and processes set by our Company to monitor related party transactions and conflict 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, 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.

All reviews by our Audit Committee are reported to our Board for its further action.

10.5.2 Our Group's policy on related party transactions and conflict of interest

It is the policy of our Group that all related party transactions and conflict of interest must be immediately and fully disclosed by our interested or conflicted Directors or substantial shareholders to the management for reporting to our Audit Committee. Any related party transactions must be reviewed by our Audit Committee 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 respect of our Directors' interests in companies carrying on similar business, our Directors will also be required to abstain from deliberations and voting on resolutions pertaining to matters and/or transactions where a conflict of interest may arise.

In addition, in line with the MCCG and the Corporate Governance Guide, our Directors are required to make an annual disclosure of any related party transactions and conflict of interest with our Group and our Audit Committee must carry out an annual assessment of our Directors which include an assessment of such related party transactions and/or conflict of interest. Our Audit Committee 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 Similar Business and in Businesses of Our Customers and Suppliers

As at the LPD, none of our Directors and/or substantial shareholders has any other interest, whether direct or indirect, in any businesses or corporations which are carrying on a similar trade as our Group or which are the customers or suppliers of our Group.

Moving forward, our Audit Committee will supervise any conflict of interest or potential conflict of interest situations 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.

11.2 Declarations by Our Advisers

(i) Declaration by Malacca Securities

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 our Principal Adviser, Sponsor, Underwriter and Placement Agent for our Listing.

(ii) Declaration by Messrs. Ben & Partners

Messrs. Ben & Partners has given its written confirmation that there is no existing or potential conflict of interest in its capacity as the Solicitors to our Group in relation to our Listing.

(iii) Declaration by Crowe Malaysia PLT

Crowe Malaysia 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.

(iv) Declaration by SMITH ZANDER

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 throughout the Financial Years 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. 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.

12.1.1 Consolidated statements of comprehensive income

The following table sets out a summary of our consolidated statements of profit or loss and other comprehensive income for the Financial Years Under Review, which have been extracted from the Accountants' Report as set out in Section 13 of this Prospectus.

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Revenue	97,464	173,688	222,876	264,664
Cost of sales	(81,659)	(148,779)	(197,639)	(234,771)
GP	15,805	24,909	25,237	29,893
Other income	304	638	921	369
Administrative and other operating expenses	(7,279)	(9,938)	(11,750)	(13,230)
Net impairment gain on financial assets	8	-	-	-
Finance costs	(476)	(683)	(439)	(522)
Share of loss of associates	-	-	-	(6)(8)
PBT	8,362	14,926	13,969	16,502
Tax expense	(3,003)	(3,405)	(3,466)	(5,743)
PAT	5,359	11,521	10,503	10,759
Other comprehensive income	-	-	-	-
Total comprehensive income for the financial year	5,359	11,521	10,503	10,759
PAT attributable to owners of our Company	5,359	11,521	10,503	10,759
Total comprehensive income attributable to the owners of our Company	5,359	11,521	10,503	10,759
EBIT ⁽¹⁾	8,782	15,415	13,943	16,318
EBITDA ⁽¹⁾	9,493	16,191	15,501	17,786
GP margin (%) ⁽²⁾	16.22	14.34	11.32	11.29
PBT margin (%) ⁽³⁾	8.58	8.59	6.27	6.24
PAT margin (%) ⁽³⁾	5.50	6.63	4.71	4.07
Effective tax rate (%) ⁽⁴⁾	35.91	22.81	24.81	34.80
Basic/diluted EPS (sen) ⁽⁵⁾	1.00	2.14	1.95	2.00

12. FINANCIAL INFORMATION (Cont'd)**Notes:**

- (1) EBIT and EBITDA are calculated as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
PAT	5,359	11,521	10,503	10,759
Less:				
Interest income	(56)	(194)	(465)	(706)
Add:				
Finance costs	476	683	439	522
Tax expense	3,003	3,405	3,466	5,743
EBIT	8,782	15,415	13,943	16,318
Add:				
Depreciation	711	776	1,558	1,468
EBITDA	9,493	16,191	15,501	17,786

- (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 year over enlarged share capital of 538,400,000 Shares upon Listing. There are no potential dilutive securities in issue during the respective Financial Years Under Review.
- (6) Represents the share of loss from Keiko Asia and Orca Borneo.

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12. FINANCIAL INFORMATION (Cont'd)**12.1.2 Consolidated statements of financial position**

The following table sets out the consolidated statements of financial position of our Group for the Financial Years 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			
	As at 31 December			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Non-current assets				
Property, plant and equipment ⁽¹⁾	1,231	730	3,071	3,315
Investment properties	1,468	1,438	1,407	1,377
Investments in associates	-	-	-	90
Right-of-use assets	295	359	1,609	2,461
Receivables ⁽²⁾	-	-	766	1,459
Finance lease receivables ⁽³⁾	-	-	3,278	400
Total non-current assets	2,994	2,527	10,131	9,102
Current assets				
Receivables ⁽²⁾	13,403	20,054	22,426	24,201
Finance lease receivables ⁽³⁾	-	-	3,971	3,434
Contract cost	5,507	2,411	4,359	5,807
Contract assets ⁽⁴⁾	17,005	12,381	25,245	27,897
Prepayments	80	662	1,067	1,904
Current tax assets	1,188	1,989	2,462	1,726
Short-term investments	46	48	-	-
Cash and cash equivalents	13,371	20,216	26,913	19,374
Total current assets	50,600	57,761	86,443	84,343
Total assets	53,594	60,288	96,574	93,445
Equity and liabilities				
Equity				
Share capital	1,000	1,000	1,000	1,000
Retained profits	15,900	27,422	36,925	47,684
Total equity	16,900	28,422	37,925	48,684
Non-current liabilities				
Loans and borrowings	2,727	2,177	1,963	1,238
Lease liabilities ⁽⁵⁾	120	154	4,682	2,125
Deferred tax liability	53	-	-	-
Total non-current liabilities	2,900	2,331	6,645	3,363
Current liabilities				
Payables ⁽⁶⁾	16,451	22,136	33,297	29,114
Contract liabilities	4,810	2,382	5,632	4,693
Loans and borrowings	12,345	4,808	9,033	3,423
Current tax liability	7	-	-	-
Lease liabilities ⁽⁵⁾	181	209	4,042	4,168
Total current liabilities	33,794	29,535	52,004	41,398
Total liabilities	36,694	31,866	58,649	44,761
Total equity and liabilities	53,594	60,288	96,574	93,445

12. FINANCIAL INFORMATION (Cont'd)**Notes:**

- (1) The decrease in property, plant and equipment as at 31 December 2023 as compared to 31 December 2022 was mainly due to the depreciation charges amounting to RM0.40 million during FYE 2023, coupled with the disposal of a motor vehicle amounting to RM0.18 million during FYE 2023.

The increase in property, plant and equipment as at 31 December 2024 as compared to 31 December 2023 was mainly due to additions of property, plant and equipment amounting to RM3.06 million during FYE 2024, comprising mainly plant and machineries of RM1.75 million (consist primarily of IT equipment and hardware for data storage system amounting to RM1.50 million and 3 units of drones amounting to RM0.23 million), motor vehicles of RM0.60 million, and renovation of RM0.50 million primarily for our new headquarter office. This was partially offset by depreciation charges of RM0.69 million during FYE 2024.

The increase in property, plant and equipment as at 31 December 2025 was mainly due to additions of plant and machineries of RM0.55 million (consist primarily of IT equipment and hardware for data storage system) as well as computer and software of RM0.47 million (primarily consist of laptops), This was partially offset by depreciation charges of RM0.74 million during FYE 2025.

- (2) The receivables comprise the following:

	Audited			
	As at 31 December			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Non-current assets				
Trade receivables	-	-	766	1,459
Current assets				
Trade receivables:				
- Third parties	12,541	19,674	21,881	23,692
- Accumulated impairment losses	(104)	(22)	-	-
	12,437	19,652	21,881	23,692
Other receivables	824	169	132	138
Deposits	142	233	413	371
	13,403	20,054	22,426	24,201
Total receivables	13,403	20,054	23,192	25,660

- (3) The increase in finance lease receivables as at 31 December 2024 as compared to 31 December 2023 was mainly due to our Group secured four contracts in relation to the lease of computer hardware assets to our customers for a period is of 3 years.
- (4) The increase in contract assets as at 31 December 2024 as compared to 31 December 2023 was mainly due to more projects that have mobilised the resources before the end of FYE 2024 pending the issuance of billings (46 projects as at 31 December 2024 as compared to 39 projects as at 31 December 2023) and the higher contract assets balance recorded for one of our project for the supply of ESP equipment as the costs incurred were billed after FYE 2024 upon the completion of the said project.
- (5) The increase in lease liabilities as at 31 December 2024 as compared to 31 December 2023 was mainly attributable to the lease of computer hardware assets for a lease term of 3 years with a total of RM7.07 million as at 31 December 2024 (as at 31 December 2023: RM Nil). The said lease was in relation to the four contracts secured recorded as finance lease receivables as explained in Note 3 above.

12. FINANCIAL INFORMATION (Cont'd)

Additionally, our Group leased our headquarter office and warehouses during FYE 2024 with a total lease liability amounting to RM1.34 million as at 31 December 2024 have also contributed to the increased lease liabilities.

- (6) The payables comprise the following:

	Audited			
	As at 31 December			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Trade payables	8,402	10,239	27,153	15,435
Other payables ^(a)	5,121	4,612	2,338	1,858
Amount owing to a director ^(b)	-	10	7	-
Accrued direct costs ^(c)	2,559	6,075	2,072	10,120
Accruals ^(d)	369	1,200	1,727	1,701
Total payables	16,451	22,136	33,297	29,114

Notes:

- (a) The other payables comprise mainly the amounts payable to consultants for the consultant-related expenses and the sales and service tax payable to Royal Malaysian Customs Department.
- (b) The amount owing to a director relates to advances by the director to EEL. This amount was fully settled subsequent to FYE 2024.
- (c) The accrued direct cost comprise of the direct costs incurred for our projects which pending the invoices from the suppliers. The increase as at 31 December 2025 as compared to as at 31 December 2024 due to accrued costs for work done during FYE 2025 pending the supplier's invoices to be received, as the works were completed towards the end of FYE 2025, primarily for the provision of equipment and services for the subsea pipeline inspection contract under our robotics and engineering solutions segment and technical consultancy services for oilfield service segment.
- (d) The accruals comprised mainly the staff salary and bonus.

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12. FINANCIAL INFORMATION (Cont'd)**12.1.3 Consolidated statements of cash flows**

The following table sets out the consolidated statements of cash flows of our Group for the Financial Years 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
	RM'000	RM'000	RM'000	RM'000
Cash flow from operating activities				
PBT	8,362	14,926	13,969	16,502
Adjustments for:				
Bad debts written off	-	282	57	346
Depreciation of property, plant and equipment	448	400	686	741
Depreciation of investment properties	13	30	30	30
Depreciation of right-of-use assets	250	346	842	697
Interest expense for financial liabilities measured at amortised cost	476	683	668	869
Plant and equipment written off	-	-	34	51
Share of loss of associates	-	-	-	8
Unrealised loss on foreign exchange	-	325	4	-
Bad debts recovered	-	-	(87)	-
Gain on derecognition of right-of-use assets	-	(4)	(4)	(10)
Gain on disposal of equipment	-	(111)	(189)	-
Interest income from financial assets measured at amortised cost	(56)	(194)	(465)	(706)
Net impairment gain on financial assets	(8)	-	-	-
Operating profit before working capital changes	9,485	16,683	15,545	18,528
Changes in:-				
Receivables and prepayments	(2,133)	(7,514)	(711)	(236)
Contract cost	(4,348)	3,095	(1,947)	(1,448)
Contract assets	(11,831)	4,623	(12,863)	(2,652)
Payables	9,336	5,349	11,165	(4,176)
Contract liabilities	3,881	(2,428)	3,250	(939)
Cash from operations	4,390	19,808	14,439	9,077
Interest paid	(476)	(683)	(668)	(869)
Income tax paid	(3,072)	(4,266)	(3,939)	(5,007)
Net cash from operating activities	842	14,859	9,832	3,201
Cash flow for investing activities				
Purchase of plant and equipment	(179)	(83)	(2,599)	(1,036)
Proceed received from disposal of equipment	-	295	189	-
Proceed received from disposal of short-term investment	-	-	48	-
Increase in term deposits pledged as security	(366)	(666)	(3,285)	(2,029)
Interest received	56	194	465	706
Acquisition of associates	-	-	-	(98)
Net cash for investing activities	(489)	(260)	(5,182)	(2,457)

12. FINANCIAL INFORMATION (Cont'd)

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Cash flow from/(for) financing activities				
Net increase/(decrease) in short-term loans and borrowings	8,802	(7,472)	4,204	(5,083)
Dividends paid	-	-	(1,000)	-
Issuance of share capital	800	-	-	-
(Repayment to)/Advances from directors	(1,450)	10	(3)	(7)
Repayment of lease liabilities	(248)	(343)	(3,784)	(3,970)
Repayment of term loans	(313)	(439)	(464)	(685)
Repayment of hire purchases	(379)	(176)	(191)	(567)
Net cash from/(for) financing activities	7,212	(8,420)	(1,238)	(10,312)
Net increase in cash and cash equivalents	7,565	6,179	3,412	(9,568)
Cash and cash equivalents at the beginning of the financial year	4,248	11,813	17,992	21,404
Cash and cash equivalents at the end of the financial year	11,813	17,992	21,404	11,836
Cash and cash equivalents at the end of the financial year				
Cash and cash equivalents	13,371	20,216	26,913	19,374
Term deposits pledged as security	(1,558)	(2,224)	(5,509)	(7,538)
	11,813	17,992	21,404	11,836

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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 consolidated financial statements for the Financial Years 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 principally involved in the provision of integrated OGSE solutions, where our main business segments comprise:

- (a) Oilfield service solutions;
- (b) Talent solutions;
- (c) Digital solutions; and
- (d) Robotics and engineering solutions.

Please refer to Section 7 for our Group's detailed business overview.

(ii) Revenue

Our revenue is derived mostly from Malaysia. Our Group recognises revenue when (or as) it transfers control over a product or service to customers. An asset is transferred when (or as) the customer obtains control of that asset. Our revenue comprises the following:

(a) Sales of goods

Revenue is recognised at a point in time when the goods have been delivered to the customer and upon its acceptance, and it is probable that our Group will collect the considerations to which it would be entitled to in exchange for the goods sold.

(b) Rendering of services

Revenue is recognised over time when the services are performed as the customer simultaneously received and consumes the benefits of the performance of services.

(iii) Cost of sales

Our cost of sales comprises consultant-related expenses, principal-related expenses, subcontracted services, equipment expenses, and IT-related expenses, details are as follows:

(a) Consultant-related expenses

Comprise expenses incurred for engaging consultants on a contract basis for the implementation of projects.

12. FINANCIAL INFORMATION (Cont'd)**(b) Principal-related expenses**

Comprise expenses incurred for engaging our technology partners to carry out services in the oilfield service solutions segment and digital solutions segment.

(c) Subcontracted services

Comprise expenses incurred for engaging subcontractors to carry out services in the robotics and engineering solutions segment.

(d) Equipment expenses

Comprise expenses incurred for the sourcing, supplying, and/or deployment of machinery and equipment based on our customers' project requirements.

(e) IT-related expenses

Comprise expenses incurred for the purchase of IT system software, IT equipment, IT development services, software licensing and subscription.

(iv) Other income

Other income comprises mainly realised gain on foreign exchange, interest income, gain on disposal of equipment, rental income and sponsorship income.

(v) Administrative and other operating expenses

Administrative and other operating expenses comprise mainly staff-related costs, directors' remuneration, depreciation expenses and professional fees.

(vi) Net impairment (loss)/gain on financial assets

Net impairment (loss)/gain on financial assets comprises individual impairments on trade receivables and reversal of individual impairments on trade receivables.

(vii) Finance costs

Finance costs comprise interest expenses on our term loans, bankers' acceptances, hire purchase, and lease liabilities.

(viii) Recent developments

There were no other significant events subsequent to our audited consolidated financial statements for FYE 2025 and up to LPD, that has 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 Under Review. In addition, the audited financial statements of our Group for the Financial Years Under Review were not subject to any audit qualifications.

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12. FINANCIAL INFORMATION (Cont'd)**(x) Significant factors affecting our business**

The main factors which affect our revenues and profits include but are not limited to the following:

(a) We are dependent on the PETRONAS license and PETRONAS' policies towards O&G industry to operate our core business

Our Group's core business operations are primarily dependent on the PETRONAS license which permits our Group to supply products and services to exploration and O&G companies in Malaysia. In addition to having a valid PETRONAS license, we must meet the requirements for each SWEC Code under the license which allows our Group to provide specific categories of work and equipment to our customers in Malaysia.

Failure to comply with the conditions/requirements as stated in the PETRONAS' conditions, general guidelines and SWEC Code requirements relevant to our business may lead to revocation, suspension, blacklisting or non-renewal of our PETRONAS license.

In the past 4 FYEs 2022 to 2025, our Group did not experience any incidences of non-compliance which had subjected our Group to penalties, fines and/or prosecution. However, there can be no assurance that such incidences will not occur in the future.

(b) We are dependent on PETRONAS Group

For the past 4 FYEs 2022 to 2025, PETRONAS Group's contribution to our revenue grew from 18.60%, 25.06%, 34.12% and 40.17% of our total revenue. PETRONAS, as the national O&G company, plays a key role in the development of O&G resources as well as creating opportunities for O&G services and equipment industry players across the industry's value chain in Malaysia. Accordingly, as a supporting O&G services and equipment industry player, we are dependent on PETRONAS Group.

Given our past and ongoing contracts with PETRONAS Group, it may continue to contribute significantly to our Group's revenue in the future. As such, our financial performance may be materially and adversely affected if PETRONAS Group was to terminate its ongoing contracts with our Group and we were unable to secure new customers to replace the loss of business in a timely manner. Furthermore, our business operations and financial performance may be adversely affected should there be any adverse changes specific to the operations or financial performance of PETRONAS Group, and external factors that are beyond their control.

Given the above, there is no assurance that our financial performance and business operations will not be adversely affected by our reliance on PETRONAS Group.

(c) We are dependent on our suppliers and technology partners for the required technologies, machinery and equipment as well as the specialised skilled personnel for immediate deployment to our customers' projects

As an asset light company, we do not own proprietary technology. We source and establish agency-principal relationships with our suppliers and technology partners, whereby we serve as agents to our suppliers and technology partners, who are the principals. As such, we are dependent on our agency-principal relationships with our technology partners for the required technologies, machinery and equipment for deployment to our customers' projects.

12. FINANCIAL INFORMATION (Cont'd)

Our business operations and financial performance may be materially and adversely affected if one or more of our technology partners were to terminate agency-principal relationships with our Group in the midst of our ongoing projects and we were unable to secure new technology partners to replace them in a timely manner. Further, there is no assurance that our existing technology partners will continue to engage with our Group in the future. If one or more of our existing technology partners were to terminate their business relationship with our Group, we may not be able to secure other technology partners who can provide our Group with similar technologies, machinery and equipment in a timely manner. This may in turn adversely impact our ability to deliver our projects on time as well as the financial performance and prospects of our business.

(d) Our existing contracts with our customers may not provide assurance of future revenue and may be subjected to early termination or revision in the scope of work

Our existing contracts with our customers may also be subjected to early termination. This may result from the suspension of works or failure to commence works due to external factors such as adverse weather conditions, timely receipt and renewal of requisite licenses, permits and approvals, or the availability of machinery and equipment. In the event of any early termination of our existing contracts, for whatever reason, the loss of revenue arising from such early termination may materially affect our business prospects and financial conditions.

In addition, the scope of work of our existing contracts with our customers may be revised by our customers due to internal management decisions. Should this occur, our Group may generate lower revenue from the affected project and, as such, our financial performance may be adversely affected.

(e) We are exposed to foreign exchange fluctuation risks which may impact the profitability of our Group

We are exposed to foreign exchange transaction risk which arises from our exposure to USD. Our sales which are denominated in USD collectively contributed 5.81%, 25.48%, 13.80% and 9.89% to our Group's total revenue for the past 4 FYEs 2022 to 2025 respectively. Further, our Group's purchases from suppliers which are denominated in USD contributed 17.71%, 13.73%, 16.23% and 11.28% to our Group's total purchases for the past 4 FYEs 2022 to 2025 respectively.

We are exposed to fluctuations of the USD, and any adverse movements in the foreign exchange markets may have an adverse impact on our financial performance. Any significant appreciation or depreciation of the RM against the USD may either positively or negatively affect our Group's financial performance.

Please refer to Section 9 of this Prospectus for further information of all the risk factors relating to our business and the industry.

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12. FINANCIAL INFORMATION (Cont'd)**12.2.2 Review of our results of operations****(i) Revenue****Analysis of revenue by business segment**

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Oilfield service solutions	63,082	64.72	118,582	68.27	105,563	47.36	104,474	39.47
Talent solutions	21,725	22.29	29,353	16.90	62,319	27.96	94,482	35.70
Digital solutions	11,873	12.18	22,302	12.84	47,241	21.20	39,722	15.01
Robotics and engineering solutions	784	0.81	3,451	1.99	7,753	3.48	25,986	9.82
Total revenue	97,464	100.00	173,688	100.00	222,876	100.00	264,664	100.00

Analysis of revenue by industry

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
O&G industry	94,359	96.81	169,741	97.73	218,779	98.16	262,531	99.19
Non-O&G industry	3,105	3.19	3,947	2.27	4,097	1.84	2,133	0.81
Total revenue	97,464	100.00	173,688	100.00	222,876	100.00	264,664	100.00

Comparison between FYE 2022 and FYE 2023

Our revenue increased by RM76.23 million or 78.22%, to RM173.69 million for FYE 2023 (FYE 2022: RM97.46 million), mainly contributed by the higher revenue recorded from our oilfield service solutions segment, talent solutions segment, and digital solutions segment. The oilfield service solutions segment was our primary revenue contributor, which recorded RM118.58 million or 68.27% of our total revenue for FYE 2023 (FYE 2022: RM63.08 million or 64.72%).

The O&G industry accounted for the majority of our revenue, contributing RM169.74 million or 97.73% of our total revenue for FYE 2023 (FYE 2022: RM94.36 million or 96.81%). The non-O&G industry contributed RM3.95 million or 2.27% of our total revenue in FYE 2023 (FYE 2022: RM3.10 million or 3.19%).

Oilfield service solutions segment

The oilfield service solutions segment recorded an increase in revenue of RM55.50 million or 87.98%, to RM118.58 million for FYE 2023 (FYE 2022: RM63.08 million), mainly due to the following:

- (i) increase in revenue from production optimisation services by RM39.11 million or 411.25%, to RM48.62 million (FYE 2022: RM9.51 million), mainly contributed from the supply of ESP equipment amounting to RM35.44 million to our major customer, namely Hibiscus Oil and Gas Malaysia Limited;

12. FINANCIAL INFORMATION (Cont'd)

- (ii) increase in revenue from wells services by RM12.96 million or 29.94%, to RM56.25 million for FYE 2023 (FYE 2022: RM43.29 million), mainly contributed from the higher delivery of wells operation management services and increased supply of equipment for wells services during FYE 2023; and
- (iii) increase in revenue from subsurface services by RM3.43 million or 33.37%, to RM13.71 million for FYE 2023 (FYE 2022: RM10.28 million), mainly contributed from a newly secured project in relation to the provision of subsurface geophysical services during FYE 2023.

Talent solutions segment

The talent solutions segment recorded an increase in revenue of RM7.62 million or 35.07%, to RM29.35 million for FYE 2023 (FYE 2022: RM21.73 million). This was mainly contributed from the higher deployment of contracted consultants in FYE 2023, which increased from an average monthly headcount of 80 in FYE 2022 to 90 in FYE 2023 as well as the higher salary range for the contracted consultants.

Digital solutions segment

The digital solutions segment recorded an increase in revenue of RM10.43 million or 87.87%, to RM22.30 million for FYE 2023 (FYE 2022: RM11.87 million), mainly contributed from the additional projects secured for the provision of IT infrastructure, cybersecurity solutions and software subscription services during FYE 2023 as a result of increased digitalisation efforts by our customers as they realised increased importance of IT infrastructure post COVID-19.

Robotics and engineering solutions segment

The robotics and engineering solutions segment recorded an increase in revenue of RM2.67 million or 342.31%, to RM3.45 million for FYE 2023 (FYE 2022: RM0.78 million), mainly contributed from a new project secured in relation to the provision of operations support services, and equipment supply and installation services for railway track maintenance during FYE 2023.

Comparison between FYE 2023 and FYE 2024

Our revenue increased by RM49.19 million or 28.32%, to RM222.88 million for FYE 2024 (FYE 2023: RM173.69 million), mainly contributed by the higher revenue recorded from our talent solutions segment and digital solutions segment. This was partially offset by the lower revenue recorded from our oilfield service solutions segment. The oilfield service solutions segment remained our primary revenue contributor, which recorded RM105.56 million or 47.36% of our total revenue for FYE 2024 (FYE 2023: RM118.58 million or 68.27%).

The O&G industry remained our primary revenue contributor, contributing RM218.78 million or 98.16% of our total revenue in FYE 2024 (FYE 2023: RM169.74 million). The non-O&G industry contributed RM4.10 million or 1.84% of our total revenue in FYE 2024 (FYE 2023: RM3.95 million or 2.27%).

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12. FINANCIAL INFORMATION (Cont'd)**Oilfield service solutions segment**

The oilfield service solutions segment recorded a decrease in revenue of RM13.02 million or 10.98%, to RM105.56 million for FYE 2024 (FYE 2023: RM118.58 million). This was mainly due to the decrease in revenue from production optimisation services by RM28.57 million or 58.76%, to RM20.05 million for FYE 2024 (FYE 2023: RM48.62 million), as the supply of jet pump and ESP equipment to two of our major customers, namely Petronas Carigali Sdn Bhd and Hisbicus Oil and Gas Malaysia Limited, respectively, which was substantially completed in FYE 2023. During FYE 2024, we recorded a revenue for the supply of jet pump of RM0.15 million (FYE 2023: RM3.15 million) and revenue for the supply of ESP equipment of RM10.30 million (FYE 2023: RM35.44 million).

Such decrease was partially offset by the increase in revenue from wells services by RM16.77 million or 29.81%, to RM73.02 million for FYE 2024 (FYE 2023: RM56.25 million), mainly contributed from the higher delivery of an existing wells operation management services during FYE 2024, coupled with a new project secured and delivered in FYE 2024 in relation to wells operation integrity services and safety performance coaching of the drilling during FYE 2024.

Talent solutions segment

The talent solutions segment recorded an increase in revenue of RM32.97 million or 112.33%, to RM62.32 million in FYE 2024 (FYE 2023: RM29.35 million). This was mainly contributed from the higher deployment of contracted consultants in FYE 2024, which increased from an average monthly headcount of 90 in FYE 2023 to 183 in FYE 2024. The increase in headcount was primarily contributed from 3 new projects secured in FYE 2024, which involves the deployment of an average monthly headcount of 46 contracted consultants during FYE 2024. Additionally, there was also higher deployment of contracted consultants in FYE 2024 for two of our existing projects, which increased from an average monthly headcount of 34 in FYE 2023 to 91 in FYE 2024. Additionally, the higher salary range for the contracted consultants was also a factor to the increased revenue for this segment during FYE 2024.

Digital solutions segment

The digital solutions segment recorded an increase in revenue of RM24.94 million or 111.84%, to RM47.24 million for FYE 2024 (FYE 2023: RM22.30 million), mainly contributed from the leasing of IT hardware, provision of software subscription and software development services, and the provision of IT infrastructure services during FYE 2024 as a result of continued digitalisation efforts by our customers as they realised increased importance of IT infrastructure post COVID-19. This is further accelerated by global shift towards the adoption of artificial intelligence and cloud computing.

Robotics and engineering solutions segment

The robotics and engineering solutions segment recorded an increase in revenue of RM4.30 million or 124.64%, to RM7.75 million for FYE 2024 (FYE 2023: RM3.45 million). This was mainly due to the higher revenue generated from the provision of engineering operations support services during FYE 2024 as the said project was secured in FYE 2023 having 6-month support services as compared to 12-month support services in FYE 2024.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2024 and FYE 2025**

Our revenue increased by RM41.78 million or 18.75%, to RM264.66 million for FYE 2025 (FYE 2024: RM222.88 million), mainly contributed by the higher revenue recorded from our talent solutions and robotics and engineering solutions segments. This was partially offset by lower revenue from our oilfield service solutions segment and digital solutions segment. The oilfield service solutions segment remained our primary revenue contributor, which accounted RM104.47 million or 39.47% of our total revenue for FYE 2025 (FYE 2024: RM105.56 million or 47.36%).

The O&G industry remained our primary revenue contributor, contributing RM262.53 million or 99.19% of our total revenue in FYE 2025 (FYE 2024: RM218.78 million). The non-O&G industry contributed RM2.13 million or 0.81% of our total revenue in FYE 2025 (FYE 2024: RM4.10 million or 1.84%).

Oilfield service solutions segment

The oilfield service solutions segment recorded a decrease in revenue of RM1.09 million or 1.03%, to RM104.47 million for FYE 2025 (FYE 2024: RM105.56 million). This was mainly due to the decrease in revenue from production optimisation services by RM11.09 million or 55.31%, to RM8.96 million for FYE 2025 (FYE 2024: RM20.05 million), primarily attributable to supply of ESP equipment and the provision of carbon dioxide tracer pumping services to two major customers, respectively, namely Hibiscus Oil and Gas Malaysia Limited and Petronas Carigali Sdn Bhd.

However, such decreases were partially offset by the increase in revenue from subsurface services by RM7.72 million or 61.76%, to RM20.22 million for FYE 2025 (FYE 2024: RM12.50 million), mainly contributed from a new secured project in relation to the provision of subsurface technical solutions services during FYE 2025 and an existing projects secured in FYE 2024 for the provision of data integrity consultancy services as it progressed substantially in FYE 2025.

Talent solutions segment

The talent solutions segment recorded an increase in revenue of RM32.16 million or 51.60%, to RM94.48 million in FYE 2025 (FYE 2024: RM62.32 million). This was mainly contributed by the higher deployment of contracted consultants in FYE 2025, which increased from an average monthly headcount of 183 in FYE 2024 to 239 in FYE 2025. Such an increase was primarily contributed from six of our existing projects which secured in FYE 2024 as well as higher deployment of headcount of which the average monthly headcount from these projects increased from 103 headcount in FYE 2024 to 177 headcount in FYE 2025. The remaining increase in revenue from this segment is contributed by increase in average headcount from other projects.

Digital solutions segment

The digital solutions segment recorded a decrease in revenue of RM7.52 million or 15.92%, to RM39.72 million for FYE 2025 (FYE 2024: RM47.24 million), mainly attributable to the leasing of IT hardware and the provision of IT infrastructure services which was completed in FYE 2024 as well as lower revenue recorded for the provision of software development services as it had substantially completed in FYE 2024 and lower utilisation of software workflow development in FYE 2025. Such a decrease was narrowed by three new projects in relation to the provision of IT infrastructure services and cybersecurity solutions and the supply of IT hardware secured during FYE 2025.

12. FINANCIAL INFORMATION (Cont'd)**Robotics and engineering solutions segment**

The robotics and engineering solutions segment recorded an increase in revenue of RM18.24 million or 235.35%, to RM25.99 million for FYE 2025 (FYE 2024: RM7.75 million). This was mainly contributed by a new project secured towards the end of FYE 2024, from Petronas Technical Services Sdn Bhd, and two new projects secured during FYE 2025, from Petronas Carigali Sdn Bhd and Vestigo Petroleum Sdn Bhd, in relation to the provision of equipment and services for subsea pipeline inspection.

(ii) Cost of sales, GP and GP margin**Analysis of cost of sales by cost component**

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Consultant-related expenses ⁽¹⁾	64,275	78.71	76,091	51.15	132,223	66.90	173,845	74.05
Principal-related expenses ⁽²⁾	6,374	7.81	27,575	18.53	35,310	17.87	19,251	8.20
Subcontracted services ⁽³⁾	155	0.19	256	0.17	795	0.40	13,000	5.54
Equipment expenses ⁽⁴⁾	2,844	3.48	29,791	20.02	1,011	0.51	2,729	1.16
IT-related expenses ⁽⁵⁾	8,011	9.81	15,066	10.13	28,300	14.32	25,946	11.05
Total cost of sales	81,659	100.00	148,779	100.00	197,639	100.00	234,771	100.00

Notes:

- (1) Comprises expenses incurred for engaging consultants on a contract basis for the implementation of projects across all segment. The consultant-related expenses incurred are primarily for our oilfield service solutions and talent solutions segments as our Group mainly serves the O&G companies in Malaysia while minimal for digital solutions and robotics and engineering solutions segments for non-O&G companies.
- (2) Comprises expenses incurred for engaging technology partners to carry out services in the oilfield service solutions segment and digital solutions segment.
- (3) Comprises expenses incurred for engaging subcontractors to carry out services in the robotics and engineering solutions segment.
- (4) Comprises expenses incurred for sourcing, supplying, and/or deployment of machinery and equipment based on our customers' project requirements, primarily for our oilfield service solutions segment.
- (5) Comprises expenses incurred for purchase of IT system software, IT equipment, IT development services, software licensing and subscription for our digital solutions segment.
- (6) Due to the nature of our business, the cost of sales by components could be primarily and/or only incurred for certain segments during the Financial Years Under Review, they may become significant/applicable to the relevant segment in the future as and when the segments evolve.

12. FINANCIAL INFORMATION (Cont'd)**Analysis of cost of sales by business segment**

		Audited							
		FYE 2022		FYE 2023		FYE 2024		FYE 2025	
		RM'000	%	RM'000	%	RM'000	%	RM'000	%
Oilfield service solutions		51,219	62.72	99,387	66.80	92,445	46.77	89,871	38.28
Talent solutions		20,239	24.79	27,075	18.20	58,592	29.65	89,186	37.99
Digital solutions		9,732	11.92	19,226	12.92	40,468	20.48	35,711	15.21
Robotics and engineering solutions		469	0.57	3,091	2.08	6,134	3.10	20,003	8.52
Total cost of sales		81,659	100.00	148,779	100.00	197,639	100.00	234,771	100.00

Analysis of GP and GP margin by business segment

		Audited							
		FYE 2022		FYE 2023		FYE 2024		FYE 2025	
		GP	GP margin	GP	GP margin	GP	GP margin	GP	GP margin
		RM'000	%	RM'000	%	RM'000	%	RM'000	%
Oilfield service solutions		11,863	18.81	19,195	16.19	13,118	12.43	14,603	13.98
Talent solutions		1,486	6.84	2,278	7.76	3,727	5.98	5,296	5.61
Digital solutions		2,141	18.03	3,076	13.79	6,773	14.34	4,011	10.10
Robotics and engineering solutions		315	40.18	360	10.43	1,619	20.88	5,983	23.02
Total GP/ GP Margin		15,805	16.22	24,909	14.34	25,237	11.32	29,893	11.29

Comparison between FYE 2022 and FYE 2023

Our cost of sales increased by RM67.12 million or 82.19%, to RM148.78 million for FYE 2023 (FYE 2022: RM81.66 million), mainly due to the increase in the following, which was in tandem with the increase in revenue:

- (i) consultant-related expenses increased by RM11.81 million or 18.37%, to RM76.09 million for FYE 2023 (FYE 2022: RM64.28 million);
- (ii) principal-related expenses increased by RM21.21 million or 332.97%, to RM27.58 million for FYE 2023 (FYE 2022: RM6.37 million);
- (iii) equipment expenses increased by RM26.95 million or 948.94%, to RM29.79 million for FYE 2023 (FYE 2022: RM2.84 million); and
- (iv) IT-related expenses increased by RM7.06 million or 88.14%, to RM15.07 million for FYE 2023 (FYE 2022: RM8.01 million).

Our GP increased by RM9.10 million or 57.56%, to RM24.91 million for FYE 2023 (FYE 2022: RM15.81 million). This was contributed by the higher GP recorded for the oilfield service solutions segment, talent solutions segment, and the digital solutions segment as explained below.

12. FINANCIAL INFORMATION (Cont'd)

Our overall GP margin decreased to 14.34% for FYE 2023 (FYE 2022: 16.22%). This was mainly contributed by the lower GP margin for the oilfield service solutions segment, digital solutions segment, and robotics and engineering solutions segment as explained below.

Oilfield service solutions segment

Our cost of sales for the oilfield service solutions segment increased by RM48.17 million or 94.05%, to RM99.39 million for FYE 2023 (FYE 2022: RM51.22 million), which was in tandem with the increase in revenue for this segment.

Our GP for the oilfield service solutions segment increased by RM7.34 million or 61.89%, to RM19.20 million for FYE 2023 (FYE 2022: RM11.86 million), resulting from the higher GP recorded from the wells services segment, mainly contributed by the increased delivery of wells operation management services and supply of equipment for wells services, and production optimisation segment which was mainly contributed by the supply of ESP equipment. The GP margin for the oilfield service solutions segment decreased to 16.19% for FYE 2023 (FYE 2022: 18.81%), mainly due to the following:

- (i) lower GP margin recorded for the subsurface services, mainly due to the higher consultant-related expenses incurred for a project in FYE 2023 which require consultants with specific experience and expertise for the delivery of the said project; and
- (ii) lower GP margin recorded for the production optimisation services, mainly contributed by the completion of the one-off delivery and commissioning of the oil purification system on an offshore platform during FYE 2022 which yielded a higher margin.

The above decreases in GP margin were narrowed by the higher GP margin from the supply of ESP equipment in FYE 2023 which yielded a GP margin of 17.67%.

Talent solutions segment

Our cost of sales for the talent solutions segment increased by RM6.84 million or 33.79%, to RM27.08 million for FYE 2023 (FYE 2022: RM20.24 million), which was in tandem with the increase in revenue for this segment.

Our GP for the talent solutions segment increased by RM0.79 million or 53.02%, to RM2.28 million for FYE 2023 (FYE 2022: RM1.49 million). The GP margin for the talent solutions segment improved to 7.76% for FYE 2023 (FYE 2022: 6.84%). This was mainly due to the increased payroll management services provided to one of our major customers during FYE 2023 where our group fulfilled additional requirements by screening and engaging additional talents with better costing to deliver project services for the customer, which yielded higher margin.

Digital solutions segment

Our cost of sales for the digital solutions segment increased by RM9.50 million or 97.64%, to RM19.23 million for FYE 2023 (FYE 2022: RM9.73 million), which was in tandem with the increase in revenue for this segment.

Our GP for the digital solutions segment increased by RM0.94 million or 43.93%, to RM3.08 million for FYE 2023 (FYE 2022: RM2.14 million). The GP margin for the digital solutions segment decreased to 13.79% for FYE 2023 (FYE 2022: 18.03%). This was primarily due to purchase of IT hardware and equipment as well as procurement of Microsoft software licenses to customers which yielded a lower margin. For information, the said Microsoft software licenses are for a subscription of 3 years.

12. FINANCIAL INFORMATION (Cont'd)**Robotics and engineering solutions segment**

Our cost of sales for the robotics and engineering solutions segment increased by RM2.62 million or 557.45%, to RM3.09 million for FYE 2023 (FYE 2022: RM0.47 million), which was in tandem with the increase in revenue for this segment.

Our GP for the robotics and engineering solutions segment increased by RM0.04 million or 12.50%, to RM0.36 million for FYE 2023 (FYE 2022: RM0.32 million). The GP margin for the robotics and engineering solutions segment decreased to 10.43% for FYE 2023 (FYE 2022: 40.18%). This was primarily due to a new operational support project secured during FYE 2023 which required us to incur upfront costs as part of operation readiness, such as insurance expenses and the necessary training certifications for the consultants engaged in the said project which in turn reduced our margin in the said project. Additionally, the high GP margin for FYE 2022 was primarily due to one project for the robotics inspection services as it involved the use of specialised equipment of which our Group was a partner at the material point in time to market selected robotics products.

Comparison between FYE 2023 and FYE 2024

Our cost of sales increased by RM48.86 million or 32.84%, to RM197.64 million for FYE 2024 (FYE 2023: RM148.78 million), mainly due to the increase in the following, which was in tandem with the increase in revenue:

- (i) consultant-related expenses increased by RM56.13 million or 73.77%, to RM132.22 million for FYE 2024 (FYE 2023: RM76.09 million);
- (ii) principal-related expenses increased by RM7.73 million or 28.03%, to RM35.31 million for FYE 2024 (FYE 2023: RM27.58 million); and
- (iii) IT-related expenses increased by RM13.23 million or 87.79%, to RM28.30 million for FYE 2024 (FYE 2023: RM15.07 million).

The above-mentioned increases were partially offset by the decrease in equipment expenses of RM28.78 million or 96.61%, to RM1.01 million for FYE 2024 (FYE 2023: RM29.79 million). Such a decrease was primarily attributable to the production optimisation services for the supply of ESP equipment to one of our major customers which was substantially completed in FYE 2023.

Our GP increased by RM0.33 million or 1.32%, to RM25.24 million for FYE 2024 (FYE 2023: RM24.91 million). This was contributed by the higher GP recorded for the talent solutions segment, digital solutions segment, and robotics and engineering solutions segment, partially offset by the lower GP recorded for the oilfield service solutions segment.

Our overall GP margin decreased to 11.32% for FYE 2024 (FYE 2023: 14.34%). This was mainly contributed by the lower GP margin for the oilfield service solutions segment, talent solutions segment, and partially offset by the higher GP margin recorded for the digital solutions segment and the robotics and engineering solutions segment.

Oilfield service solutions segment

Our cost of sales for the oilfield service solutions segment decreased by RM6.94 million or 6.98%, to RM92.45 million for FYE 2024 (FYE 2023: RM99.39 million), which was in tandem with the decrease in revenue for this segment.

12. FINANCIAL INFORMATION (Cont'd)

Our GP for the oilfield service solutions segment decreased by RM6.08 million or 31.67%, to RM13.12 million for FYE 2024 (FYE 2023: RM19.20 million), resulting from the lower GP recorded from the production optimisation segment, primarily attributable to the lower revenue recorded from production optimisation services as well as supply of jet pump and ESP equipment which was substantially completed in FYE 2023. The GP margin for the oilfield service solutions segment decreased to 12.43% for FYE 2024 (FYE 2023: 16.19%). This was mainly due to the supply of jet pump and ESP equipment to two of our major customers in FYE 2023, which yielded a higher margin and was substantially completed in FYE 2023.

Talent solutions segment

Our cost of sales for the talent solutions segment increased by RM31.51 million or 116.36%, to RM58.59 million for FYE 2024 (FYE 2023: RM27.08 million), which was in tandem with the increase in revenue for this segment.

Our GP for the talent solutions segment increased by RM1.45 million or 63.60%, to RM3.73 million for FYE 2024 (FYE 2023: RM2.28 million). The GP margin for the talent solutions segment decreased to 5.98% for FYE 2024 (FYE 2023: 7.76%), mainly due to higher revenue generated from payroll management services from 4 projects which yielded lower margin as our Group quoted a competitive rate in order to secure the new customers.

Digital solutions segment

Our cost of sales for the digital solutions segment increased by RM21.24 million or 110.45%, to RM40.47 million for FYE 2024 (FYE 2023: RM19.23 million), which was in tandem with the increase in revenue for this segment.

Our GP for the digital solutions segment increased by RM3.69 million or 119.81%, to RM6.77 million for FYE 2024 (FYE 2023: RM3.08 million). The GP margin for the digital solutions segment remained relatively consistent at 14.34% for FYE 2024 (FYE 2023: 13.79%). Despite the relatively consistent GP margin for FYE 2023 and FYE 2024, our GP margin for FYE 2024 remained lower compared to FYE 2022 as there were certain leasing contracts for the IT hardware of which the margin is relatively low due to the sizeable contract value.

Robotics and engineering solutions segment

Our cost of sales for the robotics and engineering solutions segment increased by RM3.04 million or 98.38%, to RM6.13 million for FYE 2024 (FYE 2023: RM3.09 million), which was in tandem with the increase in revenue for this segment.

Our GP for the robotics and engineering solutions segment increased by RM1.26 million or 350.00%, RM1.62 million for FYE 2024 (FYE 2023: RM0.36 million). The GP margin for the robotics and engineering solutions segment increased to 20.88% for FYE 2024 (FYE 2023: 10.43%). The lower GP margin in FYE 2023 was primarily due the new operational support project secured in FYE 2023 which required us to incur upfront costs as part of operation readiness, such as insurance expenses and the necessary training certifications for the consultants engaged in the said project.

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12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2024 and FYE 2025**

Our cost of sales increased by RM37.13 million or 18.79%, to RM234.77 million for FYE 2025 (FYE 2024: RM197.64 million), mainly due to the increase in the following expenses which was in tandem with the increase in revenue recorded for talent solutions and robotics and engineering solutions segments:

- (i) consultant-related expenses of RM41.63 million or 31.49%, to RM173.85 million for FYE 2025 (FYE 2024: RM132.22 million); and
- (ii) subcontracted services costs of RM12.20 million or 1,525.00% to RM13.00 million for FYE 2025 (FYE 2024: RM0.80 million).

The above-mentioned increases were partially offset by the decrease in principal-related expenses by RM16.06 million or 45.48%, to RM19.25 million for FYE 2025 (FYE 2024: RM35.31 million) as well as decrease in IT-related expenses by RM2.35 million or 8.30%, to RM25.95 million for FYE 2025 (FYE 2024: RM28.30 million), which was in tandem with the decreased revenue for oilfield service solutions and digital solutions segments.

Our GP increased by RM4.65 million or 18.42%, to RM29.89 million for FYE 2025 (FYE 2024: RM25.24 million). This was contributed by higher GP recorded in the oilfield service solutions segment, talent solutions segment and robotics and engineering solutions segment, partially offset by the lower GP recorded for the digital solutions segment.

Our overall GP margin decreased to 11.29% for FYE 2025 (FYE 2024: 11.32%). This was mainly contributed by the lower GP margins in the talent solutions and digital solutions segments, partially offset by the higher GP margin recorded for the oilfield service solutions segment and the robotics and engineering solutions segment.

Oilfield service solutions segment

Our cost of sales for the oilfield service solutions segment decreased by RM2.58 million or 2.79%, to RM89.87 million for FYE 2025 (FYE 2024: RM92.45 million), which was in tandem with the decrease in revenue for this segment.

Our GP for the oilfield service solutions segment increased by RM1.48 million or 11.28%, to RM14.60 million for FYE 2025 (FYE 2024: RM13.12 million), resulting from the higher GP recorded from the subsurface services, which was driven by higher revenue recorded from these services.

The GP margin for the oilfield service solutions segment increased to 13.98% for FYE 2025 (FYE 2024: 12.43%) was mainly due to two new projects secured in FYE 2025 with a higher margin, one of which involve the special study of oil field development as our Group was able to complete in a shorter timeframe has led to cost savings while another project which involve the provision of offshore safety coaching services which the costs incurred are fixed in nature. In addition, there is also a project secured in FYE 2024 which we managed to deliver more data to our customer with minimal additional manpower cost incurred has also contributed to a higher GP margin for this segment in FYE 2025.

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12. FINANCIAL INFORMATION (Cont'd)**Talent solutions segment**

Our cost of sales for the talent solutions segment increased by RM30.60 million or 52.23%, to RM89.19 million for FYE 2025 (FYE 2024: RM58.59 million), which was in tandem with the increase in revenue for this segment. Our GP for the talent solutions segment increased by RM1.57 million or 42.09%, to RM5.30 million for FYE 2025 (FYE 2024: RM3.73 million). The GP margin for the talent solutions segment of 5.60% for FYE 2025 remains relatively consistent as compared to GP margin of 5.98% for FYE 2024.

Digital solutions segment

Our cost of sales for the digital solutions segment decreased by RM4.76 million or 11.76%, to RM35.71 million for FYE 2025 (FYE 2024: RM40.47 million), which was in tandem with the decrease in revenue for this segment.

Our GP for the digital solutions segment decreased by RM2.76 million or 40.77%, to RM4.01 million for FYE 2025 (FYE 2024: RM6.77 million) which is in tandem with the decrease in revenue for this segment. The GP margin for the digital solutions segment decreased to 10.10% for FYE 2025 (FYE 2024: 14.34%), primarily attributable to projects recorded a lower GP margin, one of which is in relation to the provision of software and associated development services while another one is in relation to the provision of software subscription as there was setup services involved for FYE 2024 that generate a higher margin. Additionally, there was a project with a higher margin that completed in FYE 2024 as the said project is complex in nature which involved the customisation of software development.

Robotics and engineering solutions segment

Our cost of sales for the robotics and engineering solutions segment increased by RM13.87 million or 226.26%, to RM20.00 million for FYE 2025 (FYE 2024: RM6.13 million), which was in tandem with the increase in revenue for this segment.

Our GP for the robotics and engineering solutions segment increased by RM4.36 million or 269.14%, RM5.98 million for FYE 2025 (FYE 2024: RM1.62 million). The GP margin for the robotics and engineering solutions segment increased to 23.04% for FYE 2025 (FYE 2024: 20.88%). The higher GP margin in FYE 2025 was primarily due to projects secured during FYE 2025 for the provision of equipment and services for the subsea pipeline inspection which yielded a higher margin. Our Group managed to secure the same nature of projects with a higher margin resulting from the success of the first project that involved the deployment of our robotics products, i.e. Xplorer.

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12. FINANCIAL INFORMATION (Cont'd)**(iii) Other income**

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Realised gain on foreign exchange	205	67.43	288	45.14	448	48.64	-	-
Interest income ⁽¹⁾	56	18.42	194	30.41	151	16.39	232	62.87
Government grant ⁽²⁾	19	6.25	-	-	-	-	-	-
Rental income	23	7.57	19	2.98	21	2.28	42	11.38
Gain on disposal of equipment	-	-	111	17.40	189	20.52	-	-
Gain on derecognition of right-of-use assets	-	-	4	0.63	4	0.43	10	2.71
Bad debts recovered	-	-	-	-	87	9.45	-	-
Compensation for staff buyout	-	-	17	2.66	8	0.87	-	-
Sponsorship income ⁽³⁾	-	-	-	-	-	-	42	11.38
Insurance compensation received ⁽⁴⁾	-	-	-	-	-	-	35	9.49
Others ⁽⁵⁾	1	0.33	5	0.78	13	1.42	8	2.17
	304	100.00	638	100.00	921	100.00	369	100.00

Notes:

- (1) Comprises mainly interests received from fixed deposits, unit trusts, and short-term money market fund placements.
- (2) Comprises the government wages subsidy as the temporary financial assistance provided by the Government during the COVID-19. The grant was only applicable for FYE 2022.
- (3) Comprises the sponsorship from our principals for the participation in an exhibition that exhibits some of the solutions by our principals.
- (4) Pertaining to the insurance compensation for the one unit of damage drone due to collision with birds.
- (5) Comprises mainly incentives from bank for payroll processing and incentive from suppliers.

Comparison between FYE 2022 and FYE 2023

Our other income increased by RM0.34 million or 113.33%, to RM0.64 million for FYE 2023 (FYE 2022: RM0.30 million), mainly due to the following:

- (a) interest income increased to RM0.19 million for FYE 2023 (FYE 2022: RM0.06 million), mainly due to higher placement of funds with financial institutions;
- (b) recognition of gain on disposal of assets of RM0.11 million for FYE 2023 (FYE 2022: RM Nil) due to disposal of a motor vehicle; and

12. FINANCIAL INFORMATION (Cont'd)

- (c) realised gain on foreign exchange increased to RM0.29 million for FYE 2023 (FYE 2022: RM0.21 million), arising from our USD-denominated sales which were impacted by the strengthening of USD against RM.

Comparison between FYE 2023 and FYE 2024

Our other income increased by RM0.28 million or 43.75%, to RM0.92 million for FYE 2024 (FYE 2023: RM0.64 million). This was mainly due to the realised gain on exchange which increased to RM0.45 million for FYE 2024 (FYE 2023: RM0.29 million), arising from our USD-denominated sales which were impacted by the strengthening of USD against RM. Additionally, the increase in gain on disposal of equipment by RM0.08 million in FYE 2024 was mainly attributable to disposal of 2 units of motor vehicle in FYE 2024 as compared to 1 unit of motor vehicle in FYE 2023.

Comparison between FYE 2024 and FYE 2025

Our other income decreased by RM0.55 million or 59.78%, to RM0.37 million for FYE 2025 (FYE 2024: RM0.92 million). This was mainly due to the absence of realised gain on foreign exchange, gain on disposal of equipment and bad debts recovered recorded in FYE 2024.

(iv) Administrative and other operating expenses

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Staff-related costs	4,831	66.37	6,167	62.05	7,702	65.55	8,897	67.25
Directors' remuneration	583	8.01	676	6.80	690	5.87	953	7.20
Depreciation expenses	711	9.77	776	7.81	1,259	10.71	1,033	7.81
Professional fees	345	4.74	819	8.24	976	8.31	965	7.29
Travelling expenses	107	1.47	121	1.22	97	0.83	58	0.44
Bank charges	279	3.83	266	2.68	285	2.43	113	0.85
Bad debts written off	-	-	282	2.84	57	0.48	346	2.62
Loss on foreign exchange:								
- unrealised	-	-	325	3.27	4	0.03	-	-
- realised	-	-	-	-	-	-	307	2.32
Others ⁽¹⁾	423	5.81	506	5.09	680	5.79	558	4.22
	7,279	100.00	9,938	100.00	11,750	100.00	13,230	100.00

Note:

- (1) Comprises mainly rental expenses, office expenses, utilities, printing and stationery, entertainment expenses, expenses incurred for events and exhibitions, write-off of assets.

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12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2022 and FYE 2023**

Our administrative and other operating expenses increased by RM2.66 million or 36.54%, to RM9.94 million for FYE 2023 (FYE 2022: RM7.28 million), mainly due to:

- (a) staff-related costs increased to RM6.17 million for FYE 2023 (FYE 2022: RM4.83 million), mainly due to higher bonuses paid and salary adjustments during FYE 2023;
- (b) professional fees increased to RM0.82 million for FYE 2023 (FYE 2022: RM0.35 million), mainly due to expenses incurred for a previous corporate exercise and our IPO;
- (c) unrealised loss on foreign exchange of RM0.33 million for FYE 2023 (FYE 2022: RM Nil), arising from our USD-denominated trade payables which were impacted by the strengthening of USD against RM; and
- (d) bad debts written off of RM0.28 million for FYE 2023 (FYE 2022: RM Nil), due to uncollectible debts which resulted from long outstanding receivables and winding up of businesses.

Comparison between FYE 2023 and FYE 2024

Our administrative and other operating expenses increased by RM1.81 million or 18.21%, to RM11.75 million for FYE 2024 (FYE 2023: RM9.94 million). This was mainly due to the increase in staff-related costs to RM7.70 million for FYE 2024 (FYE 2023: RM6.17 million), driven by annual salary increments for our existing staff, as well as higher salaries resulting from the increased number of senior personnel in FYE 2024. Additionally, depreciation expenses also increased to RM1.26 million in FYE 2024 (FYE 2023: RM0.78 million), mainly due to the higher depreciation of right-of-use assets arising from the rental of warehouse and our office headquarters during FYE 2024.

Comparison between FYE 2024 and FYE 2025

Our administrative and other operating expenses increased by RM1.48 million or 12.60%, to RM13.23 million for FYE 2025 (FYE 2024: RM11.75 million), mainly due to:

- (a) staff-related costs increased to RM9.23 million for FYE 2025 (FYE 2024: RM7.70 million), mainly due to the increase in our monthly average staff headcount to 87 staff as at FYE 2025 (FYE 2024: 79 staff), coupled with the hiring of more senior personnel in the last quarter of FYE 2024;
- (b) realised loss on foreign exchange of RM0.31 million for FYE 2025 (FYE 2024: RM Nil), arising from our USD-denominated sales which were impacted by the strengthening of RM against USD; and
- (c) bad debts written off of RM0.35 million for FYE 2025 (FYE 2024: RM0.06 million), due to uncollectible debts which resulted from long outstanding receivables and winding up of businesses.

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12. FINANCIAL INFORMATION (Cont'd)**(v) Net impairment gain on financial assets**

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Trade receivables:								
- Reversal of individual impairment	8	100.00	-	-	-	-	-	-
Net impairment gain on financial assets	8	100.00	-	-	-	-	-	-

Comparison between FYE 2022 and FYE 2023

In FYE 2022, we recorded a net impairment gain on financial assets due to the partial recovery of the amount impaired from a debtor in FYE 2021.

During FYE 2023, there were no impairment losses on financial assets.

Comparison between FYE 2023 and FYE 2024

During FYE 2024, there were no impairment losses on financial assets.

Comparison between FYE 2024 and FYE 2025

During FYE 2025, there were no impairment losses on financial assets.

(vi) Finance costs

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Term loans	171	35.93	143	20.94	112	25.51	83	15.90
Bankers' acceptances	236	49.58	455	66.62	212	48.29	380	72.80
Hire purchase	29	6.09	53	7.76	28	6.38	15	2.87
Lease liabilities	40	8.40	32	4.68	87	19.82	44	8.43
	476	100.00	683	100.00	439	100.00	522	100.00

Comparison between FYE 2022 and FYE 2023

Our finance costs increased by RM0.20 million or 41.67%, to RM0.68 million for FYE 2023 (FYE 2022: RM0.48 million). This was mainly attributable to the increase in interest expenses on bankers' acceptances to RM0.46 million for FYE 2023 (FYE 2022: RM0.24 million) due to higher settlement of bankers' acceptances during FYE 2023.

Comparison between FYE 2023 and FYE 2024

Our finance costs decreased by RM0.24 million or 35.29%, to RM0.44 million in FYE 2024 (FYE 2023: RM0.68 million). This was mainly due to the decrease in interest expenses on bankers' acceptances to RM0.21 million in FYE 2024 (FYE 2023: RM0.46 million), due to lower settlement of bankers' acceptances during FYE 2024.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2024 and FYE 2025**

Our finance costs increased by RM0.08 million or 18.18%, to RM0.52 million for FYE 2025 (FYE 2024: RM0.44 million). This was mainly attributable to the increase in interest expenses on bankers' acceptances to RM0.38 million for FYE 2025 (FYE 2024: RM0.21 million) due to higher settlement of bankers' acceptances during FYE 2025.

(vii) PBT and PBT margin

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
PBT (RM'000)	8,362	14,926	13,969	16,502
PBT margin (%)	8.58	8.59	6.27	6.24

Comparison between FYE 2022 and FYE 2023

Our PBT increased to RM14.93 million for FYE 2023 (FYE 2022: RM8.36 million), mainly due to the higher GP as explained in Section 12.2.2 (ii) of this Prospectus. Our PBT margin increased marginally to 8.59% for FYE 2023 (FYE 2022: 8.58%), despite the lower GP margin recorded for FYE 2023. This was primarily due to the higher other income recorded as explained in Section 12.2.2 (iii) of this Prospectus, as well as the administrative expenses that increased at a lower rate during FYE 2023 as explained in Section 12.2.2 (iv) of this Prospectus.

Comparison between FYE 2023 and FYE 2024

Our PBT decreased to RM13.97 million for FYE 2024 (FYE 2023: RM14.93 million) despite the marginal increase in our GP in FYE 2024. This was mainly due to the increase in administrative expenses in FYE 2024 as explained in Section 12.2.2 (iv) of the Prospectus. Our PBT margin also decreased to 6.27% for FYE 2024 (FYE 2023: 8.59%), mainly due to the lower GP margin as explained in Section 12.2.2 (ii) of this Prospectus.

Comparison between FYE 2024 and FYE 2025

Our PBT increased to RM16.50 million for FYE 2025 (FYE 2024: RM13.97 million), mainly attribute to the higher GP in FYE 2025. Our PBT margin decreased to 6.24% for FYE 2025 (FYE 2024: 6.27%), mainly due to the lower GP margin as explained in Section 12.2.2 (ii) of this Prospectus, coupled with the lower other income recorded in FYE 2025 as explained above in Section 12.2.2 (iii) of this Prospectus.

(viii) Income tax expenses

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Income tax expenses	3,003	3,405	3,466	5,743
Effective tax rate (%)	35.91	22.81	24.81	34.80
Statutory tax rate (%)	24.00	24.00	24.00	24.00

Comparison between FYE 2022 and FYE 2023

Our tax expenses increased by RM0.41 million or 13.67%, to RM3.41 million for FYE 2023 (FYE 2022: RM3.00 million) mainly due to higher PBT recorded for FYE 2023. Our effective tax rate of 22.81% for FYE 2023 did not deviate significantly from the statutory tax rate of 24.00%.

12. FINANCIAL INFORMATION (Cont'd)

In contrast, our effective tax rate of 35.91% in FYE 2022 was higher than the statutory tax rate of 24.00%, mainly attributable to the recognition of deferred revenue amounting to RM3.88 million arising from a software subscription project of which payment has been received in advance and is taxable.

Comparison between FYE 2023 and FYE 2024

Our tax expenses for FYE 2024 were relatively consistent at RM3.47 million (FYE 2023: RM3.41 million) and our effective tax rate of 24.81% for FYE 2024 did not deviate significantly from the statutory tax rate of 24.00%.

Comparison between FYE 2024 and FYE 2025

Our tax expenses increased by RM2.27 million or 65.42%, to RM5.74 million for FYE 2025 (FYE 2024: RM3.47 million) mainly due to higher PBT recorded for FYE 2025. Our effective tax rate of 34.96% for FYE 2025 was higher than the statutory tax rate of 24.00% and the effective tax rate of 24.81% for FYE 2024, primarily attributable to the underprovision of current year tax for FYE 2024. The said underprovision was mainly resulted from the consideration received for work to be performed at a later stage, which shall be taxed on receipt basis (i.e. cash basis) as well as legal and professional fees associated with banking facilities which are non-deductible for tax purposes.

12.2.3 Review of cash flows

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Net cash from operating activities	842	14,859	9,832	3,201
Net cash for investing activities	(489)	(260)	(5,182)	(2,457)
Net cash from/(for) financing activities	7,212	(8,420)	(1,238)	(10,312)
Net increase in cash and cash equivalents	7,565	6,179	3,412	(9,568)
Cash and cash equivalents at the beginning of the financial year	4,248	11,813	17,992	21,404
Cash and cash equivalents at the end of the financial year	11,813	17,992	21,404	11,836

FYE 2022**Net cash from operating activities**

For FYE 2022, our Group recorded a net operating cash inflow of RM0.84 million. We collected RM87.41 million from customers, which were partially offset by payments of RM86.57 million for the following:

- (i) RM76.84 million paid to our trade suppliers;
- (ii) RM6.18 million paid for our other operating expenses and staff salaries;
- (iii) interest paid of RM0.48 million; and
- (iv) income tax paid of RM3.07 million.

Net cash for investing activities

For FYE 2022, our Group recorded a net cash outflow of RM0.49 million for investing activities, mainly due to the increase in term deposits pledged as security amounting to RM0.36 million and purchase of plant and equipment amounting to RM0.18 million.

12. FINANCIAL INFORMATION (Cont'd)**Net cash from financing activities**

For FYE 2022, our Group recorded a net cash inflow of RM7.22 million from financing activities, mainly due to the net effects of the following:

- (i) increase in short-term loans and borrowings of RM8.80 million, mainly comprising bankers' acceptances for invoice and project financing;
- (ii) repayment of RM1.45 million to directors;
- (iii) proceeds of RM0.80 million from the issuance of share capital;
- (iv) repayment of hire purchases amounting of RM0.38 million;
- (v) repayment of term loans amounting to RM0.31 million; and
- (vi) repayment of lease liabilities amounting to RM0.25 million.

FYE 2023**Net cash from operating activities**

For FYE 2023, our Group recorded a net operating cash inflow of RM14.86 million. We collected RM169.22 million from customers, which were offset by payments of RM154.36 million for the following:

- (i) RM140.59 million paid to our trade suppliers;
- (ii) RM8.83 million paid for our other operating expenses and staff salaries;
- (iii) interest paid of RM0.68 million; and
- (iv) income tax paid of RM4.26 million.

Net cash for investing activities

For FYE 2023, our Group recorded a net cash outflow of RM0.26 million for investing activities, mainly due to the increase in term deposits pledged as security amounting to RM0.67 million. This was partially offset by the proceeds received from the disposal of equipment amounting to RM0.30 million and interest received of RM0.19 million.

Net cash for financing activities

For FYE 2023, our Group recorded a net cash outflow of RM8.42 million for financing activities, mainly due to the following cash outflows:

- (i) decrease in short-term loans and borrowings of RM7.47 million, mainly due to repayment of bankers' acceptances;
- (ii) repayment of term loans amounting to RM0.44 million;
- (iii) repayment of lease liabilities amounting to RM0.34 million; and
- (iv) repayment of hire purchases amounting to RM0.18 million.

12. FINANCIAL INFORMATION (Cont'd)**FYE 2024****Net cash from operating activities**

For FYE 2024, our Group recorded a net operating cash inflow of RM9.83 million. We collected RM219.78 million from customers, which were offset by payments of RM209.95 million for the following:

- (i) RM191.92 million paid to our trade suppliers;
- (ii) RM13.42 million paid for our other operating expenses and staff salaries;
- (iii) interest paid of RM0.67 million; and
- (iv) income tax paid of RM3.94 million.

Net cash for investing activities

For FYE 2024, our Group recorded a net cash outflow of RM5.18 million for investing activities, mainly due to the increase in term deposits pledged as security amounting to RM3.29 million and the purchase of plant and equipment amounting to RM2.60 million. This was partially offset by the interest received of RM0.46 million and proceeds received from the disposal of equipment amounting to RM0.19 million.

Net cash for financing activities

For FYE 2024, our Group recorded a net cash outflow of RM1.24 million for financing activities, mainly due to the net effects of the following:

- (i) increase in short-term loans and borrowings of RM4.20 million, mainly comprising bankers' acceptances for invoice and project financing;
- (ii) repayment of lease liabilities amounting to RM3.78 million;
- (iii) dividends paid of RM1.00 million;
- (iv) repayment of term loans amounting to RM0.46 million; and
- (v) repayment of hire purchases amounting to RM0.19 million.

FYE 2025**Net cash from operating activities**

For FYE 2025, our Group recorded a net operating cash inflow of RM3.20 million. We collected RM259.00 million from customers, which were offset by payments of RM255.80 million for the following:

- (i) RM237.02 million paid to our trade suppliers;
- (ii) RM12.90 million paid for our other operating expenses and staff salaries;
- (iii) interest paid of RM0.87 million; and
- (iv) income tax paid of RM5.01 million.

12. FINANCIAL INFORMATION (Cont'd)**Net cash for investing activities**

For FYE 2025, our Group recorded a net cash outflow of RM2.46 million for investing activities, mainly attributable to the decrease in term deposits pledged as security amounting to RM2.03 million, the purchase of plant and equipment amounting to RM1.04 million and the investments in associates amounting to RM0.98 million. This was partially offset by interest received of RM0.71 million.

Net cash for financing activities

For FYE 2025, our Group recorded a net cash outflow of RM10.31 million for financing activities, mainly due to the net effects of the following:

- (i) decrease in short-term loans and borrowings of RM5.08 million, mainly comprising bankers' acceptances for invoice and project financing;
- (ii) repayment of lease liabilities amounting to RM3.97 million;
- (iii) repayment of term loans amounting to RM0.69 million; and
- (iv) settlement of hire purchases amounting to RM0.57 million.

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, credit facilities extended by financial institutions, as well as cash and bank balances. Our credit facilities from financial institutions comprise term loans, bankers' acceptances and lease liabilities.

The decision to utilise either internally generated funds or borrowings for our business operations depends on, amongst others, our cash and bank balances, expected cash inflows, future working capital requirements, future capital expenditure requirements and interest rates on borrowings. We carefully consider our cash position and ability to obtain further financing before making significant capital commitments.

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 RM9.96 million (excluding RM6.81 million fixed deposits pledged with financial institution) as at LPD;
- (ii) Our expected future cash flows from operations;
- (iii) Our total banking facilities limit as at LPD of RM64.69 million (excluding hire purchase), of which RM22.80 million have been utilised; and
- (iv) Our pro forma gearing level of 0.07 times, computed based on our pro forma statements of financial position as at 31 December 2025 after the subsequent events, IPO 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 relationship with our customers.

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 RM6.29 million) as at 31 December 2025 stood at RM4.66 million, details of which are set out below:

	<u>Purpose</u>	<u>Security</u>	<u>Tenure of the facility</u>	<u>Effective interest rate</u> %	<u>As at 31 December 2025</u> RM'000
Current:					
Bankers' acceptances	For invoice and project financing	Term deposits with licensed banks	1 to 3 months	4.35	3,367
Term loans	For working capital purposes	Government guarantee provided by Syarikat Jaminan Pembiayaan Perniagaan Berhad ("SJPP"), and legal charge over our investment properties	5 to 20 years	4.70	56
					3,423
Non-current:					
Term loans	To finance the purchase of properties and for working capital purposes	Government guarantee provided by SJPP, and legal charge over our investment properties	5 to 20 years	4.70	1,238
					1,238
Total borrowings					4,661
Gearing (times)					
After subsequent events but before IPO and utilisation of proceeds ⁽¹⁾					0.10
After subsequent events and utilisation of proceeds ⁽²⁾					0.07

Notes:

- (1) Computed based on our pro forma equity attributable to the owners of our Company of RM48.68 million in the pro forma statements of financial position after subsequent events, but before IPO and utilisation of proceeds.
- (2) Computed based on our pro forma equity attributable to the owners of our Company of RM71.01 million in the pro forma statements of financial position after the subsequent events, IPO and utilisation of proceeds.

12. FINANCIAL INFORMATION *(Cont'd)*

Separately, we have also recognised the following lease liabilities on the right-of-use assets, which are denominated in RM:

	Purpose	Tenure	As at 31 December 2025 RM'000
Lease liabilities payable within 1 year	Rental of company office, warehouse, and leasing of IT equipment	2 years	4,168
Lease liabilities payable after 1 year	Rental of company office, warehouse, and leasing of IT equipment	2 years	2,125
			6,293

As at LPD, we do not have any borrowings which are non-interest bearing and/or in foreign currency.

We have not defaulted on payments of principal sums and/or interests in respect of any of our borrowings throughout the Financial Years Under Review and up to LPD.

As at LPD, our Group is not in breach of any terms and conditions or covenants associated with the credit arrangement or bank loan, which can materially affect our financial position and results or business operations or the investments by holders of our securities. During the Financial Years Under Review, we did not experience any clawback or reduction in the facilities limit granted to us by our lenders.

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12. FINANCIAL INFORMATION (Cont'd)**12.5 Types of Financial Instruments Used, Treasury Policies and Objectives**

As at 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.

Save for our hire purchase 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.

12.6 Material Capital Commitments

Save as disclosed below, we do not have any other material capital commitments as at LPD.

	As at the LPD
	RM'000
Approved but not contracted for:	
- Procurement of drones	1,400
Total	1,400

12.7 Material Litigation and Contingent Liabilities

Save as disclosed in Section 15.7 of this Prospectus, 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 LPD.

As at 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.

12.8 Key Financial Ratios

The key financial ratios of our Group for the Financial Years Under Review are as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Trade receivables turnover (days) ⁽¹⁾	43	34	35	33
Adjusted trade receivables turnover (days) ⁽²⁾	85	65	66	70
Trade payables turnover (days) ⁽³⁾	19	23	35	33
Current ratio (times) ⁽⁴⁾	1.50	1.96	1.66	2.04
Gearing ratio (times) ⁽⁵⁾	0.89	0.25	0.29	0.10

Notes:

- (1) Computed based on the average trade receivables as at year end over revenue for the respective years, multiplied by 365 days for FYE 2022, FYE 2023 and FYE 2025, and 366 days for FYE 2024.

12. FINANCIAL INFORMATION (Cont'd)

- (2) Computed based on the average trade receivables and contract assets as at year end over revenue for the respective years, multiplied by 365 days for FYE 2022, FYE 2023 and FYE 2025, and 366 days for FYE 2024.
- (3) Computed based on the average trade payables as at year end over total cost of sales for the respective years, multiplied by 365 days for FYE 2022, FYE 2023 and FYE 2025, and 366 days for FYE 2024.
- (4) Computed based on current assets over current liabilities as at the end of each financial year.
- (5) Computed based on total borrowings (excluding lease liabilities) over total equity as at the end of each financial year.

12.8.1 Trade receivables turnover

Our average trade receivables turnover (days) for the Financial Years Under Review is stated as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Opening trade receivables	10,609	12,437	19,651	22,647
Closing trade receivables	12,437	19,651	22,647	25,151
Average trade receivables	11,523	16,044	21,149	23,899
Revenue	97,464	173,688	222,876	264,664
Trade receivables turnover period (days)	43	34	35	33

The normal credit period granted by our Group with respect to our trade receivables is between 60 to 90 days from the date of our invoice. Our trade receivables turnover period for FYE 2022, 2023, 2024 and 2025 was 43, 34, 35 days and 33 days respectively, which were lower than the normal credit terms granted to our customers. This was mainly due to the revenue for work performed prior to the billing milestone being recorded as contract assets.

By including contract assets in the calculation, our adjusted average trade receivables turnover (days) for the Financial Years Under Review is as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Opening trade receivables	15,782	29,442	32,032	47,892
Closing trade receivables	29,442	32,032	47,892	53,048
Average trade receivables	22,612	30,737	39,962	50,470
Revenue	97,464	173,688	222,876	264,664
Adjusted trade receivables turnover period (days)	85	65	66	70

Our adjusted trade receivables turnover period for FYE 2022, 2023, 2024 and 2025 was 85, 65, 66 and 70 days respectively, which were within the normal credit terms granted to our customers.

Our Group established policies on credit control involving comprehensive credit evaluations, ensuring the sales are made to customers with good credit history, and regular review 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.

12. FINANCIAL INFORMATION (Cont'd)

The ageing analysis of our trade receivables as at 31 December 2025 is as follows:

	Trade receivables as at 31 December 2025		Collections from 1 January 2026 to LPD	Balance trade receivables as at LPD
	RM'000	Percentage of trade receivables (a)/total of (a)	RM'000	RM'000
	(a)	(a)/total of (a)	(b)	(c) = (a)-(b)
Neither past due nor impaired	22,835	90.79	19,846	2,989
Past due but not impaired:				
- less than 30 days	1,676	6.67	1,676	-
- 31 to 90 days	569	2.26	569	-
- over 90 days	71	0.28	24	47
	2,316	9.21	2,269	47
	25,151	100.00	22,115	3,036

As at 31 December 2025, our total trade receivables stood at RM25.15 million, of which 90.79% of the trade receivables are within the normal credit period. As at LPD, we have collected RM22.12 million or 87.93% of our total outstanding trade receivables as at 31 December 2025.

As at the LPD, we do not have any disputes in respect of our trade receivables.

12.8.2 Trade payables turnover

Our average trade payables turnover period (in days) for the Financial Years Under Review is as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Opening trade payables	190	8,402	10,239	27,153
Closing trade payables	8,402	10,239	27,153	15,435
Average trade payables	4,296	9,320	18,696	21,294
Total cost of sales	81,659	148,779	197,639	234,771
Trade payables turnover period (days)	19	23	35	33

Trade payables comprise amounts outstanding for trade purchases. The credit terms granted to our Group for trade purchases is between 0 to 60 days. Our trade payables turnover period for FYE 2022, 2023, 2024 and 2025 was 19 days, 23 days, 35 days and 33 days respectively, which were within the normal credit terms granted by our suppliers.

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12. FINANCIAL INFORMATION (Cont'd)

For information, trade payables for FYE 2024 and FYE 2025 primarily comprise the outstanding balances with our suppliers/principals and consultants. For FYE 2022 and FYE 2023, the payables to consultants were classified as other payables. If the payables to consultants for FYE 2022 and FYE 2023 being included for the computation, the adjusted trade payables turnover days for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 was 26 days, 30 days, 37 days and 33 days respectively, as illustrated below:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Opening trade payables including payables to consultants	423	11,344	13,318	27,153
Closing trade payables including payables to consultants	11,344	13,318	27,153	15,435
Average trade payables	5,884	12,331	20,236	21,294
Total cost of sales	81,659	148,779	197,639	234,771
Adjusted trade payables turnover period (days)	26	30	37	33

The adjusted trade payables turnover period were within the normal credit terms granted by our suppliers.

The ageing analysis of our trade payables as at 31 December 2025 is as follows:

	Trade payables as at 31 December 2025	Payment from 1 January 2026 to LPD	Balance trade payables as at LPD
	RM'000	RM'000	RM'000
	(a)	(b)	(c) = (a)-(b)
Within credit period	12,491	11,756	735
Exceeding credit period:			
- 1 to 30 days	1,454	1,454	-
- 31 to 60 days	348	348	-
- More than 60 days	1,142	1,141	1
	2,944	2,943	1
	15,435	14,699	736

As at 31 December 2025, our total trade payables stood at RM15.44 million, with RM2.94 million exceeding the normal credit period. As at LPD, RM14.70 million or 95.23% of our trade payables as at 31 December 2025 have been paid.

As at 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.

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12. FINANCIAL INFORMATION (Cont'd)**12.8.3 Current ratio**

Our current ratio throughout the Financial Years Under Review is as follows:

	Audited			
	As at 31 December			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Current assets	50,600	57,761	86,443	84,343
Current liabilities	33,794	29,535	52,004	41,398
Net current assets	16,806	28,226	34,439	42,945
Current ratio (times)	1.50	1.96	1.66	2.04

Our current ratio ranges from 1.50 times to 2.04 times for the Financial Years 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 cash and cash equivalents, are enough to meet immediate current liabilities.

12.8.4 Gearing ratio

Our gearing ratio throughout the Financial Years Under Review is as follows:

	Audited			
	As at 31 December			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Total loans and borrowings (excluding lease liabilities)	15,072	6,985	10,996	4,661
Total equity	16,900	28,422	37,925	48,684
Gearing ratio (times)	0.89	0.25	0.29	0.10

Our gearing ratio ranges from 0.10 times to 0.89 times throughout the Financial Years Under Review.

Our gearing ratio as at 31 December 2023 decreased to 0.25 times (as at 31 December 2022: 0.89 times), mainly due to repayments of borrowings coupled with the improved equity arising from the profit generated during FYE 2023.

Our gearing ratio as at 31 December 2024 increased to 0.29 times (as at 31 December 2023: 0.25 times), mainly due to the higher bankers' acceptances as at 31 December 2024 for invoice and project financing.

Our gearing ratio as at 31 December 2025 decreased to 0.10 times (as at 31 December 2024: 0.29 times) due to repayments of bankers' acceptances coupled with the improved equity arising from the profit generated during FYE 2025.

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12. FINANCIAL INFORMATION (Cont'd)**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 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.

12.10 Impact of Inflation

During the Financial Years 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		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Sales denominated in:								
(a) RM	91,803	94.19	129,436	74.52	192,111	86.20	238,493	90.11
(b) USD	5,661	5.81	44,252	25.48	30,765	13.80	26,171	9.89
	97,464	100.00	173,688	100.00	222,876	100.00	264,664	100.00
Purchases denominated in:								
(a) RM	67,194	82.29	128,348	86.27	165,566	83.77	205,312	87.45
(b) USD	14,465	17.71	20,431	13.73	32,073	16.23	26,488	11.28
(c) THB	-	-	-	-	-	-	2,971	1.27
	81,659	100.00	148,779	100.00	197,639	100.00	234,771	100.00

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.

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12. FINANCIAL INFORMATION (Cont'd)

For the Financial Years Under Review, our gains and losses from foreign exchange fluctuations are as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Realised gain/(loss) on foreign exchange	205	288	448	(307)
Unrealised loss on foreign exchange	-	(325)	(4)	-
Net gain/(loss)	205	(37)	444	(307)

We currently do not have a formal policy with respect to our foreign exchange transactions. Exposure on foreign exchange is monitored on an ongoing basis, and our Group endeavours to keep the net exposure at an acceptable level. Our Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

Our Group does not hedge our exposure to fluctuation in foreign currency exchange rates. As at LPD, we have not entered into any foreign exchange contracts. As such, we are subject to foreign exchange fluctuation risks for the 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 Under Review is as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
EBIT	8,782	15,415	13,943	16,318
Finance costs	476	683	439	522
Interest coverage ratio (times) ⁽¹⁾	18.45	22.57	31.76	31.26

Note:

- (1) Computed based on EBIT over finance costs for the Financial Years Under Review.

Our interest coverage ratios range from 18.45 times to 31.76 times from the Financial Years Under Review, indicating that our Group has been able to generate sufficient profits from operations to meet our interest-serving obligations.

(iii) Impact of commodity prices

As disclosed in Section 9.2.4 of this Prospectus, the closure of Strait of Hormuz may trigger volatility on oil and gas prices. However, as at the LPD, our Group has not encountered any material disruptions to our business operations or adverse impact to our financial performance due to the tensions in the Middle East and is not adversely 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 Under Review and up to the LPD as follows:

(i) Material investments

At costs					
	FYE 2022	FYE 2023	FYE 2024	FYE 2025	From 1 January 2026 and up to LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Investments					
<u>Classified under PPE</u>					
Computers and software	91	68	90	469	55
Furniture and fittings	9	12	88	7	-
Motor vehicles	183	-	604	-	-
Office equipment	11	3	28	9	-
Plant and machineries	23	-	1,746	551	243
Renovations	45	-	505	*	-
Total	362	83	3,061	1,036	298

* Less than RM500.

The above capital expenditures were made in Malaysia. They were primarily financed by combination of bank borrowings, hire purchase and internally generated funds.

The additions to the plant and machineries in FYE 2024 was primarily the purchase of IT equipment of hardware for data storage system amounting to RM1.50 million and 3 units of drones amounting to RM0.23 million.

(ii) Material divestitures

At carrying amount					
	FYE 2022	FYE 2023	FYE 2024	FYE 2025	From 1 January 2026 and up to LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Divestitures					
<u>Classified under PPE</u>					
Furniture and fittings	-	*	-	-	-
Motor vehicles	-	184	-	-	-
Office equipment	-	-	*	-	-
Total	-	184	*	-	-

* Less than RM500.

The above capital divestitures involve assets located in Malaysia and were carried out in the ordinary course of business as part of our review of our fixed asset register to identify and eliminate those assets which no longer in use or obsolete.

12. FINANCIAL INFORMATION (Cont'd)**12.13 Order Book**

As at the LPD, we have 140 on-going projects. Out of these, we act as sole-vendor for 109 projects with a total estimated remaining contract value⁽¹⁾ of RM416.39 million; of which our remaining firm order value⁽¹⁾ is RM202.94 million. The balance 31 projects are umbrella projects⁽²⁾ with a total estimated remaining contract value⁽¹⁾ of RM219.64 million; of which we have remaining firm order value⁽¹⁾ of RM62.51 million.

Notes:

- (1) *For information, total contract value refers to total awarded contract value and purchase order received whereas firm order value refers to the portion of contract whereby a purchase order has been received/ fixed contractual value has been confirmed.*

Estimated remaining contract value refers to the total estimated contract value less the billed contract amount. There is no guarantee that this remaining contract value will materialise.

Remaining firm order value refers to the unbilled purchase orders received and unbilled fixed contractual value, as part of the remaining contract value.

- (2) *Under the umbrella contracts that have been awarded to our Group, customers pre-qualify us to participate in requests for tender to provide specified services for jobs which our customers may issue during the contract duration period. We will then submit a tender for the job and compete with other pre-qualified service providers to secure the job. However, there is no guarantee that our customer will issue requests for tender under the umbrella contract during the contract duration period. Further, there is no guarantee that the tender that we submit will be successful against the other pre-qualified service providers. As such, our umbrella contracts do not provide assurance of future revenue and if no jobs are awarded during the contract period, we may lose the opportunity to monetise our umbrella contracts and boost our financial performance.*

Our umbrella contracts typically have a determined contract value which is either pre-determined at the point the umbrella contract is secured or increased as the contract progresses should the pre-determined contract value be fully utilised prior to the expiry of the contract period. Throughout the umbrella contract duration, customers will issue out tender requests among the umbrella contracts' contractors, we will thereafter keep track and update the remaining contract value.

Details of our Group's remaining firm order value as at LPD are as follows:

	Remaining firm order value as at LPD RM'000	Expected revenue recognition		
		FYE 2026 RM'000	FYE 2027 RM'000	FYE 2028 and beyond RM'000
Oilfield service solutions	74,826	57,064	11,732	6,030
Talent solutions	104,263	65,559	31,809	6,895
Digital solutions	38,738	23,431	12,205	3,102
Robotics and engineering solutions	47,619	27,838	15,494	4,287
	265,446	173,892	71,240	20,314

The order book above pertains to the secured purchase orders from our customers to be fulfilled.

12. FINANCIAL INFORMATION (Cont'd)

We have the balance of the remaining contract value after netting the remaining firm order value to be fulfilled of RM370.58 million, which comprising the following:-

- (i) 109 active fixed project contracts where our Group act as sole-vendor contracts with a remaining contract value after netting the remaining firm order value to be fulfilled of RM213.45 million. Revenue recognition for these contracts is contingent upon subsequent purchase orders issued by our customers. These purchase orders may vary slightly from the initial contract value due to factors such as customers' budget adjustments and changing demand. The variances between the purchase orders and contract value are typically minimal and do not materially impact the overall contract value; and
- (ii) 31 umbrella contracts with a remaining contract value after netting the remaining firm order value to be fulfilled of RM157.13 million. The securing of purchase orders under these contracts depends on our success tender for the job and compete with other pre-qualified service providers to secure the job. Therefore, there is no guarantee that we will consistently secure projects from these umbrella contracts, and as a result, future revenue from these contracts cannot be assured.

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 OGSE 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 7.2.4 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 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 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, save as disclosed in Sections 9 and 12 of this Prospectus; and
- (iv) 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.

12. FINANCIAL INFORMATION (Cont'd)

Our Board is optimistic about the future prospects of our Group given our competitive strengths as set out in Section 7.2.3 of this Prospectus, the outlook of the OGSE industry in Malaysia as set out in the IMR Report in Section 8 of this Prospectus, and our commitment to implement the business strategies and future plans as set out in Section 7.2.4 of this Prospectus.

12.16 Dividend Policy

Our Group presently does not have any formal dividend policy. The declaration of dividends and other distribution are subject to the discretion of our Board. Our Group's 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 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 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 LPD.

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

	FYE 2022	FYE 2023	FYE 2024	FYE 2025	1 January 2025 up to LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Dividends declared	-	-	1,000	-	-
Dividends paid	-	-	1,000	-	-

Save for the above, there were no further dividends declared and/or paid up to LPD. We do not intend to pay or declare any dividends subsequent to the LPD, and prior to our Listing. As at the LPD, there is no outstanding dividends declared and remain unpaid.

No influence 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. FINANCIAL INFORMATION (Cont'd)**12.17 Capitalisation and Indebtedness**

The table below summarises our capitalisation and indebtedness as at 31 March 2026 and after adjusting for the effects of Public Issue including the utilisation of proceeds.

	Unaudited	I	II
	As at 31 March 2026	After Proposed IPO	After I and Utilisation of Proceeds
	RM'000	RM'000	RM'000
Capitalisation			
Share capital	1,000	28,232	26,932
Retained profits	49,081	49,081	45,472
Total capitalisation	50,081	77,313	72,404
Indebtedness			
Non-current liabilities			
Loans and borrowings	1,222	1,222	1,222
Lease liabilities	1,583	1,583	1,583
	2,805	2,805	2,805
Current liabilities			
Loans and borrowings	3,686	3,686	3,686
Lease liabilities	3,764	3,764	3,764
	7,450	7,450	7,450
Total borrowings	10,255	10,255	10,255
Total indebtedness	10,255	10,255	10,255
Total capitalisation and indebtedness	60,336	87,568	82,659
Gearing ratio (times)⁽¹⁾	0.10	0.06	0.07

Note:

- (1) Calculated based on total loans and borrowings (excluding lease liabilities) over total equity attributable to owners of the Company.

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13. ACCOUNTANTS' REPORT

ELSA BERHAD

(Incorporated in Malaysia)

REPORTING ACCOUNTANTS' REPORT

13. ACCOUNTANTS' REPORT (Cont'd)



The Board of Directors
Elsa Berhad
 B-21-02, Menara G-Vestor
 Kompleks Pavilion Ampang
 200 Jalan Ampang
 50450 Kuala Lumpur

Crowe Malaysia PLT
 201906000005 (LLP0018817-LCA) & AF 1018
 Chartered Accountants
 Suite 50-3, Setia Avenue
 No. 2, Jalan Setia Prima S U13/S
 Setia Alam, Seksyen U13
 40170 Shah Alam
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 Malaysia
 Main +6 03 3343 0730
 +6 03 5040 0661
 Fax +6 03 3344 3036
 www.crowe.my

Dear Sirs/Madam

REPORTING ACCOUNTANTS' OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS CONTAINED IN THE ACCOUNTANTS' REPORT OF ELSA BERHAD

OPINION

We have audited the consolidated financial statements contained in the Accountants' Report of Elsa Berhad ("Elsa" or the "Company") and its subsidiaries (collectively known as the "Group"), which comprise the consolidated statements of financial position as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025, the consolidated statements of profit or loss and comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows of the Group for the financial years then ended ("FYE") 31 December 2022, 31 December 2023, 31 December 2024, 31 December 2025 and notes to the consolidated financial statements, including material accounting policy information, as set out from pages 4 to 57.

The historical financial statements has been prepared for inclusion in the prospectus of Elsa in connection with the listing of and quotation for the entire issued share capital of Elsa on the ACE Market of Bursa Malaysia Securities Berhad. This report is required by the *Prospectus Guidelines issued by the Securities Commission Malaysia* (the "Prospectus Guidelines") and is given for the purpose of complying with Chapter 10 of the Prospectus Guidelines and for no other purpose.

In our opinion, the consolidated financial statements contained in the Accountants' Report gives a true and fair view of the financial position of the Group as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025, and of its consolidated financial performance and consolidated cash flows for the FYE 31 December 2022, FYE 31 December 2023, FYE 31 December 2024, FYE 31 December 2025 in accordance with Malaysian Financial Reporting Standards ("MFRSs") and IFRS Accounting Standards ("IFRSs").

BASIS FOR OPINION

We conducted our audit in accordance with the 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 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.

Page 1

13. ACCOUNTANTS' REPORT (Cont'd)**DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The directors of the Company are responsible for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with MFRSs and IFRSs. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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 consolidated 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 report to the related disclosures in the consolidated financial statements 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 this report. However, future events or conditions may cause the Group to cease to continue as a going concern.

13. ACCOUNTANTS' REPORT (Cont'd)



REPORTING ACCOUNTANTS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

- Evaluate the overall presentation, structure and content of the consolidated financial statements of the Group, including the disclosures, and whether the 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 units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We 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.

RESTRICTION ON DISTRIBUTION AND USE

Our report has been prepared for inclusion in the prospectus of the Company in connection with the listing of and quotation for the enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad. As such, this report should not be used for any other purpose without our prior written consent. 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.

A handwritten signature in black ink that reads "Crowe Malaysia PLT".

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Shah Alam

17 APR 2026

A handwritten signature in black ink, appearing to read "Tan Wai Wah".

Tan Wai Wah
03621/11/2027 J
Chartered Accountant

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		Audited as at			
	Note	31.12.2022	31.12.2023	31.12.2024	31.12.2025
		RM	RM	RM	RM
ASSETS					
NON-CURRENT ASSETS					
Investments in associates	4	-	-	-	89,980
Property, plant and equipment	5	1,231,395	730,130	3,071,217	3,314,968
Investment properties	6	1,468,025	1,437,794	1,407,563	1,377,332
Right-of-use assets	7	295,089	358,924	1,609,296	2,460,829
Trade and other receivables	8	-	-	765,606	1,458,646
Finance lease receivables	9	-	-	3,277,678	400,152
		<u>2,994,509</u>	<u>2,526,848</u>	<u>10,131,360</u>	<u>9,101,907</u>
CURRENT ASSETS					
Trade and other receivables	8	13,403,071	20,053,754	22,426,193	24,201,247
Finance lease receivables	9	-	-	3,971,410	3,433,798
Contract cost	10	5,506,620	2,411,671	4,358,872	5,807,247
Contract assets	11	17,004,855	12,381,618	25,244,829	27,896,699
Prepayments		79,695	661,601	1,067,251	1,904,027
Current tax assets		1,188,252	1,989,159	2,461,885	1,726,047
Short-term investments	12	46,682	47,885	-	-
Cash and cash equivalents	13	13,370,652	20,215,715	26,912,893	19,373,965
		<u>50,599,827</u>	<u>57,761,403</u>	<u>86,443,333</u>	<u>84,343,030</u>
TOTAL ASSETS		<u>53,594,336</u>	<u>60,288,251</u>	<u>96,574,693</u>	<u>93,444,937</u>

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

		Audited as at			
	Note	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	14	1,000,000	1,000,000	1,000,000	1,000,000
Retained profits		15,900,538	27,422,113	36,925,092	47,684,744
TOTAL EQUITY		16,900,538	28,422,113	37,925,092	48,684,744
NON-CURRENT LIABILITIES					
Loans and borrowings	15	2,727,106	2,176,617	1,963,304	1,237,795
Lease liabilities	16	119,625	154,616	4,682,055	2,124,710
Deferred tax liability	17	53,365	-	-	-
		2,900,096	2,331,233	6,645,359	3,362,505
CURRENT LIABILITIES					
Trade and other payables	18	16,451,379	22,135,586	33,297,053	29,113,193
Contract liabilities	11	4,810,078	2,382,525	5,632,220	4,692,698
Loans and borrowings	15	12,344,582	4,807,934	9,032,497	3,423,285
Current tax liability		7,049	-	-	-
Lease liabilities	16	180,614	208,860	4,042,472	4,168,512
		33,793,702	29,534,905	52,004,242	41,397,688
TOTAL LIABILITIES		36,693,798	31,866,138	58,649,601	44,760,193
TOTAL EQUITY AND LIABILITIES		53,594,336	60,288,251	96,574,693	93,444,937

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Audited as at			
		FYE 31 December			
		2022 RM	2023 RM	2024 RM	2025 RM
Revenue	19	97,464,460	173,688,286	222,875,947	264,664,367
Cost of sales		(81,659,588)	(148,778,930)	(197,638,588)	(234,770,783)
Gross profit		15,804,872	24,909,356	25,237,359	29,893,584
Other income		303,959	638,044	921,128	368,574
Administrative and other operating expenses		(7,279,142)	(9,938,293)	(11,750,186)	(13,229,544)
Net impairment gain on financial assets		7,555	-	-	-
Finance costs		(475,514)	(682,938)	(439,452)	(522,423)
Share of loss of associates		-	-	-	(8,020)
Profit before tax	20	8,361,730	14,926,169	13,968,849	16,502,171
Tax expense	22	(3,003,259)	(3,404,594)	(3,465,870)	(5,742,519)
Profit for the financial year		5,358,471	11,521,575	10,502,979	10,759,652
Other comprehensive income		-	-	-	-
Total comprehensive income for the financial year		5,358,471	11,521,575	10,502,979	10,759,652
Profit for the financial year attributable to owners of the Company		5,358,471	11,521,575	10,502,979	10,759,652
Total comprehensive income attributable to the owners of the Company		5,358,471	11,521,575	10,502,979	10,759,652

The annexed notes form an integral part of these financial statements.

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13. ACCOUNTANTS' REPORT *(Cont'd)***ELSA BERHAD**

(Incorporated in Malaysia)

CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY

	Note	Share capital RM	Retained profits RM	Total equity RM
Balance at 1 January 2022		200,000	10,542,067	10,742,067
Profit (representing total comprehensive income) for the financial year		-	5,358,471	5,358,471
Issuance of share capital	14	800,000	-	800,000
Balance at 31 December 2022/1 January 2023		1,000,000	15,900,538	16,900,538
Profit (representing total comprehensive income) for the financial year		-	11,521,575	11,521,575
Balance at 31 December 2023/1 January 2024		1,000,000	27,422,113	28,422,113
Profit (representing total comprehensive income) for the financial year		-	10,502,979	10,502,979
Dividend paid		-	(1,000,000)	(1,000,000)
Balance at 31 December 2024/1 January 2025		1,000,000	36,925,092	37,925,092
Profit (representing total comprehensive income) for the financial year		-	10,759,652	10,759,652
Balance at 31 December 2025		1,000,000	47,684,744	48,684,744

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Note	Audited			
		FYE 31 December			
		2022	2023	2024	2025
		RM	RM	RM	RM
CASH FLOWS FROM/(FOR)					
OPERATING ACTIVITIES					
Profit before tax		8,361,730	14,926,169	13,968,849	16,502,171
Adjustments for:-					
Bad debts recovered		-	-	(87,250)	-
Bad debts written off		-	281,749	57,146	346,282
Depreciation of property, plant and equipment		447,542	400,058	686,277	740,799
Depreciation of investment properties		13,344	30,231	30,231	30,231
Depreciation of right-of-use assets		250,079	346,427	842,422	696,757
Gain on derecognition of right-of-use assets		-	(3,747)	(4,023)	(9,584)
Gain on disposal of equipment		-	(111,302)	(189,181)	-
Interest expense for financial liabilities measured at amortised cost		475,514	682,938	668,421	869,116
Interest income for financial assets measured at amortised cost		(55,778)	(194,294)	(465,347)	(706,334)
Net impairment gain on financial assets		(7,555)	-	-	-
Plant and equipment written off		-	-	33,450	51,208
Share of loss of associates		-	-	-	8,020
Unrealised loss on foreign exchange		-	324,841	4,483	-
Operating profit before working capital changes and balance carried forward		<u>9,484,876</u>	<u>16,683,070</u>	<u>15,545,478</u>	<u>18,528,666</u>

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D)

	Note	Audited			
		FYE 31 December			
		2022 RM	2023 RM	2024 RM	2025 RM
Operating profit before working capital changes and balance brought forward		9,484,876	16,683,070	15,545,478	18,528,666
Changes in:-					
Trade and other receivables		(2,094,610)	(6,932,432)	(3,112,424)	(2,814,376)
Finance lease receivables		-	-	2,807,177	3,415,138
Prepayments		(38,589)	(581,906)	(405,650)	(836,776)
Contract cost		(4,347,904)	3,094,949	(1,947,201)	(1,448,375)
Contract assets		(11,831,409)	4,623,237	(12,863,211)	(2,651,870)
Trade and other payables		9,336,522	5,349,122	11,164,688	(4,176,837)
Contract liabilities		3,881,122	(2,427,553)	3,249,695	(939,522)
Cash from operations		4,390,008	19,808,487	14,438,552	9,076,048
Interest paid		(475,514)	(682,938)	(668,421)	(869,116)
Income tax paid		(3,072,082)	(4,265,915)	(3,938,596)	(5,006,681)
Net cash from operating activities		842,412	14,859,634	9,831,535	3,200,251
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Acquisition of associates		-	-	-	(98,000)
Increase in term deposits pledged as security		(364,636)	(666,315)	(3,285,657)	(2,029,012)
Interest received		55,058	193,091	464,806	706,334
Purchase of plant and equipment	23	(178,960)	(83,121)	(2,598,993)	(1,035,758)
Proceeds from disposal of plant and equipment		-	295,630	189,360	-
Withdrawal of short-term investment		-	-	48,426	-
Net cash for investing activities		(488,538)	(260,715)	(5,182,058)	(2,456,436)
Balance carried forward		353,874	14,598,919	4,649,477	743,815

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D)

	Note	Audited			
		FYE 31 December			
		2022 RM	2023 RM	2024 RM	2025 RM
Balance brought forward		353,874	14,598,919	4,649,477	743,815
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES					
Dividend paid		-	-	(1,000,000)	-
Issuance of new ordinary shares	14	800,000	-	-	-
Net increase/(decrease) in short-term loans and borrowings	23	8,802,500	(7,472,500)	4,204,670	(5,082,382)
(Repayment to)/Advances from directors		(1,450,277)	10,244	(3,221)	(7,023)
Repayment of lease liabilities	23	(248,491)	(343,278)	(3,783,985)	(3,970,011)
Repayment of term loans	23	(312,987)	(438,951)	(464,321)	(685,202)
Repayment of hire purchases	23	(379,133)	(175,686)	(191,099)	(567,137)
Net cash from/(for) financing activities		7,211,612	(8,420,171)	(1,237,956)	(10,311,755)
Net increase/(decrease) in cash and cash equivalents		7,565,486	6,178,748	3,411,521	(9,567,940)
Cash and cash equivalents brought forward		4,248,341	11,813,827	17,992,575	21,404,096
Cash and cash equivalents carried forward	13	11,813,827	17,992,575	21,404,096	11,836,156

The annexed notes form an integral part of these financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**1. GENERAL INFORMATION**

The Company was incorporated in Malaysia on 14 September 2020, as a private limited liability company and is principally engaged in investment holding.

On 15 March 2024, the Company was converted to a public limited liability company and assumed its present name.

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. The principal place of business of the Company is located B-21-02, Menara G-Vestor, Kompleks Pavilion Ampang, 200 Jalan Ampang, 50450 Kuala Lumpur.

The details of the subsidiaries and associates which have their principal place of business and country of incorporation in Malaysia are as follows:-

- (a) Elsa Energy Sdn. Bhd. ("Elsa Energy"), a wholly-owned subsidiary of Elsa, was incorporated on 18 January 2005 as a private limited company and is principally engaged in the business to carry on, establish, organise, manage, promote, develop, operate, conduct oil field services, subsurface geoscience and petroleum engineering, production optimisation and enhancement, oil field exploration, drilling and produce related product and services, production facilities, flow assurance, process integration, pipeline engineering, oil field chemical, enhance oil reconvert related product and services, seismic acquisition, processing and related software application, petroleum industry, project engineering and management, oil industry consulting and related services; to provide manpower, ICT, fabrication and related equipment and services.
- (b) Elsa Digital Sdn. Bhd. ("Elsa Digital"), a wholly-owned subsidiary of Elsa, was incorporated on 15 September 2020 as a private limited company and is principally engaged in the business of conducting research and development on information communication technology.
- (c) Elsa Robotics Sdn. Bhd. ("ER"), a wholly-owned subsidiary of Elsa, was incorporated on 29 December 2020 as a private limited company and is a dormant company as at the end of the financial year ended 31 December 2025.
- (d) Agensi Pekerjaan Elsa Talent Solutions Sdn. Bhd. (formerly known as Elsa Talent Solutions Sdn. Bhd.) ("Elsa Talent"), a wholly-owned subsidiary of Elsa, was incorporated on 15 September 2020 as a private limited company and is principally involved in the business to carry on the business as private employment agency to recruit and place worker(s) to another employer.
- (e) Orca Technology Sdn. Bhd. ("Orca Technology"), a wholly-owned subsidiary of Elsa, was incorporated on 12 May 2020 as a private limited company and is a dormant company as at the end of the financial year ended 31 December 2025.
- (f) Elsa Energy Limited ("EEL"), a wholly-owned subsidiary of Elsa, was incorporated on 30 January 2018 as a private limited company and is a dormant company as at the end of the financial year ended 31 December 2025.
- (g) Keiko Asia Sdn. Bhd. ("Keiko Asia"), a 49% associate of Elsa, was incorporated on 31 January 2025 as a private limited company and it has not commenced operations.
- (h) Orca Borneo Sdn. Bhd. ("Orca Borneo"), a 49% associate of Elsa, was incorporated on 31 January 2025 as a private limited company and it has not commenced operations.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS**

The Accountants' Report comprises the consolidated financial statements of Elsa and its subsidiaries for the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025.

The financial statements are prepared solely for inclusion in the prospectus of the Company in connection with the listing of and quotation for its entire issued share capital on the ACE Market of Bursa Malaysia Securities Berhad.

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

The consolidated financial statements of the Group are the consolidation of all of the financial statements of the entities of the Group and have been prepared in accordance with MFRSs, IFRSs and Prospectus Guidelines for the relevant financial years as follows:-

	<----- FYE 31 December ----->			
	2022	2023	2024	2025
Elsa	✓	✓	✓	✓
EE	✓	✓	✓	✓
ED	✓	✓	✓	✓
ER	✓	✓	✓	✓
APETS	✓	✓	✓	✓
OT	✓	✓	✓	✓
EEL	*	*	*	*

✓ The consolidated financial statements of the Group include the audited financial statements of these consolidating entities for the respective financial years.

* Consolidated using unaudited financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

- 2.1 During the current financial year, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 121: *Lack of Exchangeability*

The adoption of the above accounting standard and interpretation (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group.

- 2.2 The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)**Effective Date**

MFRS 18: *Presentation and Disclosure in Financial Statements*

1 January 2027

MFRS 19: *Subsidiaries without Public Accountability: Disclosures*

1 January 2027

Amendments to MFRS 9 and MFRS 7: *Amendments to the Classification and Measurement of Financial Instruments*

1 January 2026

Amendments to MFRS 9 and MFRS 7: *Contracts Referencing Nature-dependent Electricity*

1 January 2026

Amendments to MFRS 10 and MFRS 128: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Deferred

Amendments to MFRS 19: *Subsidiaries without Public Accountability: Disclosures*

1 January 2027

Amendments to MFRS 121: *Translation to a Hyperinflationary Presentation Currency*

1 January 2027

Annual Improvements to MFRS Accounting Standards - Volume 11

1 January 2026

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application except as follows:-

MFRS 18: Presentation and Disclosure in Financial Statements will replace MFRS 101: Presentation of Financial Statements upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group has yet to be assessed.

3. MATERIAL ACCOUNTING POLICY INFORMATION**3.1 Critical Accounting Estimates And Judgements***Key Sources of Estimation Uncertainty*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment, Investment Properties and Right-of-use Assets

The estimates for the residual values, useful lives, and related depreciation charges for property, plant, and equipment, investment properties and right-of-use assets are based on commercial factors that could change significantly due to technical innovations and competitors' actions in response to market conditions. The Group anticipates that the residual values of its property, plant and equipment, investment properties and right-of-use assets will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in expected usage levels and technological development could affect the economic useful lives and residual values of these assets; therefore, future depreciation charges may be revised. The carrying amount of property, plant and equipment, investment properties and right-of-use assets as at the reporting date are disclosed in Notes 5, 6 and 7 to the financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****3.1 Critical Accounting Estimates And Judgements (Cont'd)***Key Sources of Estimation Uncertainty (Cont'd)*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:- (Cont'd)

(b) Property under Revaluation

Certain properties of the Group are reported at revalued amounts which are based on valuations performed by independent professional valuers by reference to the selling prices of recent transactions and asking prices of similar properties of nearby locations. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting valuations. The carrying amount of property measured at revaluation as at the reporting date is disclosed in Note 5 to the financial statements.

(c) Impairment of Investments in Associates, Property, Plant and Equipment, Investment Properties and Right-of-use Assets

The Group determines whether an item of its investments in associates, property, plant and equipment, investment properties and right-of-use assets are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as the market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amount of investments in associates, property, plant and equipment, investment properties and right-of-use assets as at the reporting date are disclosed in Notes 4, 5, 6 and 7 to the financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****3.1 Critical Accounting Estimates And Judgements (Cont'd)***Key Sources of Estimation Uncertainty (Cont'd)*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:- (Cont'd)

(d) Impairment of Trade Receivables, Finance Lease Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables, finance lease receivables and contract assets. The contract assets and finance lease receivables are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables, finance lease receivables and contract assets. The carrying amounts of trade receivables, finance lease receivables and contract assets as at the reporting date are disclosed in Notes 8, 9 and 11 to the financial statements respectively.

(e) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about the risk of default (probability of default) and the expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables and amount owing by associates as at the reporting date are disclosed in Note 8 to the financial statements.

(f) Discount Rates used in Leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****3.1 Critical Accounting Estimates And Judgements (Cont'd)***Critical Judgements Made in Applying Accounting Policies*

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

(a) Classification between Investment Properties and Owner-occupied Properties

Some properties comprise a portion held to earn rentals or for capital appreciation and another portion held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

(b) Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(c) Contingent Liabilities

The recognition and measurement of contingent liabilities are based on management's view of the expected outcome on contingencies after consulting legal counsel for litigation cases and experts, for matters in the ordinary course of business. Furthermore, management is of the view that the chances of the financial institutions to call upon the corporate guarantees issued by the Group are remote.

3.2 Financial Instruments**(a) Financial Assets**Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****3.2 Financial Instruments (Cont'd)****(b) Financial Liabilities**Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) EquityOrdinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

3.3 Investments in Associates

Investments in associates are accounted using the equity method in the financial statements of the Group.

3.4 Property, Plant and Equipment

All items of property, plant and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold building are stated at revalued amounts based on periodic valuations, at least once in every 3 or 5 years, less subsequent depreciation for building. Surpluses arising from the revaluation are recognised in other comprehensive income and accumulated in equity under the revaluation reserve to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss. Deficits arising from the revaluation, to the extent that they are not supported by any previous revaluation surpluses, are recognised in profit or loss.

Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Buildings	2%
Computers and software	10% - 20%
Furniture and fittings	10%
Motor vehicles	20%
Office equipment	10%
Plant and machineries	20%
Renovations	15%

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****3.5 Investment Properties**

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on investment properties is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives. The principal annual depreciation periods and rates are:-

Buildings	2%

3.6 Right-of-use Assets and Lease Liabilities (As Lessee)**(a) Short-term Leases and Leases of Low-value Assets**

The Group applies the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

13. ACCOUNTANTS' REPORT *(Cont'd)*

ELSA BERHAD

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.7 Leases (As Lessor)

When the Group act as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset.

If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

If an arrangement contains lease and non-lease components, the Group applies MFRS 15 Revenue from Contracts with Customers to allocate the consideration in the contract based on the stand-alone selling price.

The Group recognises assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the net investment in the lease by using the interest rate implicit in the lease to measure the net investment in the lease.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

In the case of a finance lease, the Group recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the Group's net investment in the lease.

The Group applies the lease payments relating to the period against the gross investment in the lease to reduce both the principal and the unearned finance income.

The net investment in the lease is subject to impairment requirements in MFRS 9 Financial Instruments as per Note 3.2.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**4. INVESTMENTS IN ASSOCIATES**

Audited as at				
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Unquoted shares - at cost	-	-	-	98,000
Share of post acquisition loss	-	-	-	(8,020)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>89,980</u>

Name of Associate	Principal Place of Business/ Country of Incorporation	Percentage of Ownership		Principal Activities
		2025	2024	
		%	%	
Keiko Asia Sdn. Bhd.	Malaysia	49	-	To provide O&G extraction service activities on a fee or contract basis.
Orca Borneo Sdn. Bhd.	Malaysia	49	-	To provide O&G extraction service activities on a fee or contract basis.

Summarised financial information has not been presented as the associates are not individually material to the Group.

5. PROPERTY, PLANT AND EQUIPMENT

	At 1.1.2022 RM	Additions RM	Depreciation RM	At 31.12.2022 RM
<u>Carrying amount</u>				
Buildings	96,100	-	(2,496)	93,604
Computers and software	176,078	90,460	(25,918)	240,620
Furniture and fittings	27,114	9,220	(4,720)	31,614
Motor vehicles	388,130	183,000	(156,654)	414,476
Office equipment	5,327	11,170	(1,957)	14,540
Plant and machineries	617,617	22,850	(246,864)	393,603
Renovations	6,611	45,260	(8,933)	42,938
	<u>1,316,977</u>	<u>361,960</u>	<u>(447,542)</u>	<u>1,231,395</u>

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

	At 1.1.2023 RM	Additions RM	Disposals RM	Depreciation RM	At 31.12.2023 RM
<u>Carrying amount</u>					
Buildings	93,604	-	-	(2,495)	91,109
Computers and software	240,620	68,376	-	(34,610)	274,386
Furniture and fittings	31,614	11,896	(712)	(5,882)	36,916
Motor vehicles	414,476	-	(183,616)	(96,660)	134,200
Office equipment	14,540	2,849	-	(2,438)	14,951
Plant and machineries	393,603	-	-	(249,911)	143,692
Renovations	42,938	-	-	(8,062)	34,876
	<u>1,231,395</u>	<u>83,121</u>	<u>(184,328)</u>	<u>(400,058)</u>	<u>730,130</u>

	At 1.1.2024 RM	Additions RM	Disposal RM	Written off RM	Depreciation RM	At 31.12.2024 RM
<u>Carrying amount</u>						
Buildings	91,109	-	-	-	(2,496)	88,613
Computers and software	274,386	90,728	-	-	(44,853)	320,261
Furniture and fittings	36,916	87,880	-	(608)	(11,583)	112,605
Motor vehicles	134,200	603,800	-	-	(119,410)	618,590
Office equipment	14,951	27,784	(179)	(654)	(4,592)	37,310
Plant and machineries	143,692	1,745,829	-	-	(466,503)	1,423,018
Renovations	34,876	504,972	-	(32,188)	(36,840)	470,820
	<u>730,130</u>	<u>3,060,993</u>	<u>(179)</u>	<u>(33,450)</u>	<u>(686,277)</u>	<u>3,071,217</u>

	At 1.1.2025 RM	Additions RM	Written off RM	Depreciation RM	At 31.12.2025 RM
<u>Carrying amount</u>					
Buildings	88,613	-	-	(2,496)	86,117
Computers and software	320,261	468,306	-	(99,989)	688,578
Furniture and fittings	112,605	7,320	-	(14,880)	105,045
Motor vehicles	618,590	-	-	(157,361)	461,229
Office equipment	37,310	8,774	-	(5,322)	40,762
Plant and machineries	1,423,018	550,996	(51,208)	(384,969)	1,537,837
Renovations	470,820	362	-	(75,782)	395,400
	<u>3,071,217</u>	<u>1,035,758</u>	<u>(51,208)</u>	<u>(740,799)</u>	<u>3,314,968</u>

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

	At cost RM	At valuation RM	Accumulated depreciation RM	Carrying amount RM
At 31.12.2022				
Buildings	-	124,780	(31,176)	93,604
Computers and software	317,617	-	(76,997)	240,620
Furniture and fittings	53,653	-	(22,039)	31,614
Motor vehicles	905,265	-	(490,789)	414,476
Office equipment	25,444	-	(10,904)	14,540
Plant and machineries	1,249,553	-	(855,950)	393,603
Renovations	67,750	-	(24,812)	42,938
	<u>2,619,282</u>	<u>124,780</u>	<u>(1,512,667)</u>	<u>1,231,395</u>

At 31.12.2023

Buildings	-	124,780	(33,671)	91,109
Computers and software	385,993	-	(111,607)	274,386
Furniture and fittings	64,837	-	(27,921)	36,916
Motor vehicles	615,265	-	(481,065)	134,200
Office equipment	28,293	-	(13,342)	14,951
Plant and machineries	1,249,553	-	(1,105,861)	143,692
Renovations	67,750	-	(32,874)	34,876
	<u>2,411,691</u>	<u>124,780</u>	<u>(1,806,341)</u>	<u>730,130</u>

At 31.12.2024

Buildings	-	124,780	(36,167)	88,613
Computers and software	476,721	-	(156,460)	320,261
Furniture and fittings	151,831	-	(39,226)	112,605
Motor vehicles	786,799	-	(168,209)	618,590
Office equipment	54,827	-	(17,517)	37,310
Plant and machineries	2,995,382	-	(1,572,364)	1,423,018
Renovations	504,972	-	(34,152)	470,820
	<u>4,970,532</u>	<u>124,780</u>	<u>(2,024,095)</u>	<u>3,071,217</u>

At 31.12.2025

Buildings	-	124,780	(38,663)	86,117
Computers and software	945,027	-	(256,449)	688,578
Furniture and fittings	159,151	-	(54,106)	105,045
Motor vehicles	786,799	-	(325,570)	461,229
Office equipment	63,601	-	(22,839)	40,762
Plant and machineries	3,479,586	-	(1,941,749)	1,537,837
Renovations	505,334	-	(109,934)	395,400
	<u>5,939,498</u>	<u>124,780</u>	<u>(2,749,310)</u>	<u>3,314,968</u>

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

The buildings of the Group were revalued to fair values on 28 July 2022 based on appraisals performed by independent professional valuers, JS Valuers Property Consultants Sdn. Bhd. by reference to market evidence of transaction prices for similar properties. The most significant input into this valuation approach is the price per square foot of comparable properties. Adjustments are then made for differences in location, size, facilities available, market conditions and other factors in order to arrive at a common basis. The fair values of the property are within level 2 of the fair value hierarchy.

	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Cost	239,000	239,000	239,000	239,000
Accumulated depreciation	(33,460)	(38,240)	(43,020)	(47,800)
Accumulated impairment loss	(114,220)	(114,220)	(114,220)	(114,220)
	<u>91,320</u>	<u>86,540</u>	<u>81,760</u>	<u>76,980</u>

The carrying amounts of plant and equipment acquired under hire purchase financing which remained outstanding as at the end of the reporting period are as follows:-

	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Motor vehicles	230,860	134,200	618,590	-
Plant and machineries	<u>355,215</u>	<u>118,405</u>	<u>-</u>	<u>-</u>

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13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**6. INVESTMENT PROPERTIES**

	At 1.1.2022 RM	Depreciation RM	At 31.12.2022 RM
<u>Carrying amount</u>			
Buildings	1,481,369	(13,344)	1,468,025
	At 1.1.2023 RM	Depreciation RM	At 31.12.2023 RM
<u>Carrying amount</u>			
Buildings	1,468,025	(30,231)	1,437,794
	At 1.1.2024 RM	Depreciation RM	At 31.12.2024 RM
<u>Carrying amount</u>			
Buildings	1,437,794	(30,231)	1,407,563
	At 1.1.2025 RM	Depreciation RM	At 31.12.2025 RM
<u>Carrying amount</u>			
Buildings	1,407,563	(30,231)	1,377,332
	At cost RM	Accumulated depreciation RM	Carrying amount RM
At 31.12.2022			
Buildings	1,511,601	(43,576)	1,468,025
At 31.12.2023			
Buildings	1,511,601	(73,807)	1,437,794
At 31.12.2024			
Buildings	1,511,601	(104,038)	1,407,563
At 31.12.2025			
Buildings	1,511,601	(134,269)	1,377,332

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**6. INVESTMENT PROPERTIES (CONT'D)**

	31.12.2022	Estimated fair value at		31.12.2025
	RM	31.12.2023	31.12.2024	RM
		RM	RM	
Buildings	1,655,000	1,655,000	1,655,000	1,460,000

The fair values of investment properties were measured based on appraisals performed by independent professional valuers, JS Valuers Property Consultants Sdn. Bhd. on 31 December 2025 using the market comparison approach at approximately RM1,460,000 (31.12.2022 - RM1,655,000; 31.12.2023 - RM1,655,000; 31.12.2024 - RM1,655,000). The appraised values were derived from observable prices per square foot for comparable properties in similar locations (i.e. Level 2) of the fair value hierarchy.

The investment properties have been pledged to licensed banks as securities for banking facilities granted to the Group as disclosed in Note 16 to the financial statements.

The investment properties of the Group are leased to tenants under operating leases with rentals payable monthly. The leases contain an option that is exercisable by the tenants to extend their leases for a period of 1 year (31.12.2022 - 1 year; 31.12.2023 - 1 year; 31.12.2024 - 1 year).

The aggregate lease income and direct operating expenses arising from investment properties of the Group that generated lease income which were recognised during the financial years amounted to RM33,600 and RM4,057 (31.12.2022 - RM17,960 and RM2,269; 31.12.2023 - RM16,030 and RM14,418; 31.12.2024 - RM13,520 and RM1,902).

The direct operating expenses incurred from investment properties of the Group which did not generate lease income during the financial year amounted to RM9,906 (31.12.2022 - RM6,981; 31.12.2023 - RM13,861; 31.12.2024 - RM2,364).

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13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**7. RIGHT-OF-USE ASSETS**

	At 1.1.2022 RM	Addition RM	Depreciation RM	At 31.12.2022 RM
<u>Carrying amount</u>				
Office buildings	46,437	362,910	(150,254)	259,093
Warehouses	135,821	-	(99,825)	35,996
	182,258	362,910	(250,079)	295,089

	At 1.1.2023 RM	Additions RM	Depreciation RM	Derecognition due to lease modification RM	At 31.12.2023 RM
<u>Carrying amount</u>					
Office buildings	259,093	104,508	(181,180)	(80,190)	102,231
Warehouses	35,996	385,944	(165,247)	-	256,693
	295,089	490,452	(346,427)	(80,190)	358,924

	At 1.1.2024 RM	Additions RM	Depreciation RM	Derecognition due to lease modification RM	Derecognition due to sub- lease arrangement RM	At 31.12.2024 RM
<u>Carrying amount</u>						
Office buildings	102,231	1,184,223	(337,302)	-	-	949,152
Warehouses	256,693	1,075,276	(505,120)	(166,705)	-	660,144
Computer hardware	-	10,056,265	-	-	(10,056,265)	-
	358,924	12,315,764	(842,422)	(166,705)	(10,056,265)	1,609,296

	At 1.1.2025 RM	Additions RM	Depreciation RM	Derecognition due to lease modification RM	At 31.12.2025 RM
<u>Carrying amount</u>					
Office buildings	949,152	1,570,317	(487,067)	-	2,032,402
Warehouses	660,144	421,718	(209,690)	(443,745)	428,427
	1,609,296	1,992,035	(696,757)	(443,745)	2,460,829

13. ACCOUNTANTS' REPORT (Cont'd)

ELSA BERHAD

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. RIGHT-OF-USE ASSETS (CONT'D)

	At cost RM	Accumulated depreciation RM	Carrying amount RM
At 31.12.2022			
Office buildings	848,830	(589,737)	259,093
Warehouses	209,073	(173,077)	35,996
	<u>1,057,903</u>	<u>(762,814)</u>	<u>295,089</u>
At 31.12.2023			
Office buildings	195,170	(92,939)	102,231
Warehouses	595,017	(338,324)	256,693
	<u>790,187</u>	<u>(431,263)</u>	<u>358,924</u>
At 31.12.2024			
Office buildings	1,379,393	(430,241)	949,152
Warehouses	1,387,194	(727,050)	660,144
	<u>2,766,587</u>	<u>(1,157,291)</u>	<u>1,609,296</u>
At 31.12.2025			
Office buildings	2,949,710	(917,308)	2,032,402
Warehouses	1,041,706	(613,279)	428,427
	<u>3,991,416</u>	<u>(1,530,587)</u>	<u>2,460,829</u>

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13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**8. TRADE AND OTHER RECEIVABLES**

	Audited as at			
	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM
<u>Non-current assets</u>				
Trade receivable:				
- Third party	-	-	765,606	1,458,646
<u>Current assets</u>				
Trade receivables:				
- Third parties	12,541,595	19,673,844	21,881,323	23,692,159
- Accumulated impairment losses	(104,285)	(22,368)	-	-
	12,437,310	19,651,476	21,881,323	23,692,159
Other receivables	823,579	168,791	131,756	138,324
Deposits	142,182	233,487	413,114	370,764
	<u>13,403,071</u>	<u>20,053,754</u>	<u>22,426,193</u>	<u>24,201,247</u>
	<u>13,403,071</u>	<u>20,053,754</u>	<u>23,191,799</u>	<u>25,659,893</u>

The currency profile of trade and other receivables are as follows:-

	Audited as at			
	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM
United States Dollar	2,216,865	1,709,338	2,213,528	2,671,683
Ringgit Malaysia	11,186,206	18,344,416	20,978,271	22,988,210
	<u>13,403,071</u>	<u>20,053,754</u>	<u>23,191,799</u>	<u>25,659,893</u>

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13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**8. TRADE AND OTHER RECEIVABLES (CONT'D)****Trade Receivables**

Trade receivables are unsecured, non-interest bearing and generally on 60 to 90 days (31.12.2022 - 60 to 90 days; 31.12.2023 - 60 to 90 days; 31.12.2024 - 60 to 90 days) terms.

The Group uses past due information to assess the credit risk of trade receivables. The analysis by past due status (stated at gross) is as follows:-

	Audited as at			
	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM
Not past due	6,667,638	15,522,368	18,720,434	22,834,689
1 to 30 days past due	2,266,384	2,933,162	1,443,881	1,675,776
31 to 60 days past due	2,004,023	477,416	1,294,034	568,698
61 to 90 days past due	1,201,289	56,481	-	39,137
More than 90 days past due	402,261	684,417	1,188,580	32,505
	<u>12,541,595</u>	<u>19,673,844</u>	<u>22,646,929</u>	<u>25,150,805</u>

The Group determines that a trade receivable is credit-impaired when the customer is experiencing significant financial difficulty and has defaulted in payments. Unless otherwise demonstrated, the Group generally considers a default to have occurred when the trade receivable is more than 90 days past due. The gross carrying amount of a credit-impaired trade receivable is directly written off when there is no reasonable expectation of recovery. This normally occurs when there is reasonable proof of customer insolvency.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses using the simplified approach in accordance with MFRS 9. Such lifetime expected credit losses are calculated using a provision matrix based on historical observed default rates (adjusted for forward-looking estimates). The following table details the risk profile of trade receivables based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished among the diversity of customer base. Based on the low historical observed default rates (adjusted for forward-looking estimates), the expected credit losses on trade receivables are not considered to be material and hence, have not been recognised.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**8. TRADE AND OTHER RECEIVABLES (CONT'D)****Trade Receivables (Cont'd)**

	Not past due RM	1 to 30 days past due RM	31 to 60 days past due RM	61 to 90 days past due RM	More than 90 days past due RM	Credit- impaired RM	Total RM
As at 31 December 2022							
Gross carrying amount	6,667,638	2,266,384	2,004,023	1,201,289	297,976	104,285	12,541,595
Average credit loss rate	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.83%
Accumulated impairment loss	-	-	-	-	-	104,285	104,285
As at 31 December 2023							
Gross carrying amount	15,522,368	2,933,162	477,416	56,481	662,049	22,368	19,673,844
Average credit loss rate	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.11%
Accumulated impairment loss	-	-	-	-	-	22,368	22,368
As at 31 December 2024							
Gross carrying amount	18,720,434	1,443,881	1,294,034	-	1,188,580	-	22,646,929
Average credit loss rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Accumulated impairment loss	-	-	-	-	-	-	-
As at 31 December 2025							
Gross carrying amount	22,834,689	1,675,776	568,698	39,137	32,505	-	25,150,805
Average credit loss rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Accumulated impairment loss	-	-	-	-	-	-	-

The average credit loss rates were based on the payment profile of revenue over a period of 12 months (31.12.2022 - 12 months; 31.12.2023 - 12 months; 31.12.2024 - 12 months) and the corresponding historical credit losses experienced during the period. The rates were adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**8. TRADE AND OTHER RECEIVABLES (CONT'D)****Trade Receivables (Cont'd)**

The changes in the accumulated impairment losses are as follows:-

	Audited as at			
	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM
Balance at 1 January	111,840	104,285	22,368	-
Impairment losses	81,917	-	-	-
Reversal of impairment loss	(89,472)	-	-	-
Written off	-	(81,917)	(22,368)	-
Balance at 31 December	<u>104,285</u>	<u>22,368</u>	<u>-</u>	<u>-</u>

The maturity profile for current and non-current trade receivables are as follows:-

	Audited as at			
	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM
Within 1 year	12,541,595	19,673,844	21,881,323	23,692,159
Later than 1 year and not later than 3 years	-	-	765,606	1,458,646
	<u>12,541,595</u>	<u>19,673,844</u>	<u>22,646,929</u>	<u>25,150,805</u>

As of 31 December 2025, the Group's trade receivables classified as non-current assets amounted to RM1,458,646 (31.12.2024 - RM765,606). These receivables are primarily due from long-term contracts and are expected to be settled beyond the next 12 months.

Other Receivables

Other receivables are unsecured and non-interest bearing. The amounts owing by third parties mainly consist of advances which have no fixed repayment terms.

The Group measures the loss allowance for other receivables at an amount equal to lifetime expected credit losses. No expected credit loss is recognised on other receivables as it is negligible.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**9. FINANCE LEASE RECEIVABLES**

Finance lease receivables represent lease rental and interest receivable due from customers in relation to the lease of computer hardware assets by the Group.

The following table sets out maturity analysis of lease receivables, showing undiscounted lease payments to be received after the reporting date.

	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Within 1 year	-	-	4,401,858	3,641,790
Later than 1 year and not later than 3 years	-	-	3,478,242	432,972
Total undiscounted lease payments	-	-	7,880,100	4,074,762
Unearned interest income	-	-	(631,012)	(240,812)
Net investment in lease	-	-	7,249,088	3,833,950

The following table sets out maturity analysis of the present value of lease receivables, showing the discounted lease payments to be received after the reporting date.

	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Within 1 year	-	-	3,971,410	3,433,798
Later than 1 year and not later than 3 years	-	-	3,277,678	400,152
	-	-	7,249,088	3,833,950
Disclosed as:				
- Current assets	-	-	3,971,410	3,433,798
- Non-current assets	-	-	3,277,678	400,152
	-	-	7,249,088	3,833,950

The effective interest rate of the Group's finance lease receivables as at 31 December 2025 is 4.99% (31.12.2024 - 4.99%) per annum.

The Group measures the loss allowance for finance lease receivables at an amount equal to lifetime expected credit losses. No expected credit loss is recognised on finance lease receivables as it is negligible.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**10. CONTRACT COST**

	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Costs in fulfilling contracts	<u>5,506,620</u>	<u>2,411,671</u>	<u>4,358,872</u>	<u>5,807,247</u>

The costs in fulfilling contracts represent cost incurred that are used to fulfil the contract in future. The costs are to be amortised on a straight-line method over the term of the specific contract it relates to, consistent with the pattern of recognition of the associated revenue.

11. CONTRACT ASSETS/(LIABILITIES)

Contract Assets	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
At 1 January	5,173,446	17,004,855	12,381,618	25,244,829
Performance obligation performed	17,004,855	12,381,618	25,244,829	27,896,699
Transfer to trade receivables	<u>(5,173,446)</u>	<u>(17,004,855)</u>	<u>(12,381,618)</u>	<u>(25,244,829)</u>
At 31 December	<u>17,004,855</u>	<u>12,381,618</u>	<u>25,244,829</u>	<u>27,896,699</u>
Represented by:				
- Digital solutions	300,993	1,913,798	573,359	584,020
- Oilfield service solutions	12,680,668	8,476,744	22,436,967	9,069,844
- Talent solutions	3,708,406	1,497,791	1,727,085	9,503,710
- Robotics and engineering solutions	<u>314,788</u>	<u>493,285</u>	<u>507,418</u>	<u>8,739,125</u>
	<u>17,004,855</u>	<u>12,381,618</u>	<u>25,244,829</u>	<u>27,896,699</u>

The contract assets primarily relate to the Group's right to consideration for work completed but not yet billed as at the reporting date. The amount will be transferred to trade receivables when the Group issues billing in the manner as established in the contracts with customers.

The Group measures the loss allowance for contract assets at an amount equal to lifetime expected credit losses using the simplified approach in accordance with MFRS 9. Based on the low historical observed default rates (adjusted for forward-looking estimates), the expected credit losses on contract assets are not considered to be material and hence, have not been recognised.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**11. CONTRACT ASSETS/(LIABILITIES) (CONT'D)**

Contract Liabilities	Audited as at			
	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM
At 1 January	(928,956)	(4,810,078)	(2,382,525)	(5,632,220)
Performance obligation performed	6,889,380	8,659,959	16,368,840	19,024,042
Excess of consideration over revenue recognised	<u>(10,770,502)</u>	<u>(6,232,406)</u>	<u>(19,618,535)</u>	<u>(18,084,520)</u>
At 31 December	<u>(4,810,078)</u>	<u>(2,382,525)</u>	<u>(5,632,220)</u>	<u>(4,692,698)</u>
Represented by:				
- Digital solutions	<u>(4,810,078)</u>	<u>(2,382,525)</u>	<u>(5,632,220)</u>	<u>(4,692,698)</u>

The contract liabilities primarily relate to advances received from customers in respect of digital solutions segment. The amount will be recognised as revenue when the performance obligations are satisfied.

12. SHORT-TERM INVESTMENTS

	Audited as at			
	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM
Money market funds, at fair value	<u>46,682</u>	<u>47,885</u>	<u>-</u>	<u>-</u>

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**13. CASH AND CASH EQUIVALENTS**

	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Term deposits with licensed banks (fixed rate)	1,556,825	2,223,140	5,508,797	7,846,330
Cash and bank balances	11,813,827	17,992,575	21,404,096	11,527,635
	<u>13,370,652</u>	<u>20,215,715</u>	<u>26,912,893</u>	<u>19,373,965</u>

Cash and cash equivalents are placed with reputable financial institutions with low credit risk. Accordingly, their expected credit losses are not considered to be material and hence, have not been recognised.

Term deposits of the Group totalling RM7,537,809 (31.12.2022 - RM1,556,825; 31.12.2023 - RM2,223,140; 31.12.2024 - RM5,508,797) have been pledged as security for credit facilities granted to the Group. Accordingly, these term deposits are not freely available for use.

The effective interest rates of term deposits as at 31 December 2025 ranged from 2.07% to 2.73% (31.12.2022 - 1.65% to 2.65%; 31.12.2023 - 2.25% to 2.90%; 31.12.2024 - 2.50% to 2.80%) per annum.

The currency profile of cash and cash equivalents is as follows:-

	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
United States Dollar	70,902	106,049	163,382	287,643
Ringgit Malaysia	13,299,750	20,109,666	26,749,511	19,086,322
	<u>13,370,652</u>	<u>20,215,715</u>	<u>26,912,893</u>	<u>19,373,965</u>

For the purpose of statements of cash flows, cash and cash equivalents are presented net of pledged deposits as follows:-

	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Cash and cash equivalents	13,370,652	20,215,715	26,912,893	19,373,965
Term deposits pledged as security	(1,556,825)	(2,223,140)	(5,508,797)	(7,537,809)
	<u>11,813,827</u>	<u>17,992,575</u>	<u>21,404,096</u>	<u>11,836,156</u>

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**14. SHARE CAPITAL**

	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
<u>Issued and Fully Paid-up</u>				
At 1 January	200,000	1,000,000	1,000,000	1,000,000
Issuance of new ordinary shares for cash	800,000	-	-	-
At 31 December	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	Number of Shares			
<u>Issued and Fully Paid-up</u>				
At 1 January	200,000	1,000,000	1,000,000	1,000,000
Issuance of new ordinary shares for cash	800,000	-	-	-
Bonus issue of shares	-	-	-	419,000,000
At 31 December	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>420,000,000</u>

- (a) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary share have no par value.
- (b) During the financial year, the Company issued 419,000,000 new ordinary shares pursuant to the bonus issue exercise undertaken by the Company on the basis of 419 bonus shares for every 1 existing ordinary shares held by the shareholders of the Company.

The new ordinary shares issued rank equally in all respects with the existing ordinary shares of the Company.

15. LOANS AND BORROWINGS

	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
<u>Secured</u>				
Bankers' acceptances (fixed rate)	11,717,500	4,245,000	8,449,670	3,367,288
Hire purchase payables (fixed rate)	471,922	296,236	567,137	-
Term loans (fixed and floating rate)	<u>2,882,266</u>	<u>2,443,315</u>	<u>1,978,994</u>	<u>1,293,792</u>
	<u>15,071,688</u>	<u>6,984,551</u>	<u>10,995,801</u>	<u>4,661,080</u>
Disclosed as:				
- Current liabilities	12,344,582	4,807,934	9,032,497	3,423,285
- Non-current liabilities	<u>2,727,106</u>	<u>2,176,617</u>	<u>1,963,304</u>	<u>1,237,795</u>
	<u>15,071,688</u>	<u>6,984,551</u>	<u>10,995,801</u>	<u>4,661,080</u>

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**15. LOANS AND BORROWINGS (CONT'D)**

Loans and borrowings are secured against certain property, plant and equipment (Note 5), investment properties (Note 6), and term deposits (Note 13).

The effective interest rates of loans and borrowings as at 31 December 2025 ranged from 4.35% to 4.70% (31.12.2022 - 3.50% to 8.45%; 31.12.2023 - 3.50% to 8.45%; 31.12.2024 - 3.50% to 8.45%) per annum.

Except for hire purchase payables and term loans, bankers' acceptances are generally short-term in nature or repayable on demand and their carrying amounts will approximate to the remaining contractual undiscounted cash flows.

Term Loans

Term loans are repayable over 23 years. The repayment analysis is as follows:-

	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Gross loan instalments:				
- Within 1 year	574,224	576,552	576,552	115,512
- Later than 1 year and not later than 5 years	1,599,228	1,147,500	686,460	462,048
- Later than 5 years	1,413,336	1,376,208	1,289,574	1,206,778
Total contractual undiscounted cash flows	3,586,788	3,100,260	2,552,586	1,784,338
Future finance charges	(704,522)	(656,945)	(573,592)	(490,546)
Present value of term loans	<u>2,882,266</u>	<u>2,443,315</u>	<u>1,978,994</u>	<u>1,293,792</u>
Disclosed as:				
- Current liabilities	451,753	479,442	506,859	55,997
- Non-current liabilities	<u>2,430,513</u>	<u>1,963,873</u>	<u>1,472,135</u>	<u>1,237,795</u>
	<u>2,882,266</u>	<u>2,443,315</u>	<u>1,978,994</u>	<u>1,293,792</u>

The fair values of term loans were measured using present value technique by discounting the expected future cash flows using observable current market interest rates for similar liabilities (i.e. Level 2). The fair values measured were considered to be reasonably close to the carrying amounts reported as the observable current market interest rates also approximated to the effective interest rates of term loans.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**15. LOANS AND BORROWINGS (CONT'D)****Hire Purchase Payables**

Hire purchase payables have been fully settled as at 31 December 2025. The repayment analysis is as follows:-

	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Minimum hire purchase payments:				
- Within 1 year	228,366	99,123	101,362	-
- Later than 1 year and not later than 5 years	276,253	211,784	326,284	-
- Later than 5 years	56,981	24,500	225,407	-
Total contractual undiscounted cash flows	561,600	335,407	653,053	-
Future finance charges	(89,678)	(39,171)	(85,916)	-
Present value of hire purchase payables	471,922	296,236	567,137	-
Disclosed as:				
- Current liabilities	175,329	83,492	75,968	-
- Non-current liabilities	296,593	212,744	491,169	-
	471,922	296,236	567,137	-

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13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**16. LEASE LIABILITIES**

	Audited as at			
	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM
Gross lease liabilities:				
- Within 1 year	189,198	221,482	4,435,686	4,377,585
- Later than 1 year and not later than 5 years	121,701	158,502	4,915,621	2,270,860
Total contractual undiscounted cash flows	310,899	379,984	9,351,307	6,648,445
Future finance charges	(10,660)	(16,508)	(626,780)	(355,223)
Present value of lease liabilities	300,239	363,476	8,724,527	6,293,222
Disclosed as:				
- Current liabilities	180,614	208,860	4,042,472	4,168,512
- Non-current liabilities	119,625	154,616	4,682,055	2,124,710
	300,239	363,476	8,724,527	6,293,222

The incremental borrowing rate applied to lease liabilities as at 31 December 2025 ranged from 4.80% to 5.11% (31.12.2022 - 4.74%; 31.12.2023 - 4.74%; 31.12.2024 - 4.74% to 4.99%) per annum.

17. DEFERRED TAX LIABILITY

	Audited as at			
	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM
Balance at 1 January	53,365	53,365	-	-
Overprovision in the previous financial year (Note 22)	-	(53,365)	-	-
Balance at 31 December	53,365	-	-	-
In respect of taxable temporary differences of:				
- Financial instruments	53,365	-	-	-

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**18. TRADE AND OTHER PAYABLES**

	Audited as at			
	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM
Trade payables	8,402,491	10,238,401	27,152,743	15,434,618
Other payables	5,120,699	4,612,325	2,337,983	1,857,922
Amount owing to a director	-	10,244	7,023	-
Accrued direct cost	2,559,481	6,074,412	2,072,047	10,120,052
Accruals	368,708	1,200,204	1,727,257	1,700,601
	<u>16,451,379</u>	<u>22,135,586</u>	<u>33,297,053</u>	<u>29,113,193</u>

Trade and other payables are generally short-term in nature or repayable on demand and their carrying amounts will approximate to the remaining contractual undiscounted cash flows.

Trade Payables

Trade payables are unsecured, non-interest bearing and are generally on 0 to 60 days (31.12.2022 - 0 to 60 days; 31.12.2023 - 0 to 60 days; 31.12.2024 - 0 to 60 days) terms.

Other Payables

Other payables are unsecured, non-interest bearing and are generally due within 30 to 90 days (31.12.2022 - 30 to 90 days; 31.12.2023 - 30 to 90 days; 31.12.2024 - 30 to 90 days).

Amount Owing to A Director

The amount owing was unsecured, interest-free advances and repayable upon demand. The amount owing was to be settled in cash.

Accrued Direct Cost

The accrued direct cost comprise of the direct costs incurred for projects which pending the invoices from the suppliers.

The currency profile of trade and other payables are as follows:-

	Audited as at			
	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM
British Pound Sterling	1,893,936	-	-	-
Indian Rupee	-	144,980	-	-
Thai Baht	-	54,054	-	-
United States Dollar	639,532	6,720,738	7,019	1,411,430
Ringgit Malaysia	13,917,911	15,215,814	33,290,034	27,701,763
	<u>16,451,379</u>	<u>22,135,586</u>	<u>33,297,053</u>	<u>29,113,193</u>

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**19. REVENUE**

	Audited			
	FYE 31 December			
	2022	2023	2024	2025
	RM	RM	RM	RM
<u>Revenue from contracts</u>				
<u>with customers:</u>				
- Digital solutions	11,873,588	22,301,736	47,241,323	39,722,451
- Oilfield service solutions	63,081,957	118,582,228	105,562,721	104,473,674
- Robotics and engineering solutions	783,675	3,451,207	7,753,342	25,985,956
- Talent solutions	21,725,240	29,353,115	62,318,561	94,482,286
	<u>97,464,460</u>	<u>173,688,286</u>	<u>222,875,947</u>	<u>264,664,367</u>

The information about the performance obligations in contracts with customers is summarised below:-

Nature of goods or services	Timing and Method of Revenue Recognition	Significant Payment Terms	Variable Considerations	Warranty and Obligations for Returns or Refunds
Sales of goods	When the goods are delivered and accepted by customers.	Credit period ranging from 60 to 90 days from invoice date.	Not applicable.	Not applicable.
Rendering of services	When the services are rendered and contract work certified by the customers.	Credit period ranging from 60 to 90 days from invoice date.	Not applicable.	Not applicable.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**20. PROFIT BEFORE TAX**

Profit before tax is arrived at after charging/(crediting):-

	Audited			
	FYE 31 December			
	2022	2023	2024	2025
	RM	RM	RM	RM
Auditors' remuneration:				
- current year	143,400	195,000	231,800	260,000
- (over)/underprovision in the previous financial year	(5,400)	5,800	-	-
Bad debts written off	-	281,749	57,146	346,282
Depreciation of property, plant and equipment:				
- cost of sales	-	-	299,050	434,524
- administrative and other operating expenses	447,542	400,058	387,227	306,275
Depreciation of investment properties	13,344	30,231	30,231	30,231
Depreciation of right-of-use assets	250,079	346,427	842,422	696,757
Employee benefits expenses (Note 21)	5,272,153	6,668,266	8,171,788	9,428,936
Interest expense:				
- bankers' acceptance	236,438	455,591	212,167	380,541
- lease liabilities:				
- cost of sales	-	-	236,955	346,693
- administrative and other operating expenses	39,867	31,730	86,607	43,739
- hire purchase	28,472	52,680	28,448	15,097
- term loans	170,737	142,937	112,230	83,046
Lease expense relating to:				
- short-term leases	46,607	-	21,754	29,719
- leases of low-value assets	-	19,583	65,818	23,486
Plant and equipment written off	-	-	33,450	51,208

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**20. PROFIT BEFORE TAX (CONT'D)**

Profit before tax is arrived at after charging/(crediting):- (Cont'd)

	Audited			
	FYE 31 December			
	2022	2023	2024	2025
	RM	RM	RM	RM
Bad debts recovered	-	-	(87,250)	-
Net impairment gain on financial assets	(7,555)	-	-	-
(Gain)/Loss on foreign exchange:				
- realised	(205,295)	(288,086)	(448,168)	307,234
- unrealised	-	324,841	4,483	-
Gain on derecognition of right-of-use assets	-	(3,747)	(4,023)	(9,584)
Gain on disposal of equipment	-	(111,302)	(189,181)	-
Government grant under Wage Subsidy Programme	(18,800)	-	-	-
Interest income for financial assets measured at amortised cost:				
- revenue	-	-	(314,004)	(488,045)
- other income	(55,778)	(194,294)	(151,343)	(218,289)
Insurance claim received	-	-	-	(35,380)
Operating lease income	(22,760)	(18,430)	(20,720)	(41,250)

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**21. EMPLOYEE BENEFIT EXPENSES**

	Audited			
	2022	FYE 31 December		2025
	RM	2023	2024	RM
		RM	RM	
<u>Directors of the Company</u>				
Executive directors:				
- Fee	82,000	87,000	10,000	-
- Short-term employee benefits	173,502	241,159	378,090	423,500
- Defined contribution plans	20,700	28,800	30,600	34,440
	276,202	356,959	418,690	457,940
Non-executive directors:				
- Fee	-	-	60,000	155,000
- Short-term employee benefits	-	-	-	11,500
	-	-	60,000	166,500
	276,202	356,959	478,690	624,440
<u>Director of the subsidiaries</u>				
- Fee	-	6,000	-	-
- Short-term employee benefits	274,079	281,158	188,831	293,393
- Defined contribution plans	32,760	32,400	22,560	35,280
	306,839	319,558	211,391	328,673
<u>Other employees</u>				
- Short-term employee benefits	3,784,468	5,455,514	6,842,754	7,695,536
- Defined contribution plans	904,644	536,235	638,953	780,287
	4,689,112	5,991,749	7,481,707	8,475,823
	5,272,153	6,668,266	8,171,788	9,428,936

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**22. TAX EXPENSE**

	Audited			
	FYE 31 December			
	2022	2023	2024	2025
	RM	RM	RM	RM
Tax based on results for the year:				
- Income tax	3,003,259	3,288,000	3,188,065	4,522,310
Tax under/(over)provided in the previous financial				
- Income tax	-	169,959	277,805	1,220,209
- Deferred tax (Note 17)	-	(53,365)	-	-
	-	116,594	277,805	1,220,209
Tax expense	3,003,259	3,404,594	3,465,870	5,742,519

The reconciliation of tax expenses applicable to profit before tax at the statutory tax rate to tax expense at the effective tax rate of the Group are as follows:-

	Audited			
	FYE 31 December			
	2022	2023	2024	2025
	RM	RM	RM	RM
Profit before tax	8,361,730	14,926,169	13,968,849	16,502,171
Tax at the statutory tax rate of 24%	2,006,815	3,582,281	3,352,524	3,960,521
Non-deductible expenses	113,916	288,332	781,595	164,907
Non-taxable income	(48,941)	-	(141,733)	-
(Decrease)/Increase in unrecognised deferred tax assets	-	-	(28,777)	169,471
Movement in contract liabilities	931,469	(582,613)	(775,544)	225,486
Share of loss of associates	-	-	-	1,925
Under/(Over) provision in the				
- Current tax	-	169,959	277,805	1,220,209
- Deferred tax	-	(53,365)	-	-
Tax expense	3,003,259	3,404,594	3,465,870	5,742,519

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2022 - 24%; 2023 - 24%; 2024 - 24%) of the estimated assessable profit for the financial year.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**23. CASH FLOW INFORMATION**

	Audited			
	FYE 31 December			
	2022 RM	2023 RM	2024 RM	2025 RM
Acquisition of Plant and Equipment				
Cost of plant and equipment purchased (Note 5)	361,960	83,121	3,060,993	1,035,758
Acquisition by means of hire purchase	(183,000)	-	(462,000)	-
Net cash disbursed	<u>178,960</u>	<u>83,121</u>	<u>2,598,993</u>	<u>1,035,758</u>
Acquisition of Right-of-use Assets				
Cost of right-of-use assets acquired (Note 7)	362,910	490,452	12,315,764	1,992,035
Acquisition by means of leases	(362,910)	(490,452)	(12,315,764)	(1,992,035)
Net cash disbursed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Short-term Loans and Borrowings				
Balance at 1 January	2,915,000	11,717,500	4,245,000	8,449,670
Net cash flow changes	8,802,500	(7,472,500)	4,204,670	(5,082,382)
Balance at 31 December	<u>11,717,500</u>	<u>4,245,000</u>	<u>8,449,670</u>	<u>3,367,288</u>
Represented by:				
- Bankers' acceptances (Note 15)	<u>11,717,500</u>	<u>4,245,000</u>	<u>8,449,670</u>	<u>3,367,288</u>
Term Loans				
Balance at 1 January	3,195,253	2,882,266	2,443,315	1,978,994
Repayments	(312,987)	(438,951)	(464,321)	(685,202)
Balance at 31 December (Note 15)	<u>2,882,266</u>	<u>2,443,315</u>	<u>1,978,994</u>	<u>1,293,792</u>
Hire Purchase Payables				
Balance at 1 January	668,055	471,922	296,236	567,137
Drawdown	183,000	-	462,000	-
Repayments	(379,133)	(175,686)	(191,099)	(567,137)
Balance at 31 December (Note 15)	<u>471,922</u>	<u>296,236</u>	<u>567,137</u>	<u>-</u>

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**23. CASH FLOW INFORMATION (CONT'D)**

	Audited			
	FYE 31 December			
	2022	2023	2024	2025
	RM	RM	RM	RM
Lease Liabilities				
Balance at 1 January	185,820	300,239	363,476	8,724,527
Acquisition of right-of-use assets	362,910	490,452	12,315,764	1,992,035
Repayments	(248,491)	(343,278)	(3,783,985)	(3,970,011)
Derecognition due to lease modification	-	(83,937)	(170,728)	(453,329)
Balance at 31 December (Note 16)	<u>300,239</u>	<u>363,476</u>	<u>8,724,527</u>	<u>6,293,222</u>

24. CAPITAL COMMITMENT

	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Approved but not contracted for:				
- Procurement of plant and machineries	-	-	-	1,400,000

25. CONTINGENT LIABILITY

	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Bank guarantee extended by a subsidiary to customers	<u>3,495,210</u>	<u>6,429,485</u>	<u>12,504,919</u>	<u>15,888,209</u>

13. ACCOUNTANTS' REPORT *(Cont'd)*

ELSA BERHAD

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

26. FINANCIAL RISK MANAGEMENT

The activities of the Group expose it to certain financial risks, including credit risk, liquidity risk, currency risk and interest rate risk. The overall financial risk management objective of the Group is to ensure that adequate financial resources are available for business development whilst minimising the potential adverse impacts of financial risks on its financial position, performance and cash flows.

The aforementioned financial risk management objective and its related policies and processes explained below have remained unchanged from the previous financial year.

Credit Risk

The Group's exposure to credit risk arises mainly from receivables and deposits placed with financial institutions. The maximum credit risk exposure of these financial assets is best represented by their respective carrying amounts in the statements of financial position.

As the Group only deals with reputable financial institutions, the credit risk associated with deposits placed with them is low. The Group manages its credit risk exposure of receivables by assessing counterparties' financial standings on an on-going basis, setting and monitoring counterparties' limits and credit terms. The quantitative information about such credit risk exposure is disclosed in Notes 8 and 9 to the financial statements.

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13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**26. FINANCIAL RISK MANAGEMENT (CONT'D)****Liquidity Risk**

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

2025	Interest rate %	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM	1 - 5 years RM	Over 5 years RM
Non-derivative financial liabilities						
Loans and borrowings	4.35 - 4.70	4,661,080	5,151,626	3,482,800	462,048	1,206,778
Lease liabilities	4.80 - 5.11	6,293,222	6,648,445	4,377,585	2,270,860	-
Trade and other payables	-	29,113,193	29,113,193	29,113,193	-	-
		40,067,495	40,913,264	36,973,578	2,732,908	1,206,778
2024	Interest rate %	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM	1 - 5 years RM	Over 5 years RM
Non-derivative financial liabilities						
Loans and borrowings	3.50 - 8.45	10,995,801	11,655,309	9,127,584	1,012,744	1,514,981
Lease liabilities	4.74 - 4.99	8,724,527	9,351,307	4,435,686	4,915,621	-
Trade and other payables	-	33,297,053	33,297,053	33,297,053	-	-
		53,017,381	54,303,669	46,860,323	5,928,365	1,514,981
2023	Interest rate %	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM	1 - 5 years RM	Over 5 years RM
Non-derivative financial liabilities						
Loans and borrowings	3.50 - 8.45	6,984,551	7,680,667	4,920,675	1,359,284	1,400,708
Lease liabilities	4.74	363,476	379,984	221,482	158,502	-
Trade and other payables	-	22,135,586	22,135,586	22,135,586	-	-
		29,483,613	30,196,237	27,277,743	1,517,786	1,400,708
2022	Interest rate %	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM	1 - 5 years RM	Over 5 years RM
Non-derivative financial liabilities						
Loans and borrowings	3.50 - 8.45	15,071,688	15,865,888	12,520,090	1,875,481	1,470,317
Lease liabilities	4.74	300,329	310,899	189,198	121,701	-
Trade and other payables	-	16,451,379	16,451,379	16,451,379	-	-
		31,823,396	32,628,166	29,160,667	1,997,182	1,470,317

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**26. FINANCIAL RISK MANAGEMENT (CONT'D)****Currency Risk**

The Group's exposure to currency risk arises mainly from transactions entered into in currencies other than its functional currency, i.e. Ringgit Malaysia ("RM"). The major foreign currencies transacted are British Pound Sterling ("GBP"), Indian Rupee ("INR"), Thai Baht ("THB") and United States Dollar ("USD"), and the gross carrying amounts of foreign currency denominated monetary items at the end of the reporting period are as follows:-

	Denominated in GBP			
	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Trade and other payables	(1,893,936)	-	-	-
	Denominated in INR			
	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Trade and other payables	-	(144,980)	-	-
	Denominated in THB			
	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Trade and other payables	-	(54,054)	-	-
	Denominated in USD			
	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Trade and other receivables	2,216,865	1,709,338	2,213,528	2,671,683
Cash and cash equivalents	70,902	106,049	163,382	287,643
Trade and other payables	(639,532)	(6,720,738)	(7,019)	(1,411,430)
	<u>1,648,235</u>	<u>(4,905,351)</u>	<u>2,369,891</u>	<u>1,547,896</u>

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**26. FINANCIAL RISK MANAGEMENT (CONT'D)****Currency Risk (Cont'd)**

The Group observes the movements in exchange rates and acts accordingly to minimise its exposure to currency risk. Where necessary, the Group enters into derivative contracts to hedge the exposure. Such exposure is also partly mitigated in the following ways:

- (i) The Group's foreign currency sales and purchase provides a natural hedge against fluctuations in foreign currencies.
- (ii) The Group maintains part of its cash and cash equivalents in foreign currency account to meet future obligations in foreign currencies.

Based on a symmetric basis which uses the foreign currency as a stable denominator, the following table demonstrates the sensitivity of profit or loss (and equity) to changes in exchange rates that were reasonably possible at the end of the reporting period, with all other variables held constant:-

	(Decrease)/ Increase in Profit	(Decrease)/ Increase in Profit	Increase/ (Decrease) in Profit	Increase/ (Decrease) in Profit
	Audited as at			
	31.12.2022 RM	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM
Appreciation of GBP against RM by 10%	(143,939)	-	-	-
Depreciation of GBP against RM by 10%	143,939	-	-	-
Appreciation of INR against RM by 10%	-	(11,018)	-	-
Depreciation of INR against RM by 10%	-	11,018	-	-
Appreciation of THB against RM by 10%	-	(4,108)	-	-
Depreciation of THB against RM by 10%	-	4,108	-	-
Appreciation of USD against RM by 10%	125,266	(372,807)	180,112	117,640
Depreciation of USD against RM by 10%	<u>(125,266)</u>	<u>372,807</u>	<u>(180,112)</u>	<u>(117,640)</u>

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**26. FINANCIAL RISK MANAGEMENT (CONT'D)****Interest Rate Risk**

The Group's exposure to interest rate risk arises mainly from interest-bearing financial instruments, namely term deposits, loans and borrowings and lease liabilities.

The Group observes the movements in interest rates and always strives to obtain the most favourable rates available for new financing or during repricing. It is also the Group's policy to maintain a mix of fixed and floating rate financial instruments as follows:-

	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Fixed rate instruments				
Financial asset	1,556,825	2,223,140	5,508,797	7,846,330
Financial liabilities	<u>(13,242,535)</u>	<u>(5,463,186)</u>	<u>(18,098,499)</u>	<u>(9,660,510)</u>
Floating rate instrument				
Financial liability	<u>(2,129,392)</u>	<u>(1,884,841)</u>	<u>(1,621,829)</u>	<u>(1,293,792)</u>

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13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**26. FINANCIAL RISK MANAGEMENT (CONT'D)****Interest Rate Risk (Cont'd)**

As the Group does not account for its fixed rate financial instruments at fair value through profit or loss, any change in interest rates at the end of the reporting period would not affect its profit or loss (and equity). For floating rate financial instruments measured at amortised cost, the following table demonstrates the sensitivity of profit or loss (and equity) to changes in interest rates that were reasonably possible at the end of the reporting period, with all other variables held constant:-

	(Decrease)/ Increase in Profit	(Decrease)/ Increase in Profit	(Decrease)/ Increase in Profit	(Decrease)/ Increase in Profit
	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Increase in interest rates by 100 basis points	(16,183)	(14,325)	(12,326)	(9,833)
Decrease in interest rates by 100 basis points	<u>16,183</u>	<u>14,325</u>	<u>12,326</u>	<u>9,833</u>

Capital Risk Management

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio. The debt-to-equity ratio of the Group at the end of the reporting period is not presented as its cash and cash equivalents exceeded the total external borrowings.

13. ACCOUNTANTS' REPORT (Cont'd)**ELSA BERHAD**

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**27. FINANCIAL INSTRUMENTS****27.1 Classification of Financial Instruments**

	Audited as at			
	31.12.2022	31.12.2023	31.12.2024	31.12.2025
	RM	RM	RM	RM
Financial Assets				
<u>Amortised Cost</u>				
Trade and other receivables	13,260,889	19,820,267	22,778,685	25,289,129
Finance lease receivables	-	-	7,249,088	3,833,950
Short-term investments	46,682	47,885	-	-
Cash and cash equivalents	13,370,652	20,215,715	26,912,893	19,373,965
	<u>26,678,223</u>	<u>40,083,867</u>	<u>56,940,666</u>	<u>48,497,044</u>
Financial Liabilities				
<u>Amortised Cost</u>				
Trade and other payables	16,451,379	22,135,586	33,297,053	29,113,193
Loans and borrowings	15,071,688	6,984,551	10,995,801	4,661,080
Lease liabilities	300,239	363,476	8,724,527	6,293,222
	<u>31,823,306</u>	<u>29,483,613</u>	<u>53,017,381</u>	<u>40,067,495</u>

27.2 Fair Value Information

At the end of the reporting period, there were no financial instruments carried at fair values in the consolidated statements of financial position.

The fair values of the financial assets and financial liabilities of the Group that maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

13. ACCOUNTANTS' REPORT *(Cont'd)*

ELSA BERHAD

(Incorporated in Malaysia)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

28. EVENTS DURING THE FINANCIAL YEAR

In conjunction with and as an integral part of the proposed Listing, the Company had undertaken the following:-

28.1 Acquisition of Orca Borneo Sdn. Bhd. and Keiko Asia Sdn. Bhd.

On 31 January 2025, Elsa Energy, the wholly-owned subsidiary of Elsa, incorporated two associate companies in Sabah and Sarawak respectively, with the shareholding of 49.00% and the remaining 51.00% equity interests held by a local third party named Poh Hock Yon and Raymon Bin Poit @ Elug respectively.

Both associates intended to provide oil and gas extraction service activities on a fee or contract basis. As at the reporting date, the associates have not commenced operations.

28.2 Bonus Issue

As part of the Company's pre-IPO internal restructuring, the Company undertook the Bonus Issue of Shares on the basis of 419 Bonus Shares for every 1 existing Share. The Bonus Issue of Shares was implemented without any capitalisation of the Company's reserves and the Bonus Shares issued pursuant to the Bonus Issue of Shares are issued as fully paid Shares at nil consideration.

The Bonus Issue of Shares was completed on 31 January 2025 which resulted the Company's issued share capital increasing from 1,000,000 Shares to 420,000,000 Shares.

13. ACCOUNTANTS' REPORT *(Cont'd)*

ELSA BERHAD

(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

We, Amiruddin Bin Mohd Zain and Daniel Ilham Khong, being two of the directors of Elsa Berhad, state that, in the opinion of the directors, the consolidated financial statements set out on pages 4 to 57 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the 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 of 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025, and of their financial performance and cash flows for the FYE 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025.

Signed in accordance with a resolution of the directors dated **17 APR 2026**

For and on behalf of the Board of Directors of Elsa Berhad



Amiruddin Bin Mohd Zain



Daniel Ilham Khong

14. REPORTING ACCOUNTANTS' ASSURANCE REPORT ON COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025



The Board of Directors
ELSA BERHAD
B-21-02, Menara G-Vestor,
Kompleks Pavilion Ampang,
200 Jalan Ampang,
50450, Kuala Lumpur.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants
Suite 50-3, Setia Avenue
No. 2, Jalan Setia Prima S U13/S
Setia Alam, Seksyen U13
40170 Shah Alam
Selangor Darul Ehsan
Malaysia
Main +6 03 3343 0730
+6 03 5040 0661
Fax +6 03 3344 3036
www.crowe.my

Dear Sirs/Madams,

ELSA BERHAD ("ELSA" OR "THE COMPANY")

REPORT ON THE COMPILATION OF PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 INCLUDED IN A PROSPECTUS

We have completed our assurance engagement to report on the compilation of pro forma statements of financial position of the Company and its subsidiaries (collectively known as the "Group") as at 31 December 2025 together with the accompanying notes thereon prepared by the Board of Directors of the Company, for which we have stamped for the purpose of identification.

The applicable criteria on the basis of which the Board of Directors of the Company have compiled the pro forma statements of financial position are described in the notes thereon to the pro forma statements of financial position of Appendix A. The pro forma statements of financial position are prepared in accordance with the requirements of the Prospectus Guidelines issued by the Securities Commission Malaysia ("Prospectus Guidelines") and the Guidance Note for issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants ("Guidance Note").

The pro forma statements of financial position have been compiled by the Board of Directors of the Company to illustrate the impact of the transactions as set out in notes thereon to the pro forma statements of financial position as at 31 December 2025 as if the events have been existence throughout the financial year. As part of this process, information about the financial position has been extracted by the Board of Directors of the Company from the Accountants' Report of the Company for the financial year ended 31 December 2025.

THE DIRECTORS' RESPONSIBILITIES

The Board of Directors of the Company is responsible for compiling the pro forma statements of financial position on the basis as described in notes thereon to the pro forma statements of financial position and in accordance with the requirements of the Prospectus Guidelines.

14. REPORTING ACCOUNTANTS' ASSURANCE REPORT ON COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (Cont'd)



REPORTING ACCOUNTANTS' INDEPENDENCE AND QUALITY CONTROL

We are independent of the Company in accordance with the *By-Laws (On Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our firm applies International Standard on Quality Management 1 (ISQM 1), *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or other Assurance or Related Services Engagements* issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal regulatory requirements.

REPORTING ACCOUNTANTS' RESPONSIBILITIES

Our responsibility is to express an opinion, as required by the Prospectus Guidelines issued by the Securities Commission Malaysia, about whether the pro forma statements of financial position has been compiled, in all material respects, by the Board of Directors of the Company on the basis as described in notes thereon to the pro forma statements of financial position.

We conducted our engagement in accordance with the International Standard on Assurance Engagement (ISAE) 3420, *Assurance Engagement to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards as adopted by the Malaysian Institute of Accountants. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Board of Directors has compiled, in all material respects, the pro forma statements of financial position on the basis as described in notes thereon to pro forma statements of financial position and in accordance with the requirements of the Prospectus Guidelines.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinion on any historical financial information used in compiling the pro forma statements of financial position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma statements of financial position.

The purpose of the pro forma statements of financial position included in the prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the pro forma statements of financial position have been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Board of Directors in the compilation of the pro forma statements of financial position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma statements of financial position reflect the proper application of those adjustments to the unadjusted financial information.

14. REPORTING ACCOUNTANTS' ASSURANCE REPORT ON COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (Cont'd)



REPORTING ACCOUNTANTS' RESPONSIBILITIES (CONT'D)

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the pro forma statements of financial position have been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma statements of financial position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, the pro forma statements of financial position of the Group has been compiled, in all material respects, on the basis as described in notes thereon to the pro forma statements of financial position and in accordance with the requirements of the Prospectus Guidelines.

OTHER MATTERS

This letter has been prepared solely for the purpose stated above for inclusion in the prospectus in connection with the listing of and quotation for the entire enlarged issued share capital of Elsa on the ACE Market of Bursa Malaysia Securities Berhad. As such, this letter should not be used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully

A handwritten signature in black ink, appearing to read "Crowe Malaysia PLT".

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Shah Alam

06 MAY 2026

A handwritten signature in black ink, appearing to read "Tan Wai Wah".

Tan Wai Wah
03621/11/2027 J
Chartered Accountant

14. REPORTING ACCOUNTANTS' ASSURANCE REPORT ON COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (Cont'd)

**ELSA BERHAD
PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025**

APPENDIX A



		<u>Audited</u>		<u>Pro Forma I</u>		<u>Pro Forma II</u>		<u>Pro Forma III</u>
		As at 31 December 2025*	Subsequent Events	After Subsequent Events	Proposed IPO	After Pro Forma I and Proposed IPO	Utilisation of Proceeds	After Pro Forma II and Utilisation of Proceeds
	Note	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
ASSETS								
NON-CURRENT ASSETS								
Investments in associates		90		90		90		90
Property, plant and equipment		3,315		3,315		3,315		3,315
Investment properties		1,377		1,377		1,377		1,377
Right-of-use assets		2,461		2,461		2,461		2,461
Trade and other receivables		1,459		1,459		1,459		1,459
Finance lease receivables		400		400		400		400
		<u>9,102</u>		<u>9,102</u>		<u>9,102</u>		<u>9,102</u>
CURRENT ASSETS								
Trade and other receivables		24,201		24,201		24,201		24,201
Finance lease receivables		3,434		3,434		3,434		3,434
Contract cost		5,807		5,807		5,807		5,807
Contract assets		27,897		27,897		27,897		27,897
Prepayments	5.4	1,904		1,904		1,904	(1,841)	63
Current tax assets		1,726		1,726		1,726		1,726
Cash and cash equivalents	5.1	19,374		19,374	27,232	46,606	(3,068)	43,538
		<u>84,343</u>		<u>84,343</u>		<u>111,575</u>		<u>106,666</u>
TOTAL ASSETS		<u>93,445</u>		<u>93,445</u>		<u>120,677</u>		<u>115,768</u>

14. REPORTING ACCOUNTANTS' ASSURANCE REPORT ON COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (Cont'd)

**ELSA BERHAD
PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (CONT'D)**

APPENDIX A

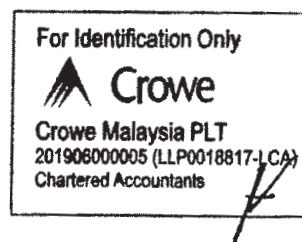


		<u>Audited</u>		<u>Pro Forma I</u>		<u>Pro Forma II</u>		<u>Pro Forma III</u>
		As at 31 December 2025*	Subsequent Events	After Subsequent Events	Proposed IPO	After Pro Forma I and Proposed IPO	Utilisation of Proceeds	After Pro Forma II and Utilisation of Proceeds
	Note	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
EQUITY AND LIABILITIES								
EQUITY								
Share capital	5.2	1,000		1,000	27,232	28,232	(1,300)	26,932
Retained profits	5.3	47,684		47,684		47,684	(3,609)	44,075
TOTAL EQUITY		48,684		48,684		75,916		71,007
NON-CURRENT LIABILITIES								
Loans and borrowings		1,238		1,238		1,238		1,238
Lease liabilities		2,125		2,125		2,125		2,125
		3,363		3,363		3,363		3,363
CURRENT LIABILITIES								
Trade and other payables		29,114		29,114		29,114		29,114
Contract liability		4,693		4,693		4,693		4,693
Loans and borrowings		3,423		3,423		3,423		3,423
Lease liabilities		4,168		4,168		4,168		4,168
		41,398		41,398		41,398		41,398
TOTAL LIABILITIES		44,761		44,761		44,761		44,761
TOTAL EQUITY AND LIABILITIES		93,445		93,445		120,677		115,768
No. of shares in issue ('000)	5.2	420,000		420,000	118,400	538,400		538,400
Net assets (RM'000)		48,684		48,684		75,916		71,007
Gearing ratio		0.10		0.10		0.06		0.07
Net assets per share (RM)		0.12		0.12		0.14		0.13

Note:-

* Extracted from Accountants' Report included in Section 13 of the Prospectus.

14. REPORTING ACCOUNTANTS' ASSURANCE REPORT ON COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (Cont'd)



APPENDIX A

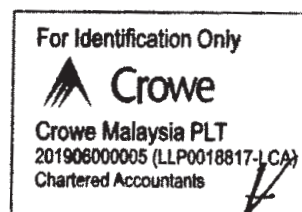
**ELSA BERHAD
NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025**

1. ABBREVIATION

Unless the context otherwise requires, the following words and abbreviations shall apply throughout this report:-

Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
Directors	: Directors of the Company
EEL	: Elsa Energy Limited (Registration No. LL14444)
Elsa Digital	: Elsa Digital Sdn Bhd (Registration No. 202001028230 (1384550-P))
Elsa Energy	: Elsa Energy Sdn Bhd (Registration No. 200501001718 (678764-M))
Elsa Robotics	: Elsa Robotics Sdn Bhd (Registration No. 202001043357 (1399678-M))
Elsa Talent	: Agensi Pekerjaan Elsa Talent Solutions Sdn Bhd (formerly known as Elsa Talent Solutions Sdn Bhd) (Registration No. 202001028232 (1384552-H))
Group	: Elsa and its subsidiaries, namely EEL, Elsa Digital, Elsa Energy, Elsa Robotics, Elsa Talent and Orca Technology
Guidance Note	: the Guidance Note for Issuers of pro forma financial information issued by the Malaysian Institute of Accountants
IPO Price	: Issue/Offer Price of RM0.23 per Share under the Public Issue and Offer for Sale
IPO Share(s)	: Collectively, the Issue Share(s) and the Offer Share(s)
Issue Shares	: New Share(s) to be issued under the Public Issue
Keiko Asia	: Keiko Asia Sdn Bhd, a 49.00%-owned associate of Elsa (Registration No. 202501004637 (1606050-D))
Listing	: Admission of Elsa to the Official List of Bursa Securities and the listing of and quotation for our entire enlarged issued share capital comprising 538,400,000 Shares on the ACE Market
LPD	: 23 April 2026, being the latest practicable date prior the issuance of the Prospectus pursuant to its Listing

14. REPORTING ACCOUNTANTS' ASSURANCE REPORT ON COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (Cont'd)



APPENDIX A

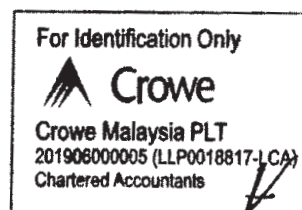
**ELSA BERHAD
NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025
(CONT'D)**

1. ABBREVIATION (CONT'D)

Unless the context otherwise requires, the following words and abbreviations shall apply throughout this report:- (Cont'd)

Malaysian Public	: Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia but exclude Directors of our Group, our substantial shareholders and persons connected with them
Offer for Sale	: Offer for sale by the Selling Shareholders of 36,400,000 Offer Shares at the IPO Price
Offer Shares	: Existing Shares to be offered by the Selling Shareholders pursuant to the Offer for Sale
Orca Borneo	: Orca Borneo Sdn Bhd, a 49.00%-owned associate of Elsa (Registration No. 202501004634 (1606047-D))
Orca Technology	: Orca Technology Sdn Bhd (Registration No. 202001011050 (1367370-K))
Pink Form Allocations	: The allocation of 10,768,000 IPO Shares to the Eligible Persons under the Retail Offering
Prospectus	: The prospectus in relation to the Company's initial public offering
Prospectus Guidelines	: Prospectus Guidelines issued by the Securities Commission Malaysia
Public Issue	: Public issue of 118,400,000 Issue Shares by the Company
Selling Shareholders	: Collectively, Daniel Ilham Khong, Chow Sheng Jon and Amiruddin Bin Mohd Zain
Shares	: Ordinary shares in Elsa

14. REPORTING ACCOUNTANTS' ASSURANCE REPORT ON COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (Cont'd)



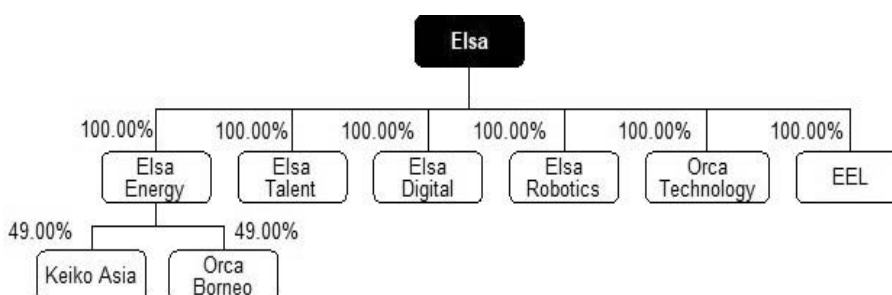
APPENDIX A

**ELSA BERHAD
NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025
(CONT'D)**

2. BASIS OF PREPARATION

2.1 Pro Forma Group

The group structure of Elsa Berhad is as follows:



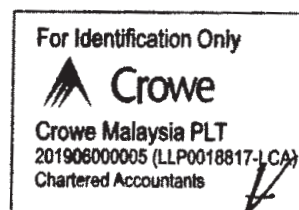
2.2 Basis of Preparation

The pro forma statements of financial position of the Group have been prepared using the audited financial statements of the Group as at 31 December 2025 which was prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") and IFRS Accounting Standards and are not subject to any qualification, modification or disclaimer.

The pro forma statements of financial position of the Group have also been compiled in a manner consistent with both the format of the audited financial statements and accounting policies of the Group as at 31 December 2025.

The pro forma statements of financial position together with the related notes thereon, have been prepared solely to illustrate the impact of the events and transactions set out in Notes 3 to the pro forma statements of financial position had the events occurred or transaction been undertaken on 31 December 2025. The pro forma statements of financial position are not necessarily indicative of the financial position that would have been attained had the Listing actually occurred at the respective dates.

14. REPORTING ACCOUNTANTS' ASSURANCE REPORT ON COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (Cont'd)



APPENDIX A

**ELSA BERHAD
NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025
(CONT'D)**

3. LISTING SCHEME

3.1 Proposed IPO

In conjunction with the Listing, the Company proposes to undertake the following:-

A. Public Issue

The Public Issue of 118,400,000 Issue Shares at the IPO Price representing 21.99% of the enlarged issued share capital of Elsa which will be made available for Application in the following manner:-

(i) Malaysian Public

26,920,000 Issue Shares, representing 5.00% of the enlarged issued share capital of Elsa, will be made available for application by the Malaysian Public through a balloting process as follows:-

- (a) 13,460,000 Issue Shares, representing 2.50% of the enlarged issued share capital of Elsa, will be made available to the Malaysian Public investors; and
- (b) 13,460,000 Issue Shares, representing 2.50% of the enlarged issued share capital of Elsa, will be made available to Bumiputera public investors.

(ii) Eligible Persons

10,768,000 Issue Shares, representing 2.00% of the enlarged issued share capital of Elsa, will be made available for application by the Elsa's eligible directors, key senior management, employees and persons who have contributed to the success of the Group.

(iii) Placement to Selected Investors

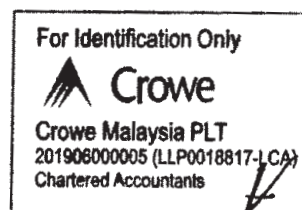
80,712,000 Issue Shares, representing 14.99% of the enlarged issued share capital of Elsa, will be made available by way of private placement to selected investors.

B. Offer for Sale

36,400,000 Offer Shares, representing 6.76% of our enlarged issued share capital, will be offered by the Selling Shareholders to selected investors by way of private placement.

Upon completion of the Public Issue and before deducting the estimated listing expenses directly attributable to issuance of new shares, the share capital of Elsa shall increase from RM1,000,000 comprising 420,000,000 shares to RM28,232,000 comprising 538,400,000 shares.

14. REPORTING ACCOUNTANTS' ASSURANCE REPORT ON COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (Cont'd)



APPENDIX A

**ELSA BERHAD
NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025
(CONT'D)**

3. LISTING SCHEME (CONT'D)

3.2 Listing

The admission of Elsa to the Official List of Bursa Securities, and the entire enlarged share capital of RM26,932,000 (after deducting the estimated listing expenses directly attributable to issuance of new shares in Elsa, as detailed in Notes 4.2.4) comprising 583,400,000 shares will be listed and quoted on the ACE Market of Bursa Securities upon completion of the IPO.

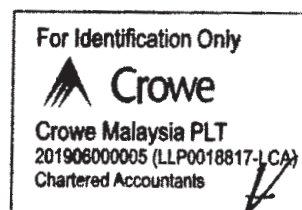
4. PRO FORMA ADJUSTMENTS TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION

The Pro Forma Statements of Financial Position as at 31 December 2025 have been prepared solely for illustrative purposes only to show the effects of the following transactions based on the assumptions that they have been effected on 31 December 2025:-

4.1 Pro Forma II

After incorporating the cumulative effects of the IPO as set out in Note 3 above.

14. REPORTING ACCOUNTANTS' ASSURANCE REPORT ON COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (Cont'd)



APPENDIX A

ELSA BERHAD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (CONT'D)

4. PRO FORMA ADJUSTMENTS TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION (CONT'D)

4.2 Pro Forma III

After incorporated the cumulative effects of Pro Forma II and the utilisation of the proceeds from the IPO.

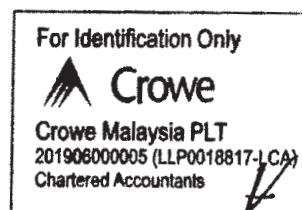
The proceeds from the IPO as stated in the prospectus in relation to the IPO, will be utilised as follows:-

Purposes		Note	Estimated timeframe for utilisation from the Listing date	RM'000	%
(i)	Consultants-related expenses for the oilfield service solutions and digital solutions segments:				
(a)	Existing projects	4.2.5	Within 24 months	5,700	20.93
(b)	Future projects	4.2.1	Within 24 months	10,680	39.22
(ii)	Business expansion for the robotics and engineering solutions segment:				
(a)	Development of internal capabilities for the management and deployment of the autonomous underwater vehicle - Xplorer ("AUV Xplorer")	4.2.2	Within 24 months	3,000	11.02
(b)	Procurement of drones	4.2.3	Within 24 months	1,400	5.14
(iii)	Working capital	4.2.5	Within 24 months	2,652	9.74
(iv)	Defrayment of expenses in relation to the Listing	4.2.4	Within 1 month	3,800	13.95
				27,232	100

4.2.1. The Group has not entered into any binding contractual arrangements with consultants for the future projects. Accordingly, the intended use of proceeds amounting to RM10.68 million for such expenditures is not reflected in the Pro Forma Statements of Financial Position.

4.2.2 As at the LPD, the Group has yet to implement any plan for the development of internal capabilities for the management and deployment of autonomous underwater vehicles. Accordingly, the intended use of proceeds amounting to RM3.00 million for this purpose is not reflected in the the Pro Forma Statements of Financial Position.

14. REPORTING ACCOUNTANTS' ASSURANCE REPORT ON COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (Cont'd)



APPENDIX A

ELSA BERHAD

NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (CONT'D)

4. PRO FORMA ADJUSTMENTS TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION (CONT'D)

4.2 Pro Forma III (Cont'd)

4.2.3 As at the LPD, the procurement of drones are still in a discussion phase and the Group has yet to enter into any contractual binding arrangements with suppliers. Accordingly, intended use of proceeds of RM1.40 million for the procurement of drones is not reflected in the Pro Forma Statements of Financial Position.

4.2.4 The estimated expenses to be funded via the proceeds from the IPO comprising the following:-

	RM'000
Professional fees	2,600
Underwriting, placement and brokerage fees	800
Fees payable to authorities	75
Printing, advertising fees, other incidental or related expenses in connection with IPO expenses	325
	<u>3,800</u>

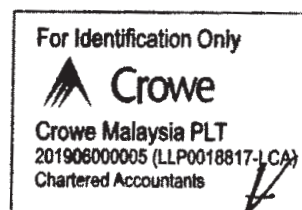
The Group estimated the total listing expenses to be RM5.20 million. As at 31 December 2025, RM2.14 million had been paid. Of this amount, RM1.84 million had been recognised as prepayment while RM0.30 million had been expensed to profit or loss. The remaining estimated total listing expenses of RM3.06 million will be paid from the proceeds of the IPO.

A total of RM1.30 million is assumed to be directly attributable to the issuance of new shares and therefore will be set off against the share capital. The expenses of approximately RM3.90 million are to be charged to profit or loss as an expense in connection with the Listing. As detailed above, RM0.30 million had been charged out and the remaining RM3.60 million will be charged to profit or loss.

4.2.5 The Group intends to allocate RM5.70 million to fund the consultant-related expenses for its existing projects and RM2.65 million for working capital purpose.

As the consultant-related expenses and working capital are for the day-to-day operations, hence, the intended use of proceeds has not been reflected in the Pro Forma Statements of Financial Position.

14. REPORTING ACCOUNTANTS' ASSURANCE REPORT ON COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (Cont'd)



APPENDIX A

**ELSA BERHAD
NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025
(CONT'D)**

5. EFFECTS ON THE PRO FORMA STATEMENTS OF FINANCIAL POSITION

5.1 Cash and cash equivalents

	Note	RM'000
As at 31 December 2025/ As per Pro Forma I		19,374
Add: Proceeds from Public Issue	3.1 (A)	<u>27,232</u>
As per Pro Forma II		46,606
Less: Balance estimated listing expenses to be paid ⁽¹⁾	4.2.4	<u>(3,068)</u>
As per Pro Forma III		<u>43,538</u>

Note :

⁽¹⁾ As at 31 December 2025, RM2.14 million of listing expenses had been paid.

5.2 Share capital

	Note	Number of Ordinary Shares ('000)	RM'000
As at 31 December 2025/As per Pro Forma I		420,000	1,000
Add: Shares issued under the Public Issue	3.1 (A)	<u>118,400</u>	<u>27,232</u>
As per Pro Forma II		538,400	28,232
Less: Estimated listing expenses	4.2.4	<u>-</u>	<u>(1,300)</u>
As per Pro Forma III		<u>538,400</u>	<u>26,932</u>

5.3 Retained profits

	Note	RM'000
As at 31 December 2025/ As per Pro Forma I and II		47,684
Less: Item expensed off to the Statement of Profit or Loss and Other Comprehensive Income:		
- estimated listing expenses	4.2.4	<u>(3,609)</u>
As per Pro Forma III		<u>44,075</u>

5.4 Prepayments

	Note	RM'000
As at 31 December 2025 / As per Pro Forma I and II		1,904
Less: Estimated listing expenses ⁽¹⁾	4.2.4	<u>(1,841)</u>
As per Pro Forma III		<u>63</u>

Note :

⁽¹⁾ As at 31 December 2025, RM1.84 million of listing expenses had been recognised as prepayments, which will be expensed to profit or loss upon Listing.

14. REPORTING ACCOUNTANTS' ASSURANCE REPORT ON COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (Cont'd)



APPENDIX A

APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted by the Board of Directors in accordance with a resolution dated **06 MAY 2026**

On behalf of the Board of Directors,

Daniel Ilham Khong
Director

Amiruddin Bin Mohd Zain
Director

15. STATUTORY AND OTHER INFORMATION

15.1 Share Capital

- (i) As at the LPD, our Company has only 1 class of shares, namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.
- (ii) None of the share capital of our Company or our subsidiaries are under any option or agreed conditionally or unconditionally to be put under any option as at the date of this Prospectus.
- (iii) Save for the Pink Form Allocations as disclosed in Section 4.3.1(ii) of this Prospectus,
 - (a) no Director or employee of our Group has been or is entitled to be given or has exercised any options to subscribe for any share of our Company or our subsidiaries; and
 - (b) there is no scheme involving the employees of our Group in the shares of our Company or our subsidiaries.
- (iv) Save as disclosed in Sections 4.5 and Section 6 of this Prospectus, no shares, debentures, outstanding warrants, options, convertible securities or uncalled capital of our Company have been or are proposed to be issued as fully or partly paid-up, in cash or otherwise than in cash, within the past 2 years immediately preceding the date of this Prospectus.
- (v) As at the LPD, our Company does not have any outstanding convertible debt securities, options, warrants or uncalled capital.

15.2 Extracts of Our Constitution

The following provisions are extracted from our Constitution and are qualified in its entirety by the provisions of our Constitution and by applicable law. Terms defined in our Constitution shall have the same meaning when used here unless they are otherwise defined herein or the context otherwise requires.

(i) Remuneration, voting and borrowing powers of Directors

Remuneration of Directors

Clause 115 - 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

15. STATUTORY AND OTHER INFORMATION (Cont'd)

- (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 116 - 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.

Clause 150 - 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.

Clause 157 – Associate Director

The Directors may from time to time appoint any person to be an associate Director and may, from time to time, cancel any such appointment. The Directors may fix, determine and vary the powers, duties and remuneration of any person so appointed, but a person so appointed shall not be required to hold any shares to qualify him for appointment nor have any right to attend or vote at any meeting of Directors except by the invitation and with the consent of the Directors.

Voting and Borrowing Powers of our Directors

Clause 110 - Alternate Directors

- (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.

15. STATUTORY AND OTHER INFORMATION (Cont'd)

- (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.
- (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 120 - Directors' Borrowing Powers

- (1) 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.
- (2) The Directors shall cause a proper register to be kept in accordance with Section 60 of the Act of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified or otherwise.
- (3) Subject to the Act, if the Directors or any of them, or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors, or persons so becoming liable as aforesaid, from any loss in respect of such liability.

Clause 132 - Proceedings of Meeting

A meeting of the Directors, for the time being at which a quorum is present, shall be competent to exercise all or any of the powers, authorities and discretion by or under this Constitution, vested in or exercisable by the Directors generally. Subject to this Constitution, questions arising at any meeting of the Directors shall be decided by a majority of votes.

Clause 133 - Chairman has Casting Vote

In case of equality of votes, the Chairman shall not have casting vote, where only two (2) Directors are competent to vote on the question at issue, or at the meeting where only two (2) Directors form the quorum and only such a quorum is present at the meeting.

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

Clause 138 - 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 140 - Director May Vote on the Giving of security or Indemnity Where He is Interested

Subject to Clause 137, a Director may vote in respect of:

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

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.

Clause 157 - Associate Director

The Directors may from time to time appoint any person to be an associate Director and may, from time to time, cancel any such appointment. The Directors may fix, determine and vary the powers, duties and remuneration of any person so appointed, but a person so appointed shall not be required to hold any shares to qualify him for appointment nor have any right to attend or vote at any meeting of Directors except by the invitation and with the consent of the Directors.

(ii) Changes to share capital

Clause 60 - Increase of Share Capital

The Company may, from time to time, whether all the shares for the time being issued shall have been fully paid up or not, by ordinary resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company may direct in the resolution authorising such increase.

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15. STATUTORY AND OTHER INFORMATION *(Cont'd)*Clause 61 - Issue of New Shares to Existing Members

Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible Securities shall, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or Securities offered, the Directors may dispose of those shares or Securities in such manner as they think most beneficial to the Company. The Directors may, likewise, also dispose of any new shares or Securities which (by reason of the ratio which the new shares or Securities bear to shares or Securities held by persons entitled to an offer of new shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Clause.

Subject to Act and Listing Requirements, the Board is authorised, without a resolution of the Company, to allot or grant any rights where shares are to be issued as consideration or part consideration for the Company to acquire shares or assets. Shareholders must be notified of the intention to issue such shares at least fourteen (14) days before their issue.

Clause 62 - Alteration of Share 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.

Clause 63 - Capital Reduction

The Company may by special resolution, reduce its share capital in accordance with Section 115 of the Act.

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

(iii) 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 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 securities.

Clause 50 - Instrument of Transfer

- (1) Every instrument of transfer (for any share not being a Deposited Security) must be left for registration at the office of the Company's Registrar accompanied by the certificate of the shares comprised therein (if any) and such evidence as the Directors may reasonably require to prove the right of the transferor to make the transfer and the due execution by him of the instrument of transfer which is executed in accordance with the Statutes, and subject to the power vested in the Directors by this Constitution or the provisions of any other written law and if required, to reasonable evidence of nationality, the Company shall register the transferee as shareholder.
- (2) A fee not exceeding RM3.00 (excluding the stamp duty) or any amount as shall be determined from time to time by the Exchange may be charged for each transfer and shall if required by the Directors be paid before the registration thereof.

Clause 51 - Person Under Disability

No share shall in any circumstances be transferred to any minor, bankrupt or person of unsound mind.

Clause 52 - Refusal to Transfer

- (1) Subject to Section 106 and any other relevant provisions of the Act, the Directors may refuse or delay to register the transfer of a share, not being a Deposited Security, to a person of whom they shall not approve.
- (2) If the Directors passed a resolution to refuse or delay the registration of a transfer, they shall, within seven (7) days of the resolution being passed, give to the lodging broker, transferor and the transferee written notice of the resolution setting out the precise reasons thereof.

Clause 53 - Non-Liability of the Company, its Directors and Officers in Respect of Transfer

Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred or otherwise in defective manner. And in every such case, the person registered as transferee, his executors, administrators and assigns alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

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

(iv) **Rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and special rights**

Clause 13 - Rights of Preference Shareholders

- (1) Save as otherwise specifically provided for under this Constitution in respect of any particular class of preference shares and subject to the Act, preference shareholders shall have the same right as ordinary shareholders as regards to receiving notices, reports and audited financial statements and attending general meetings of the Company.
- (2) Save as otherwise specifically provided for under this Constitution in respect of any particular class of preference share, preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the share capital of the Company or sanctioning a disposal of the whole of the Company's property, business and undertaking or where the proposition to be submitted to the meeting directly affects their rights and privileges, or when the dividend or part of the dividend on the preference shares is in arrears for more than six (6) months or on a proposal to wind-up the Company or during the winding up of the Company, but shall have no other rights whatsoever.
- (3) The holder of a preference share must be entitled to a return of capital in preference to holders of ordinary shares when the Company is wound up.

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.

15. STATUTORY AND OTHER INFORMATION (Cont'd)

Clause 46 - Company's Lien on Shares and Dividends

The Company's lien on shares and dividends from time to time declared in respect of such shares, shall be restricted to:

- (a) unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid;
- (b) if the shares were acquired under an employee share option scheme, amounts which are owed to the Company for acquiring them; and
- (c) such amounts as the Company is required by law to pay, and has paid, in respect of the shares of a holder or deceased former holder.

The Company's lien, if any, on a share shall extend to all dividends payable thereon and other moneys payable thereon or in respect thereof. In each case, the lien extends to reasonable interest and expenses incurred because of the amount is not paid.

Clause 90(2) - Vote of Members

Subject to any special rights or restrictions as to voting attached to any class or classes of shares by or in accordance with these Clauses, on a resolution to be decided on a show of hands, a holder of ordinary shares or preference shares who presents as a member or a member's representative or proxy or attorney and entitled to vote, shall be entitled to one (1) vote on any question at any general meeting, and in the case of a poll, every member present in person or by proxy or by attorney or other duly authorised representative, shall have one (1) vote for every share held by him. A person entitled to more than one (1) vote need not use all his votes or cast all the votes he uses on a poll in the same way.

Clause 166 - Dividends in Proportion to Amounts Paid up

Subject to the rights of persons (if any) entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of call shall be treated for the purposes of this Clause as paid up on the share. All dividends shall be apportioned and paid pro-rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, except that if any share is issued on terms providing that it shall rank for dividend as if paid up (in whole or in part) as from a particular date, such share shall rank for dividend accordingly.

15.3 Deposited Securities and Rights of Depositors

As our Shares are proposed for quotation on the Official List, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of our Shares must deposit his Shares with Bursa Depository on or before the date fixed, failing which our Share Registrar will be required to transfer his Shares to the Minister of Finance, Inc. and such Shares may not be traded on Bursa Securities.

Dealing in our Shares deposited with Bursa Depository may only be effected by a Depositor by means of entries in the securities account of that Depositor.

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

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares will be deemed to be a shareholder of our Company and will be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, arising from, such Shares.

15.4 Limitation on the Right to Hold Securities and/or Exercise Voting Rights

Subject to Section 15.3 above, there is no limitation on the right to own our Shares, including any limitation on the right of a non-resident or non-Malaysian shareholder to hold or exercise voting rights on our Shares, which is imposed by Malaysian law or by our Constitution.

15.5 Public Take-Overs

During the last financial year and up to the LPD, there were no:

- (i) public take-over offers by third parties in respect of our Shares; and
- (ii) public take-over offers by our Group in respect of other companies' securities.

15.6 Material Contracts

Save as disclosed below, we have not entered into any contracts which are material (not being contracts entered into in the ordinary course of business) within the period covered by the historical financial information as disclosed in this Prospectus up to the date of this Prospectus:

- (i) Shareholders agreement dated 1 February 2025 between Elsa Energy, Raymond Bin Poit @ Elug and Orca Borneo to regulate the relationship of the respective parties in Orca Borneo ("**Shareholders Agreement**"). A deed of revocation dated 26 June 2025 was subsequently entered into between Elsa Energy and Raymond Bin Poit @ Elug to revoke and terminate the Shareholders Agreement; and
- (ii) Underwriting Agreement dated 31 March 2026 between our Company and Malacca Securities as Underwriter for the underwriting of 37,688,000 Underwritten Shares for an underwriting commission of 2.00% of the total value of the Underwritten Shares at our IPO Price. Please refer to Section 4.10 of this Prospectus for the salient terms of the Underwriting Agreement.

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15. STATUTORY AND OTHER INFORMATION *(Cont'd)***15.7 Material Litigation**

As at the LPD, save as disclosed below, 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.

Kuala Lumpur High Court Civil Suit No.: WA-22NCVC-695-10-2021 ("Civil Suit")**Plaintiff**

- (i) The Reach Group Pty Limited ("**First Plaintiff**"); and
- (ii) The Reach Group Sdn Bhd ("**Second Plaintiff**")

(Collectively, referred to as the "**Plaintiffs**")

Versus

Defendants

- (i) Robert Masson Boyd ("**First Defendant**");
- (ii) Gordon Leonard Rohan Anderson ("**Second Defendant**"); and
- (iii) Elsa Energy ("**Third Defendant**")

(Collectively, referred to as the "**Defendants**")

On 1 November 2021, the Third Defendant was served with a writ dated 26 October 2021 ("**Writ**") and statement of claim dated 26 October 2021 ("**Statement of Claim**") filed in the Kuala Lumpur High Court ("**Court**") by the Plaintiffs. In the Statement of Claim, the Plaintiffs claimed that the Third Defendant had conspired with the First Defendant and the Second Defendant to use calculations or figures belonging to the Plaintiffs, which are claimed to be confidential information, in order to tender for "Provision of Technical Consultancy Services to Facilitate Performance Optimisation for PTTEP's Operations ("**Work Scope 4**")" and to secure the contract with an oil and gas company known as PTT Exploration and Production Public Company Limited.

The Plaintiffs claimed against the Defendants for:

- (i) special damages of USD5,235,040.00;
- (ii) general damages to be assessed;
- (iii) exemplary damages to be assessed;
- (iv) an order for injunction that the defendants not to use the confidential information of the Plaintiffs;
- (v) interest on all sums as may be awarded by the Court in respect of paragraph (i) – (iii) above at the rate of 5% per annum from the date of filing of the suit until full and final settlement;
- (vi) cost; and
- (vii) such further or other reliefs as the Court deems fit.

The Third Defendant had since filed counter-claims against the Plaintiff. On 15 June 2022, at the instruction of the Court, the Plaintiffs' Solicitors have written to the Third Defendant's Solicitors to request for the proposal of settlement by the Third Defendant. On 21 December 2022, the Third Defendant wrote to the Plaintiffs on without prejudice basis and offered a settlement amount of RM200,000, which was rejected by the Plaintiffs. The Plaintiffs subsequently on 6 January 2023 also on without prejudice basis counter-propose an amount of RM1,875,000 which the Third Defendant didn't agree and accept.

15. STATUTORY AND OTHER INFORMATION (Cont'd)

On 26 October 2022, the Court has fixed 29 and 30 April 2024 as the trial dates on the lawsuit and counterclaim. However, the trials which were set to take place on 29 and 30 April 2024 have been vacated by the Court and the Court fixed 7 to 10 April 2025 as the new dates for lawsuit and counterclaim.

On 29 October 2024, the Plaintiffs' solicitors filed a Notice of Discontinuance, wholly discontinuing this lawsuit against the Third Defendant without liberty to file afresh and with no order as to cost.

15.8 Consents

- (i) The written consent of our Principal Adviser, Sponsor, Underwriter, Placement Agent, Solicitors for our Listing in respect of the laws of Malaysia, Share Registrar, Issuing House and Company Secretary as set out in the Corporate Directory of this Prospectus to the inclusion in this Prospectus of their names in the form and context in which such names appear, have been given before the issuance of this Prospectus and have not been subsequently withdrawn.
- (ii) The written consent of our Auditors and Reporting Accountants for the inclusion of its name, the Accountants' Report and the Reporting Accountants' Assurance Report on Compilation of Pro Forma Consolidated Statements of Financial Position, and all references thereto in the form and context in which they are included in this Prospectus, have been given before the issuance of this Prospectus and have not been subsequently withdrawn.
- (iii) The written consent of our IMR for the inclusion of its name, the IMR Report and all references thereto in the form and context in which they are included in this Prospectus, have been given before the issuance of this Prospectus and have not been subsequently withdrawn.

15.9 Documents Available for Inspection

Copies of the following documents may be inspected at our registered office during 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 Accountants' Report as included in Section 13 of this Prospectus;
- (iv) the Reporting Accountants' Assurance Report on Compilation of Pro Forma Consolidated Statements of Financial Position as at 31 December 2025 as included in Section 14 of this Prospectus;
- (v) the audited consolidated financial statements of Elsa for the FYE 2022, FYE 2023, FYE 2024 and FYE 2025;
- (vi) the audited financial statements of Elsa Digital, Elsa Energy, Elsa Robotics, Elsa Talent and Orca Technology for the FYE 2022, FYE 2023, FYE 2024 and FYE 2025;

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

- (vii) our material contracts referred to in Section 15.6 of this Prospectus;
- (viii) relevant cause papers in respect of the material litigation as referred to in Section 15.7 of this Prospectus; and
- (ix) the letters of consent referred to in Section 15.8 of this Prospectus.

15.10 Responsibility Statements

This Prospectus has been seen and approved by our Directors, Promoters and Selling Shareholders. 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 our 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 our IPO.

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16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

THIS SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR IPO SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE “DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE” ACCOMPANYING THE ELECTRONIC COPY OF OUR PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in our Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

16.1 Opening and Closing of Applications

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 21 MAY 2026

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 3 JUNE 2026

Applications for our IPO Shares will open and close at the dates stated above.

In the event there is any change to the dates stated above, we will advertise the notice of the changes in a widely circulated daily English and Bahasa Malaysia newspaper in Malaysia.

Late Applications will not be accepted.

16.2 Methods of Application**16.2.1 Application for our Issue Shares by the Malaysian Public and the Eligible Persons**

Applications must accord with 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
Applications 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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16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**16.2.2 Application by selected investors via placement**

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

16.3 Eligibility**16.3.1 General**

You must have a CDS Account and a correspondence address in Malaysia. If you do not have a CDS Account, you may open a CDS Account by contacting any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our Prospectus on the website of Bursa Securities. The CDS Account must be in your own name. Invalid, nominee or third party CDS Accounts will not be accepted for the Applications.

In the case of an application by way of Application Form, you must state your CDS Account number in the space provided in the Application Form.

In the case of an application by way of Electronic Share Application, you shall furnish your CDS Account number to the Participating Financial Institution by way of keying in your CDS Account number if the instructions on the ATM screen at which you enter your Electronic Share Application require you to do so. Only an individual can make an Electronic Share Application. A corporation or institution cannot apply for our Issue Shares by way of Electronic Share Application.

In the case of an Application by way of Internet Share Application, you shall furnish your CDS Account number to the Internet Participating Financial Institutions by keying your CDS Account number into the online application form. Only an individual who has an existing account to their internet financial services with the Internet Participating Financial Institutions can make an Internet Share Application. A corporation or institution cannot apply for our Issue Shares by way of Internet Share Application.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 IPO SHARES OR MULTIPLES OF 100 IPO SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

16.3.2 Application by the Malaysian Public

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

- (i) You must 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 Applications by using only one of the following methods:
 - (a) White Application Form;
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

16.3.3 Application by the Eligible Persons

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation.

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.

16.4 Procedures for Application by Way of Application Forms

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The FULL amount payable is RM0.23 for each IPO Share.

Payment must be made out in favour of “**TIIH SHARE ISSUE ACCOUNT NO. 832**” and crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with your name and address.

16. 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:

Tricor Investor & Issuing House Services Sdn Bhd

(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

- (ii) **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur,

so as to arrive not later than 5.00 p.m. on 3 June 2026 or by such other time and date specified in any change to the date or time for closing.

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

16.5 Procedures for Application by Way of Electronic Share Applications

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, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Participating Financial Institutions.

16.6 Procedures for Application by Way of Internet Share Applications

Only Malaysian individuals may use the Internet Share Application to apply for our Issue Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, CGS International Securities Malaysia Sdn Bhd, 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 (formerly known UOB Kay Hian Securities (M) Sdn Bhd). A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions or Participating Securities Firms.

16.7 Authority of Our Board and 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 16.9 below.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of 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.

16.8 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 Issue Shares and the balloting results in connection therewith will be furnished by the Issuing House to Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on the Issuing House's website at <https://srmy.vistra.com> within 1 business day after the balloting event.

Pursuant to the Listing Requirements we are required to have a minimum of 25.00% of our Company's issued share capital to be held by at least 200 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of our Issue Shares by the Malaysian Public and/or Eligible Persons, subject to the clawback and reallocation provisions as set out in Sections 4.3.1 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.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

16.9 Unsuccessful/Partially Successful Applicants

If you are unsuccessful/partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner.

16.9.1 For applications by way of Application 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 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) at your own risk.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by 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).

16.9.2 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 Institutions) within 2 Market Days after the receipt of confirmation from the Issuing House.
- (ii) You may check your account on the 5th Market Day from the balloting date.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by 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 will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institutions will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House.

16.10 Successful Applicants

If you are successful in your Application:

- (i) Our IPO Shares allotted to you will be credited into your CDS Account.
- (ii) A notice of allotment will be despatched to you at your last 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 IPO Shares issued/offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.
- (iv) In accordance with Section 29 of the SICDA, all dealings in our 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.

16.11 Enquiries

Enquiries in respect of the Applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Form	The Issuing House's Enquiry Services Telephone at telephone no. +603-2783 9299
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution, Participating Securities Firms and Authorised Financial Institution

The results of the allocation of Issue Shares derived from successful balloting will be made available to the public at the Issuing House's website at <https://srmy.vistra.com>, **1 Market Day** after the balloting date.

You may also check the status of your Application at the above website, 5 Market Days after the balloting date or by calling your respective ADA during office hours at the telephone number as stated in the list of ADAs as set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our Prospectus on the website of Bursa Securities.

APPENDIX I – LIST OF SWEC CODES

As at the LPD, Elsa Energy has 267 SWEC registered under our PETRONAS licenses. We are licensed to supply the following products/ services to exploration and oil/gas companies in Malaysia:

No.	SWEC	Description of service
1.	21121224S	Specialised Survey-Quantity Surveying Services
2.	13111100P	General Purpose
3.	16171400P	Petroleum Product Transfer
4.	24221500S	Engines
5.	24212116P	High Pressure Water Pump
6.	17191000S	Fluid Sampling Services
7.	30102400S	Integrated Well Abandonment Services
8.	17161100S	Electromagnetic Feasibility Study
9.	17161500S	Magnetic & Gravity Survey – Aerial
10.	17161300S	Electromagnetic Survey – Marine
11.	17101200S	Geophysical QC & Consultancy Services
12.	13101000P	Engineering Software
13.	21121640S	Steam Turbines (Pumps & Turbo Generators)
14.	17201400S	Multicomponent Seismic Acquisition
15.	30103012S	Downhole Conveying Device
16.	21121225S	Specialised Survey-Radio Survey
17.	21121222S	Specialised Survey-Machinery Survey for Safety
18.	13101300P	Server Software
19.	19121300S	Specialist Manpower
20.	30102100S	Drilling/Completion Fluids Services
21.	22101012S	Creative Advertising - Below The Line (BTL)
22.	18111200S	Occupational Health Consultancy
23.	16271200P	Electric Hand Tools & Equipment

APPENDIX I – LIST OF SWEC CODES *(Cont'd)*

No.	SWEC	Description of service
24.	24171500P	Hydraulic Floor Crane
25.	17161600S	Magnetic & Gravity Survey - Land
26.	18211200P	Escape System
27.	17101000S	Geological Feasibility/Prospecting/Reconnaissance Study
28.	18211900P	Survival Kits
29.	13151700P	Personal Computer
30.	30103500S	Well Killing & Pumping Services
31.	14101200P	Explosion Proof Electrical Parts, Components & Accessories
32.	24171000P	Air Hoist
33.	13151400P	Hardware for Workstations
34.	30103615S	Well Tubing Puncher Services
35.	17101100S	Geophysical Feasibility Study
36.	17151000S	Geochemistry & Basin
37.	13172500S	Telecom Equipment Leasing/Rental
38.	22101011S	Creative Advertising - Above The Line (ATL)
39.	18211600P	Liferings & Accessories
40.	27161400S	Underwater Inspection/Diving Services
41.	21121100P	Marine Accessories
42.	30101110P	Centralizer & Accessories
43.	27161200S	Surface Diving Services
44.	17201100S	G&G Interpretation/Mapping Systems
45.	18111500S	Safety, Survival & Specialised Skills Training & Consultancy
46.	10112210P	Other Oils & lubricants
47.	30101010S	Electrical Submersible Pump (ESP)
48.	18141200P	Fire Monitoring System

APPENDIX I – LIST OF SWEC CODES *(Cont'd)*

No.	SWEC	Description of service
49.	13121400S	Storage & Retrieval of Backup Media
50.	11161000S	Jetty Maintenance
51.	24181300S	Hoists
52.	24181900S	Winches
53.	23171800S	Magnetic Tomography Method & Metal Magnetic Memory
54.	30121100S	R&D Services
55.	13130000S	ICT Audit Services
56.	30103200S	Subsea Well Intervention
57.	13101500P	Software for Workstations
58.	30121000S	Project Management – Drilling
59.	17161200S	Electromagnetic Survey – Land
60.	17201700S	Transition Zone Seismic Data Acquisition
61.	13141000S	Computerized Inspection & Maintenance Consultancy Services
62.	24212120P	Vacuum Pump
63.	13151900P	Server
64.	24181800S	Skylift
65.	23141600S	Pressure Vessels (Unfired) Inspection
66.	24171600P	Lifting & Rigging Equipment & Accessories
67.	16201600P	LPG Filling System & Accessories
68.	23171600S	Laser Beam
69.	27161000S	Remotely Operated Vehicles (ROV) Services
70.	18191300P	HAZMAT Equipment & Vehicles
71.	23141200S	Monorail Inspection
72.	13101100P	Mainframe Software
73.	16221300P	Overhead Crane

APPENDIX I – LIST OF SWEC CODES (Cont'd)

No.	SWEC	Description of service
74.	24171800P	Offshore Portable Crane
75.	21141314S	Warehouse Management Services
76.	11161100S	Single Buoy Mooring (SBMs) System
77.	21141213P	Material Handling – Motorised Handpallet
78.	18101000S	Climate Change Services
79.	23141800S	Structure Inspection
80.	21131100P	Container Accessories & Parts
81.	13111300S	Smart Card & Related Services
82.	13151200P	Data Storage Media
83.	14101400P	Non Explosion Proof Electrical Parts, Components & Accessories
84.	21122000S	Vessel Cleaning Services
85.	15111100S	Decommissioning Study of Onshore Facilities/Project
86.	21141311S	Container Handling
87.	24171400P	Hand Winch
88.	13151300S	End User Device Leasing/Rental
89.	25201500S	Repair & Maintenance of Office Equipment/Supplies
90.	24212110P	Chemical Injection Pump
91.	13171200P	Fiber Optic Communication System Equipment & accessories
92.	21121223S	Specialised Survey-Quality Surveying Services
93.	22111100S	Provision of Photographic Services
94.	14110000S	Electrical Engineering Consultancy
95.	10141616P	Other Catalysts
96.	17211000S	Offshore Soil Investigation
97.	17201000S	G&G Data Interpretation Services
98.	27131100S	Onshore Pipeline Inspection & Repair

APPENDIX I – LIST OF SWEC CODES (Cont'd)

No.	SWEC	Description of service
99.	19121000S	General Manpower
100.	25161200S	Laboratory Consultancy Services
101.	17201500S	Seismic Data Processing/Reprocessing
102.	13171000P	Call Manager/IP Communication Server
103.	10112211P	Wash Oil
104.	13172100P	Radar Surveillance System
105.	23171500S	Hydrogen Attenuation & Alternating Current Field Measurement
106.	20161400S	Multiphase Flow Meter
107.	21101100S	Aviation Consultancy, Technical & Services Audit
108.	16271300P	Hydraulic Jacking, Tensioning & Torqueing Equipment
109.	21121641S	Tank Cleaning Equipment
110.	17161000S	Electromagnetic Data Processing/Reprocessing
111.	18161100S	Spill Control Support & Clean-up Services
112.	27121200S	Pipeline Engineering Consultancy
113.	30101200S	Borehole Survey/Gyro Survey Services
114.	30103119S	Well Stimulation/Enhancement Services
115.	21121611S	Automation/Control & Instrumentation - Alarm Monitoring Systems
116.	24271000P	Catridge Filter
117.	13121000S	Backup & Restore Services
118.	27121100S	Integrated Operations Consultancy & Services
119.	21131000P	Container
120.	20261000S	Advanced Process Control System (APCS)
121.	13171400S	ICT Network Cabling Maintenance
122.	17111000S	3-D Structural Survey
123.	21141215P	Material Handling – Racking

APPENDIX I – LIST OF SWEC CODES (Cont'd)

No.	SWEC	Description of service
124.	16271500P	Mechanic Hand Tools
125.	15171211S	Tow, Reeling, Flexible & Other Methods
126.	10112700P	Solvents
127.	18141100S	Equipment Maintenance & Calibration
128.	27131000S	Offshore Pipeline Inspection & Repair
129.	15111200S	Project Management – Pipeline
130.	15141400S	Offshore - Mobile Production Facilities (MOPU)
131.	17201200S	Land Seismic Data Acquisition
132.	18191400P	Other Safety/Firefighting Equipment
133.	13141200S	ICT Training Services
134.	24172100P	Pillar Jib Crane
135.	13121300S	ICT Datacenter Hosting Services
136.	18151600P	Rocket Line Throwing Apparatus
137.	13160000S	Retail Automation Solution
138.	30103015S	Swell/Expandable Packer
139.	13172400P	Subscriber Equipment/IP Phones
140.	21121226S	Thickness Gauging, Non-Destructive Tests Services
141.	24212115P	High Pressure Steam Cleaner
142.	18171000P	Dispersant Chemical
143.	20210000P	Instrumentation Cables
144.	27161100S	Saturation Diving Services
145.	13172800P	Video Conferencing System
146.	21141313S	Non-bonded Warehouse
147.	13152000S	Server & Storage Leasing/Rental
148.	20171000P	Electronic Tools, Test & Calibration Equipment

APPENDIX I – LIST OF SWEC CODES *(Cont'd)*

No.	SWEC	Description of service
149.	23171700S	Leak Testing
150.	21101300S	Aviation Support Services
151.	18201200S	Security Equipment & Surveillance System Maintenance
152.	18151000P	A60/AO Windows
153.	13171300S	Hardware Support Services
154.	17130000S	Geological Analysis While Drilling
155.	17151200S	Reservoir
156.	25141000S	Management Consultancy Services (MCS)
157.	24181400S	Mobile Crane Leasing & Rentals
158.	14161800P	Non-Explosion Distribution Boards & Enclosure
159.	17101300S	Integrated Full Field Review
160.	22130000S	Exhibition Design & Construction
161.	17211100S	Site Investigation - Offshore
162.	24181500S	Mobile Crane Services
163.	24171200P	Electrical Hoists
164.	25141100S	Documentation Management
165.	18151400P	Module Cladding Firewalls & Decking
166.	13101200P	Office Software Application
167.	27121400S	Shutdown/Plant Turnaround Project Management
168.	18211300P	Life/Work Vests
169.	18151100P	Eye Wash Station & Shower
170.	17201600S	Seismic Modelling Services
171.	19121200S	Skilled Manpower
172.	16241200P	Service Station Accessories
173.	13172000P	Other Ancillary Equipment

APPENDIX I – LIST OF SWEC CODES (Cont'd)

No.	SWEC	Description of service
174.	24212119P	Pumps, Sliding Vane & Liquid Ring Type
175.	20161300S	Instrument Cabling & Wiring Works
176.	22150000S	Public Relations
177.	13151800S	Photocopier, Printer & Facsimile Leasing/Rental
178.	30103118S	Well Leak Repair Services
179.	17140000S	Geology Fieldwork & Sampling
180.	18211400P	Liferaft & Accessories
181.	16271100P	Barrel & Grease Pump
182.	15161200S	Offshore - Mobile Production Facilities (MOPU - EPC/EPCC/EPCIC)
183.	23180000S	Risk Based Inspection
184.	13151600S	PC Leasing/Rental
185.	18151700P	Self Contained Breathing Apparatus
186.	14101300P	Light, Fittings & Accessories
187.	13101600S	Software License Leasing
188.	13172600S	Telecom Leased Line
189.	30101900S	Drilling Equipment Rental & Services
190.	13151100P	Audio/Visual Equipment & Accessories
191.	24182000S	Wire Rope
192.	23171200S	Basic NDT
193.	30121200S	Specialized Drilling and Completion Consultancy
194.	18231500S	On-Site Scheduled Waste Treatment
195.	13171900S	Network Design, Configuration & Installation and Maintenance for Secured Voice & Data Communication and Facilities
196.	17151300S	Structural Geology
197.	23141900S	Vessel (FSO/FPSO) Inspection

APPENDIX I – LIST OF SWEC CODES *(Cont'd)*

No.	SWEC	Description of service
198.	11101200S	Civil & Structural Engineering Consultancy
199.	22101100S	Media Advertising (including Social Media)
200.	13151500P	Mainframe
201.	24212114P	Diaphragm
202.	30101111P	Float Equipment & Accessories
203.	16160000P	Heating, Ventilation & Air Conditioning (HVAC) Equipment & Spares
204.	17111200S	Topographical & Engineering Survey
205.	23141400S	Piping Inspection
206.	14101500P	Power & Control - General Cable
207.	15131400S	Naval Architecture & Marine Engineering
208.	30111200S	Rig Inspection Services
209.	13111000P	Access Control System
210.	26111100P	Riser
211.	30103612S	Slickline Well Perforating Services
212.	21121220S	Specialised Survey-Damage Survey by Salvage Association Surveyor
213.	18111400S	Safety Consultancy
214.	17121200S	Other Geological & Geophysical Services
215.	18151300P	Helicopter Crash Rescue Equipment
216.	21141214P	Material Handling – Pallets
217.	30121310S	Production Technology Consultancy
218.	21121215S	Marine Inspection/Audit/Survey
219.	24212112P	Controlled Volume
220.	10111600P	Disinfectants/Cleaner/Degreasing Agent
221.	20161200S	Fiber Optics
222.	24221800S	Lube Oil Centrifuge & Purifier

APPENDIX I – LIST OF SWEC CODES *(Cont'd)*

No.	SWEC	Description of service
223.	21101000S	Aerial Surveillance - Manned & Unmanned
224.	24171300P	Forklift
225.	13141100S	ICT Consultancy
226.	24181100S	Forklift Services
227.	18171100P	Oil/Chemical Spill Response Equipment & Accessories
228.	23141000S	Cooling Tower Inspection
229.	14151600P	Portable Generator Set
230.	11161200S	Single Point Mooring System
231.	21141212P	Industrial Printing Consumable
232.	23141700S	Storage Tank Inspection
233.	23172000S	Pulse Eddy Current
234.	21121221S	Specialised Survey-Hull & Machinery Survey
235.	18151500P	Personnel Protection Equipment
236.	22120000S	Events Management
237.	24191000S	Rotating Equipment Consultancy
238.	22140000S	Market Research
239.	13151000P	Accessories/Printers/Plotters/Peripherals
240.	15131200S	Feasibility Study
241.	21121300S	Marine Security Services
242.	15131111S	General Draughting Services
243.	15142000P	Subsea Systems & Umbilical
244.	23151200P	Inspection & Testing Equipment & Tools
245.	13101400S	Software Development Services
246.	17161400S	Magnetic & Gravity Data Interpretation
247.	18211500P	Liferaft (Self-Inflating)

APPENDIX I – LIST OF SWEC CODES (Cont'd)

No.	SWEC	Description of service
248.	18141410P	Environment Quality Monitoring
249.	30101011S	Gas Lift
250.	30103400S	Well Completion Equipment & Services
251.	14101000P	Cable Trays/Ladders/Conduits
252.	30101012S	Other artificial lift system & services
253.	17151100S	Pore Pressure Prediction
254.	18211700P	Rescue Boat
255.	21131500P	Intermediate Bulk Container (IBC)
256.	13121100S	Computer Storage
257.	21131200S	Container Boxes Leasing/Rental
258.	23141500S	Pressure Vessels (Fired) Inspection
259.	17201300S	Marine Seismic Data Acquisition - 2D/3D/4D
260.	13171500P	Intercom Facilities
261.	24221100S	Blower & Fan Services
262.	16271600P	Pneumatic Tools & Air Compressors
263.	17191100S	Rock Sampling Services
264.	18211800P	Scramble Nets
265.	13121200S	Disaster Recovery Subscription Services
266.	13171700P	Multiplex & Signalling
267.	21141210P	Bar Coding System & Accessories

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APPENDIX I – LIST OF SWEC CODES *(Cont'd)*

As at the LPD, Elsa Digital has 1 SWEC registered under our PETRONAS licenses. We are licensed to supply the following product/ service to exploration and oil/gas companies in Malaysia:

No.	SWEC	Description of service
1.	20181100P	Other Instrument Accessories

As at the LPD, Elsa Talent has 1 SWEC registered under our PETRONAS licenses. We are licensed to supply the following product/ service to exploration and oil/gas companies in Malaysia:

No.	SWEC	Description of service
1.	18161000S	Soil/Land Remediation

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF ELSA BERHAD (“ELSA” OR THE “COMPANY”) DATED 21 MAY 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., 21 MAY 2026

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 3 JUNE 2026

Applications for our IPO Shares will open and close at the times and dates stated above.

In the event there is any change to the dates stated above, we will advertise the notice of the changes in a widely circulated daily English and Bahasa Malaysia newspaper in Malaysia.

Late Applications will not be accepted.

2. Methods of Applications

2.1 Application for our Issue Shares by the Malaysian Public and the Eligible Persons

Applications must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that your Application will succeed.

<u>Types of Application and category of investors</u>	<u>Application Method</u>
Applications by the Eligible Persons	Pink Application Form only
Applications by the Malaysian Public:	
(i) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(ii) Non-Individuals	White Application Form only

2.2 Application by selected investors via placement

<u>Types of Application and category of investors</u>	<u>Application Method</u>
Applications by Selected investors:	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions

Selected investors may still apply for our Issue Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

3. Eligibility

3.1 General

You must have a CDS Account and a correspondence address in Malaysia. If you do not have a CDS Account, you may open a CDS Account by contacting any of the ADAs set out in **Section 12** of this 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.

In the case of an application by way of Application Form, you must state your CDS Account number in the space provided in the Application Form.

In the case of an application by way of Electronic Share Application, you shall furnish your CDS Account number to the Participating Financial Institution by way of keying in your CDS Account number if the instructions on the ATM screen at which you enter your Electronic Share Application require you to do so. Only an individual can make an Electronic Share Application. A corporation or institution cannot apply for our Issue Shares by way of Electronic Share Application.

In the case of an Application by way of Internet Share Application, you shall furnish your CDS Account number to the Internet Participating Financial Institutions by keying your CDS Account number into the online application form. Only an individual who has an existing account to their internet financial services with the Internet Participating Financial Institutions can make an Internet Share Application. A corporation or institution cannot apply for our Issue Shares by way of Internet Share Application.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 IPO SHARES OR MULTIPLES OF 100 IPO SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

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 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

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

(iii) 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 allocations. The applicants must follow the notes and instructions in those documents and where relevant, of our Prospectus.

The Eligible Persons may request for a copy of the printed Prospectus from our Company at no cost and are given an option to have the printed Prospectus delivered to them free of charge, or to obtain the printed Prospectus from our Company, 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 IPO 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.

The **White Application Form** together with our Prospectus, can be obtained subject to availability from Malacca Securities, 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.

- (ii) In accordance with Section 232(2) of the CMA, the **White Application Form** is accompanied by our Prospectus. You are advised to read and understand our Prospectus before making your Application.
- (iii) 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.
- (iv) Prepare the appropriate form of payment in RM for the FULL amount payable based on the IPO Price of RM0.23 for each IPO Share.

Payment must be made out in favour of “**TIH SHARE ISSUE ACCOUNT NO. 832**” 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 on the **White Application Form**.

- (v) 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).

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

Tricor Investor & Issuing House Services Sdn Bhd

(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

- (b) **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, so as to arrive not later than **5.00 p.m.** on **3 June 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

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. Procedures for Application by Way of Electronic Share Applications

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
Public Bank Berhad	RM2.00
RHB Bank Berhad	RM2.50

Please note that these processing fees may be varied or waived from time to time at the discretion of the respective Participating Financial Institutions. Please contact the relevant Participating Financial Institutions for further enquiries.

5.2 Procedures for Electronic Share Applications

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 Institution and an ATM card issued by that Participating Financial Institution to access the account. An ATM card issued by one of the Participating Financial Institutions cannot be used to apply for our 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**");
- TIIH Share Issue Account No. **832**;
- 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Upon the completion of your Electronic Share Application transaction at the ATM, you will receive a computer-generated transaction slip ("**Transaction Record**"), confirming the details of your Electronic Share Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Share Application or any data relating to such an Electronic Share Application by our Company or 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 Applications

You must have a CDS Account to be eligible to use the Electronic Share Application. Invalid, nominee or third-party CDS Accounts will not be accepted.

YOU MUST ENSURE THAT YOU USE YOUR OWN CDS ACCOUNT NUMBER WHEN MAKING AN ELECTRONIC SHARE APPLICATION. IF YOU OPERATE A JOINT ACCOUNT WITH ANY PARTICIPATING FINANCIAL INSTITUTION, YOU MUST ENSURE THAT YOU ENTER YOUR OWN CDS ACCOUNT NUMBER WHEN USING AN ATM CARD ISSUED TO YOU IN YOUR OWN NAME. YOUR APPLICATION WILL BE REJECTED IF YOU FAIL TO COMPLY WITH THE ABOVE.

The Electronic Share Application shall be made on, and subject to, the above terms and conditions as well as the terms and conditions appearing below:

- (i) The Electronic Share Application shall be made in relation to and subject to the terms of our Prospectus and our Company's Constitution.
- (ii) You are required to confirm the following statements (by pressing pre-designated keys or buttons on the ATM keyboard) and undertake that the following information given are true and correct:
 - (a) You are at least 18 years old as at the date of the application for our 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 Institution and/or Bursa Depository, as the case may be, of your information, your Electronic Share Application or your account with the Participating Financial Institution and Bursa Depository, to the Issuing House and other relevant authorities.

Your Application will not be successfully completed and cannot be recorded as a completed transaction at the ATM unless you complete all the steps required by the Participating Financial Institutions. By doing so, it is considered that you have confirmed each of the above statements as well as given consent in accordance with the relevant laws of Malaysia (including but not limited to Sections 133 and 134 of the Financial Services Act, 2013 and Section 45 of SICDA) to the disclosure by the relevant Participating Financial Institutions 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (iv) You must have sufficient funds in your account with the relevant Participating Financial Institution at the time the Electronic Share Application, 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.
- (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 Institution, 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 Institution for our Issue Shares applied for or for any compensation, loss or damage whatsoever, as a consequence thereof or arising therefrom.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

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

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**6. Application by Way of Internet Share Applications****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 Financial Institution or Participating Securities Firm	Website address	Fees charged
Affin Bank Berhad	https://rib.affinalways.com	Free
Alliance Bank Malaysia Berhad	www.allianceonline.com.my	RM1.00
CGS International Securities Malaysia Sdn Bhd	https://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
Moomoo Securities Malaysia Sdn Bhd	https://www.moomoo.com.my	Free
Public Bank Berhad	www.pbebank.com	RM2.00
RHB Bank Berhad	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 (formerly known UOB Kay Hian Securities (M) Sdn Bhd)	https://eipo.utrade.com.my	Free

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

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.

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DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

6.2 Terms and Conditions for Internet Share Applications

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;
 - (b) You have an existing account with access to internet financial services facilities with an Internet Participating Financial Institution or Participating Securities Firm. You must have your user identification ("**User ID**") and 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 Firm cannot be used to apply for our Issue Shares at internet financial service websites of other Internet Participating Financial Institutions or Participating Securities Firm.
- (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 Institution or Participating Securities Firm) 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 Institution or Participating Securities Firm or the Authorised Financial Institution to deduct the full amount payable for our Issue Shares from your account with the Internet Participating Financial Institution or Participating Securities Firm or the Authorised Financial Institution;

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (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 Institution, or Participating Securities Firm, the Authorised Financial Institution and/or Bursa Depository, as the case may be, of your information, your Internet Share Application or your account with the Internet Participating Financial Institution or Participating Securities Firm, to the Issuing House the Authorised Financial Institution, 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 Institution or Participating Securities Firm to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, our Company, Bursa Securities or other relevant parties in connection with our IPO, all information relating to you if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institution or Participating Securities Firm, necessary for the provision of the Internet Share Application services or if such disclosure is requested or required in connection with our IPO. Further, the Internet Participating Financial Institution or Participating Securities Firm will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institution or Participating Securities Firm in connection with the use of the Internet Share Application services.
- (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 Institution and completed all relevant application steps and procedures for the Internet Share Application which would result in the Internet financial services website displaying the Confirmation Screen.

For the purposes of our Prospectus, “**Confirmation Screen**” shall mean the screen which appears or is displayed on the Internet financial services website, which confirms that your Internet Share Application has been completed and states the details of your Internet Share Application, including the number of 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 Institution or Participating Securities Firm and not a record of the receipt of the Internet Share Application or any data relating to such an Internet Share Application by our Company or 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 Institution or Participating Securities Firm or the Authorised Financial Institution at the time of making your Internet Share Application, to cover and pay for our 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (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.

In the course of completing your Internet Share Application on the website of the Internet Participating Financial Institution or Participating Securities Firm or the Authorised Financial Institution, 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 Institution or Participating Securities Firm, the Authorised Financial Institution, the Issuing House, Bursa Depository and our Company and irrevocably agree that if:
- (a) our Company, the Issuing House, the Internet Participating Financial Institution or Participating Securities Firm and/or the Authorised Financial Institution do not receive your Internet Share Application and/or payment; and
- (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 Institution or Participating Securities Firm 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (x) All of your particulars in the records of the relevant Internet Participating Financial Institution or Participating Securities Firm 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 Firm 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 Institution or Participating Securities Firm 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 the 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

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 Issue Shares and the balloting results in connection therewith will be furnished by the Issuing House to Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on the Issuing House's website at <https://srmy.vistra.com> within 1 business day after the balloting event.

Pursuant to the Listing Requirements we are required to have a minimum of 25.00% of our Company's issued share capital to be held by at least 200 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of our Issue Shares by the Malaysian Public and/or Eligible Persons, subject to the clawback and reallocation provisions as set out in **Section 4.3.1** 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.

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. 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).

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (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 Institutions) within 2 Market Days after the receipt of confirmation from the Issuing House.
- (ii) You may check your account on the 5th Market Day from the balloting date.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institutions 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 IPO Shares allotted to you will be credited into your CDS Account.
- (ii) A notice of allotment will be despatched to you at your last 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 IPO Shares issued / offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.
- (iv) In accordance with Section 29 of the SICDA, all dealings in our 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**11. Enquiries**

Enquiries in respect of your Application may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Form	The Issuing House's Enquiry Services Telephone at telephone no. +603-2783 9299
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution, Participating Securities Firms and Authorised Financial Institution

The results of the allocation of Issue Shares derived from successful balloting will be made available to the public at the Issuing House's website at <https://srmy.vistra.com>, **1 Market Day** after the balloting date.

You may also check the status of your Application at the above website, 5 Market Days after the balloting date or by calling your respective ADA at the telephone number as stated in the list of ADAs as set out in **Section 12** below or the Issuing House at the telephone no. +603-2783 9299 between 5 to 10 Market Days (during office hours only) after the final balloting day.

12. List of ADAs

The list of ADAs and their respective addresses, telephone numbers and broker codes are as follows:

Name	Address and telephone number	Broker code
<u>KUALA LUMPUR</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	2nd Floor, Bangunan AHP No. 2, Jalan Tun Mohd Fuad 3 Taman Tun Dr Ismail 60000 Kuala Lumpur Tel No.: 03-7710 6688	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	Mezzanine & 3rd Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No.: 03-2143 8668	068-018
AFFIN HWANG INVESTMENT BANK BERHAD	38A & 40A, Jalan Midah 1 Taman Midah 56000 Cheras Kuala Lumpur Tel No.: 03-9130 8803	068-018
AMINVESTMENT BANK BERHAD	8-9, 11-18, 21-25th Floor Bagunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Tel No.: 03-2031 0102	086-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
BIMB SECURITIES SDN BHD	Level 34, Menara Bank Islam No 22, Jalan Perak 50450 Kuala Lumpur Tel No.: 03-2613 1700	024-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	3rd Floor, Lot 1511 & 1512 Jalan Mutiara Timur Satu Taman Mutiara Cheras 56100 Kuala Lumpur Tel No.: 03-9132 7424/7428/7429	065-001
CIMB SECURITIES SDN BHD (formerly known as Kaf Equities Sdn Bhd)	14th Floor, Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel. No.: 03-2171 0216	053-001
FA SECURITIES SDN BHD	A-10-17 & A-10-1 Level 10, Menara UOA Bangsar No. 5, Jalan Bangsar Utama 1 59000 Kuala Lumpur Tel No.: 03-2288 1676	021-001
HONG LEONG INVESTMENT BANK BERHAD	Mezzanine Floor Level 3A, Block B, HP Towers No.12 Jalan Gelenggang 60000 Kuala Lumpur Tel No.: 03-2080 8777	066-002
HONG LEONG INVESTMENT BANK BERHAD	Level 27 & 28, Menara Hong Leong No. 6, Jalan Damanlela Bukit Damansara 50490 Kuala Lumpur Tel No.: 03-2083 1800	066-008
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	West Wing, Level 13 Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur 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 Danau Business Centre, Danau Desa 58100 Kuala Lumpur Tel No. : 03-7984 7796	054-003
IFAST CAPITAL SDN BHD	Level 28, Menara AIA Sentral No. 30, Jalan Sultan Ismail Kuala Lumpur Tel No : 03-2149 0660	039-001
KENANGA INVESTMENT BANK BERHAD	Level 17, Kenanga Tower 237 Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-2172 2888	073-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
M & A SECURITIES SDN BHD	22A-1 Jalan Kuchai Maju 1 Kuchai Entrepreneurs' Park Off Jalan Kuchai Lama 58200 Kuala Lumpur Tel No.: 03-7983 9890	057-001
M & A SECURITIES SDN BHD	Level 1-3, No. 45 & 47 The Boulevard, Bandar Mid Valley Lingkar Syed Putra 59200 Kuala Lumpur Tel No.: 03-2282 1820	057-002
MALACCA SECURITIES SDN BHD	No. 76-1, Jalan Wangsa Maju Delima 6 Pusat Bandar Wangsa Maju (KLSC) 53300 Setapak, Kuala Lumpur Tel No.: 03-4144 2565	012-001
MALACCA SECURITIES SDN BHD	B-M-10, Block B Plaza Arkadia Jalan Intisari Perdana Desa Park City 52200 Kuala Lumpur Tel No.: 03-2733 9782	012-001
MALACCA SECURITIES SDN BHD	B01-A-13A Level 13A, Menara 2 No. 3 Jalan Bangsar KL ECO City 59200 Kuala Lumpur Tel No.: 03-2201 2100	012-001
MAYBANK INVESTMENT BANK BERHAD	Level 5, Tower C Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No.: 03-2297 8888	098-001
MAYBANK INVESTMENT BANK BERHAD	27, 31 to 33 Floor Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Tel No. : 03-2059 1888	098-001
MERCURY SECURITIES SDN BHD	L-7-2, No.2, Jalan Solaris Solaris Mont Kiara 50480 Kuala Lumpur Tel No.: 03-6203 7227	093-002
MOOMOO SECURITIES MALAYSIA SDN BHD	Level 9, Menara Khuan Choo 75A Jalan Raja Chulan Bukit Bintang 50200 Kuala Lumpur Tel No.: 03-9212 0718	062-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
PHILLIP CAPITAL SDN BHD	B-3-6, Block B Level 3 Megan Avenue II No.12, Jalan Yap Kwan Seng 50450 Kuala Lumpur Tel No. :03-2783 0361	076-001
NEWPARADIGM SECURITIES SDN BHD	Level 12, EXSIM Tower (Block D) Millerz Square @ Old Klang Road Megan Legasi No. 357, Jalan Klang Lama 58000 Kuala Lumpur Tel No.: 03-2054 8000	064-001
PUBLIC INVESTMENT BANK BERHAD	27th Floor, Bangunan Public Bank No. 6, Jalan Sultan Sulaiman 50000 Kuala Lumpur Tel No.: 03-2268 3000	051-001
RHB INVESTMENT BANK BERHAD	Level 1, Tower 3 RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-9280 2233	087-001
RHB INVESTMENT BANK BERHAD	No. 62, 62-1 & 64, 64-1 Vista Magna Jalan Prima, Metro Prima 52100 Kepong Kuala Lumpur Tel No.: 03-6257 5869	087-028
RHB INVESTMENT BANK BERHAD	No. 5 & 7 Jalan Pandan Indah 4/33 Pandan Indah 55100 Kuala Lumpur Tel No.: 03-4280 4798	087-054
RHB INVESTMENT BANK BERHAD	Ground Floor No. 55, Zone J4 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel No.: 03-9058 7222	087-058
TA SECURITIES HOLDINGS BERHAD	34th Floor, Menara TA One No. 22, Jalan P. Ramlee 50250 Kuala Lumpur Tel No.: 03-2072 1277	058-003
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Suite 12-05, Level 12 Wisma UOA Damansara II No.6 Jalan Changkat Semantan Damansara Heights 50490 Kuala Lumpur Tel No.: 03-2147 1861	078-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	N3, Plaza Damas No. 60, Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur Tel No.: 03-6205 6000	078-004
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Ground & 19th Floor Menara Keck Seng No. 203, Jalan Bukit Bintang 55100 Kuala Lumpur Tel No.: 03-2147 1888	078-010
<u>SELANGOR DARUL EHSAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Suite B3A1, East Wing 3A, Wisma Consplant 2 No. 7, Jalan SS16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5635 6688	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	4th Floor, Wisma Meru No. 1, Lintang Pekan Baru Off Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No.: 03-3343 9999	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	No.79-1, Jalan Batu Nilam 5 Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel No.: 03-3322 1999	068-019
AMINVESTMENT BANK BERHAD	4th Floor, Plaza Damansara Utama No. 2, Jalan SS 21/60 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7710 6613	086-001
APEX SECURITIES BHD	Level 5, Menara UAC No.12, Jalan PJU7/5 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7890 8877	079-001
APEX SECURITIES BHD	16th Floor Menara Choy Fook On No. 1B, Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7620 1118	079-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. A-07-01 & A-07-02 Empire Office Tower Empire Subang Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5631 7934/7892	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor (No. 26-2) Lorong Batu Nilam 4B Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel No.: 03-3325 7105/7106	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor (No. 11A) Jalan Kenari 1 Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No.: 03-5891 6852	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No.26A(F), 26A(M) & 26A(B), Jalan SJ6 Taman Selayang Jaya 68100 Batu Caves Selangor Darul Ehsan Tel No.: 03-6137 1680	065-001
KENANGA INVESTMENT BANK BERHAD	Level 1, East Wing Wisma Consplant 2 No. 7, Jalan SS16/1 47610 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5621 2118	073-001
KENANGA INVESTMENT BANK BERHAD	Lot 240, 2nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiarra Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7725 9095	073-001
KENANGA INVESTMENT BANK BERHAD	No. 35, (Ground, 1st & 2nd Floor) Jalan Tiara 3 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No.: 03-3348 8080	073-001
MALACCA SECURITIES SDN BHD	No. 16, Jalan SS15/4B 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5636 1533	012-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
MALACCA SECURITIES SDN BHD	No. 54M, Mezzanine Floor Jalan SS2/67 47300 Petaling Jaya Selangor Darul Ehsan 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, Seksyen 52 46200 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-2173 8888	026-001
NEWPARADIGM SECURITIES SDN BHD	1st Floor, 157-A Jalan Kenari 23A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No.: 03-8074 7094	064-003
NEWPARADIGM SECURITIES SDN BHD	No. 18 & 20, Jalan Tiara 2 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No.: 03-3341 5300	064-007
RHB INVESTMENT BANK BERHAD	1,3 & 5, Tingkat 2 Jalan 52/18 New Town Centre 46200 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7873 6366/7875 8428	087-011
RHB INVESTMENT BANK BERHAD	1st Floor 10 & 11, Jalan Maxwell 48000 Rawang Selangor Darul Ehsan Tel No.: 03-6092 8916	087-047
RHB INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 87 & 89, Jalan Susur Pusat Perniagaan NBC Batu 1 ½, Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No.: 03-3343 9180	087-048
RHB INVESTMENT BANK BERHAD	Unit 1B, 2B & 3B USJ 10/1J 47610 UEP Subang Jaya Selangor Darul Ehsan Tel No.: 03-8022 1888	087-059
SJ SECURITIES SDN BHD	26, Jalan Pendaftar U1/54 Temasya Glenmarie 40150 Shah Alam Selangor Darul Ehsan Tel No.: 03-5567 3000	096-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
TA SECURITIES HOLDINGS BERHAD	2nd Floor, Wisma TA No. 1A, Jalan SS 20/1 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7795 5713	058-007
<u>PERAK DARUL RIDZUAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Tingkat Bawah, 1, 2 & 3 21, Jalan Stesen 30400 Taiping Perak Darul Ridzuan Tel No.: 05-8066 688	068-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Ground, 1st, 2nd & 3rd Floor No. 8, 8A-C Persiaran Greentown 4C Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2088 688	065-001
HONG LEONG INVESTMENT BANK BERHAD	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2530 888	066-003
KENANGA INVESTMENT BANK BERHAD	Ground, 1st, 2nd & 4th Floor No. 63, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2422 828	073-022
M & A SECURITIES SDN BHD	5th, 6th & Unit 8A M & A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel No.: 05-2419 800	057-001
MALACCA SECURITIES SDN BHD	1st Floor No. 3, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2541 533	012-013
MAYBANK INVESTMENT BANK BERHAD	No. 47, Hala Pusat Perdagangan Canning I Pusat Perdagangan Canning II 30350, Ipoh, Perak Tel No.: 05-2453 457	098-002
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 17, Jalan Intan 2, Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel No.: 05-6236 498	087-014

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BERHAD	Gound & 1st Floor No. 23 & 25, Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Tel No.: 05-6921 228	087-016
RHB INVESTMENT BANK BERHAD	Unit E-2-2A, E-3-2A, E-4-2A & E-5-2A, SOHO Ipoh 2 Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel. No.: 05-2415 100	087-023
RHB INVESTMENT BANK BERHAD	Ground Floor No. 40, 42 & 44, Jalan Berek 34000 Taiping Perak Darul Ridzuan Tel No.: 05-8088 229	087-034
RHB INVESTMENT BANK BERHAD	No. 1 & 3, First Floor Jalan Wawasan Satu Taman Wawasan Jaya 34200 Parit Buntar Perak Darul Ridzuan Tel No.: 05-7170 888	087-052
TA SECURITIES HOLDINGS BERHAD	Ground, 1st & 2nd Floor Plaza Teh Teng Seng, No. 227, Jalan Raja Permaisuri Bainun 30250 Ipoh Perak Darul Ridzuan Tel No.: 05-2531 313	058-001
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	153A, Jalan Raja Musa Aziz 30300 Ipoh Perak Darul Ridzuan Tel No.: 05-2411 290	078-002
<u>PENANG</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 2, 3, 4, 5, 7 & 8 Wisma Sri Pinang 60, Green Hall 10200 Penang Tel No.: 04-2636 996	068-001
AFFIN HWANG INVESTMENT BANK BERHAD	1st, 2nd & 3rd Floor No. 2 & 4, Jalan Perda Barat Bandar Perda 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-5372 882	068-001
AMINVESTMENT BANK BERHAD	Level 3, Menara Liang Court No. 37, Jalan Sultan Ahmad Shah 10050 Penang Tel No.: 04-2261 818	086-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
APEX SECURITIES BERHAD	368-2-5 Jalan Burmah Belissa Row 10350 Pulau Tikus Penang Tel No.: 04-2289 118	079-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 2, Menara BHL 51, Jalan Sultan Ahmad Shah 10050 Penang Tel No.: 04-2385 900	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 20-1 & 20-2 Persiaran Bayan Indah Bayan Bay, Sungai Nibong 11900 Bayan Lepas Penang Tel No.: 04-6412 881	065-001
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	Canton Square Level 2 & 3 No. 56 Cantonment Road 10250 Penang Tel No.: 04-2268 288	054-002
KENANGA INVESTMENT BANK BERHAD	7th, 8th & 16th Floor Menara Boustead 39, Jalan Sultan Ahmad Shah 10050 Penang Tel No.: 04-2283 355	073-023
MALACCA SECURITIES SDN BHD	28, Lorong Tangling Indah 3 Taman Tangling Indah 14100 Simpang Ampat Penang Tel No.: 04-5060 967	012-001
MALACCA SECURITIES SDN BHD	No.11A-1, 1st Floor Persiaran Bayan Indah Taman Bayan Indah 11900 Bayan Lepas Penang Tel No.: 04-6421 533	012-001
MAYBANK INVESTMENT BANK BERHAD	Ground Floor Bangunan KWSP No. 38, Lot PT 8, Seksyen 14 Jalan Sultan Ahmad Shah 10050 Georgetown Penang Tel No.: 04-2196 888	098-006
MERCURY SECURITIES SDN BHD	Ground, 1st & 2nd floor No. 1, Jalan Todak 5 Pusat Bandar Seberang Jaya 13700 Prai, Penang Tel No.: 04-3322 123	093-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
MERCURY SECURITIES SDN BHD	2nd Floor Standard Chartered Bank Chambers 2 Lebu Pantai 10300 Penang Tel No.: 04-2639 118	093-004
NEWPARADIGM SECURITIES SDN BHD	56B, 1st Floor Jalan Perak, Perak Plaza 10150 Penang Tel No.: 04-2273 000	064-004
PHILIP CAPITAL SDN BHD	29A, Ground Floor Beach Street 10300 Penang Tel No.: 04-2616 363	076-015
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 2677, Jalan Chain Ferry Taman Inderawasih 13600 Seberang Prai Penang Tel No.: 04-3900 022	087-005
RHB INVESTMENT BANK BERHAD	Ground Floor – Tingkat 3 & Tingkat 5 – Tingkat 8 64 & 64-D Lebu Bishop 10200 Penang Tel No.: 04-2634 222	087-033
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 15-G-5, 15-G-6, 15-1-5, 15-1-6 Medan Kampung Relau (Bayan Point) 11950 Penang Tel No.: 04-6404 888	087-042
TA SECURITIES HOLDINGS BERHAD	3rd Floor, Bangunan Heng Guan 171, Jalan Burmah 10050 Penang Tel No.: 04-2272 339	058-010
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	1st and 2nd Floor Bangunan Heng Guan No. 171 Jalan Burmah 10050 Penang Tel No.: 04-2299 318	078-002
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	21 Jalan Bayu Mutiara 2 Taman Bayu Mutiara 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-5047 313/316	078-003

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
<u>KEDAH DARUL AMAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 70A, B & C, Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No.: 04-4256 666	068-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, No.102 Kompleks Persiaran Sultan Abdul Hamid Jalan Pegawai 05050 Alor Setar Kedah Darul Aman Tel No.: 04-7774 400/4401	065-001
MALACCA SECURITIES SDN BHD	No. 9, Tingkat Satu Kompleks Perniagaan LITC Jalan Putra Mergong 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7350 888	012-001
PHILIP CAPITAL SDN BHD	Lot T-30, 2nd Floor Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel No.: 04-7317 088/8270	076-004
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor 214-A & 214-B Medan Putra, Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7209 888	087-021
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Lot 4, 4, & 5A, 1st Floor EMUM 55 No. 55, Jalan Gangsa Kawasan Perusahaan Mergong 2 Seberang Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7322 111	078-007
<u>NEGERI SEMBILAN DARUL KHUSUS</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 29G, Jalan S2 B16 Pusat Dagangan Seremban 2 70300 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-6037 408	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	No. 6, Upper Level Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No.: 06-4553 188	068-019

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No.21 Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No.: 06-4553 155	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, Lot 3110 Jalan Besar, Lukut 71010 Port Dickson Negeri Sembilan Darul Khusus Tel No.: 06-6515 385	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 38, 1st Floor Jalan S2 B18 Biz Avenue Seremban 2 70300 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7614 651	065-001
KENANGA INVESTMENT BANK BERHAD	1C & 1D, 1st Floor Jalan Tunku Munawir 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7655 998	073-001
MAYBANK INVESTMENT BANK BERHAD	Ground Floor, Wisma HM No. 43 Jalan Dr. Krishnan 70000, Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7669 555	098-005
NEWPARADIGM SECURITIES SDN BHD	Ground, 1st, 2nd & 3rd Floor 19, 20 & 21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7623 131	064-002
NEWPARADIGM SECURITIES SDN BHD	Ground & 1st Floor No. 3, Jalan Dato Abdullah 71200 Kuala Klawang Negeri Sembilan Darul Khusus Tel No.: 06-6137 767	064-002
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 32 & 33 Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7641 641	087-024
<u>MELAKA</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Ground, 1st & 2nd Floor No. 191 Taman Melaka Raya Off Jalan Parameswara 75000 Melaka Tel No.: 06-2898 897	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
KENANGA INVESTMENT BANK BERHAD	71 & 73 (Ground, A&B) Jalan Merdeka, Taman Melaka Raya 75000 Melaka Tel No.: 06-2881 720	073-001
MALACCA SECURITIES SDN BHD	No. 1, 3 & 5, Jalan PPM 9 Plaza Pandan Malim (Business Park) Balai Panjang P.O Box 248 75250 Melaka Tel No.: 06-3371 533	012-001
MERCURY SECURITIES SDN BHD	81, 81A & 81B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2921 898	093-003
NEWPARADIGM SECURITIES SDN BHD	No. 6-1, Jalan Lagenda 2 Taman 1 Lagenda 75400 Melaka Tel No.: 06-2866 008	064-006
RHB INVESTMENT BANK BERHAD	579, 580 & 581 Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2825 211	087-026
TA SECURITIES HOLDINGS BERHAD	No. 59, 59A & 59B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2862 618	058-003
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	7-2 Jalan PPM8 Malim Business Park 75250 Melaka Tel No.: 06-3352 511	078-014

JOHOR DARUL TAKZIM

AFFIN HWANG INVESTMENT BANK BERHAD	Level 7, Johor Bahru City Square (Office Tower) 106-108 Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-2222 692	068-004
AFFIN HWANG INVESTMENT BANK BERHAD	2nd Floor, No 11 & 12 BP Avenue Jalan Abdul Rahman Bandar Penggaram 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4311 081	068-004

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
AMINVESTMENT BANK BERHAD	2nd & 3rd Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4342 282	086-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 73 Ground Floor No. 73A & 79A, First Floor Jalan Kuning Dua 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3405 888	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, 101 Jalan Gambir 8 Bandar Baru Bukit Gambir 84800 Muar Johor Darul Takzim Tel No.: 07-9764 559/4560	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No. 384A Jalan Simbang, Taman Perling 81200 Johor Bahru Johor Darul Takzim Tel No.: 07-2329 673	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, 113 & 114 Jalan Genuang 85000 Segamat Johor Darul Takzim Tel No.: 07-9311 509	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No. 8A Jalan Dedap 20 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3537 669	065-001
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-2231 211	054-004
KENANGA INVESTMENT BANK BERHAD	Level 2, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3333 600	073-004
KENANGA INVESTMENT BANK BERHAD	No. 57, 59 & 61, Jalan Ali 84000 Muar Johor Darul Takzim Tel No.: 06-9531 222	073-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
M & A SECURITIES SDN BHD	Suite 5.3A, Level 5 Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3381 233	057-003
MALACCA SECURITIES SDN BHD	No. 40A, Jalan Perang Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3351 533	012-001
MALACCA SECURITIES SDN BHD	1735-B, Jalan Sri Putri 4 Taman Putri Kulai, 81000 Kulaijaya, Johor Darul Takzim Tel No. : 07-6638 877	012-001
MALACCA SECURITIES SDN BHD	Lot 880, Batu 3 ½ Jalan Salleh 84000 Muar Johor Darul Takzim Tel No.: 06-9536 948	012-001
MERCURY SECURITIES SDN BHD	Suite 17.1, Level 17 Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3316 992	093-005
NEWPARADIGM SECURITIES SDN BHD	Ground & 1st Floor No. 43 & 43A, Jalan Penjaja 3 Taman Kim's Park, Business Centre 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4333 608	064-001
PHILIP CAPITAL SDN BHD	No. 73, Ground & 1st Floor Jalan Rambutan 86000 Kluang Johor Darul Takzim Tel No.: 07-7717 922	076-006
RHB INVESTMENT BANK BERHAD	53, 53-A & 53-B Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4380 288	087-009
RHB INVESTMENT BANK BERHAD	No. 33-1, 1st and 2nd Floor Jalan Ali 84000 Muar Johor Darul Takzim Tel No.: 06-9538 262	087-025

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 119 & 121 Jalan Sutera Tanjung 8/2 Taman Sutera Utama 81300 Skudai Johor Darul Takzim Tel No.: 07-5577 628	087-029
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 3, Jalan Susur Utama 2/1 Taman Utama 85000 Segamat Johor Darul Takzim Tel No.: 07-9321 543	087-030
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 40, Jalan Haji Manan 86000 Kluang Johor Darul Takzim Tel No.: 07-7769 655	087-031
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 10, Jalan Anggerik 1 Taman Kulai Utama 81000 Kulai Johor Darul Takzim Tel No.: 07-6626 288	087-035
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 21 & 23 Jalan Molek 1/30 Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3522 293	087-043
TA SECURITIES HOLDINGS BERHAD	7A, Jalan Genuang Perdana Taman Genuang Perdana 85000 Segamat Johor Darul Takzim Tel No.: 07-9435 278	058-009
TA SECURITIES HOLDINGS BERHAD	15, Jalan Molek 1/5A Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3647 388	058-011
TA SECURITIES HOLDINGS BERHAD	No. 29-03, Jalan Sri Pelangi Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3364 672	058-013

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Level 6 & 7, Menara MSC Cyberport No. 5, Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Tel No.: 07-3332 000	078-001
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	No. 42-8, Main Road Kulai Besar 81000 Kulai Johor Darul Takzim Tel No.: 07-6635 651	078-001
<u>KELANTAN DARUL NAIM</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 4, Wisma TCH (formerly known as Wisma Square Point) Jalan Pengkalan Chepa 15400 Kota Baru Kelantan Darul Naim Tel No.: 09-7419 050/9051/9052/9053	065-001
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 3953-H Jalan Kebun Sultan 15350 Kota Bharu Kelantan Darul Naim Tel No.: 09-7430 077	087-020
TA SECURITIES HOLDINGS BERHAD	298, Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No.: 09-7433 388/2288	058-004
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Ground Floor & 1st Floor Lot 712, Sek 9, PT 62 Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No.: 09-7473 906	078-004
<u>PAHANG DARUL MAKMUR</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Ground 1st & 2nd Floor No. A-27, Jalan Dato' Lim Hoe Lek 25200 Kuantan Pahang Darul Makmur Tel No.: 09-5057 800	065-001
KENANGA INVESTMENT BANK BERHAD	A15, A17 & A19, Ground Floor Jalan Tun Ismail 2 Sri Dagangan 2 25000 Kuantan Pahang Darul Makmur Tel No.: 09-5171 698	073-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
MALACCA SECURITIES SDN BHD	P11-3 Jalan Chui Yin 28700 Bentong Pahang Darul Makmur Tel No.: 09-2220 993	012-001
PHILIP CAPITAL SDN BHD	Ground, Mezzanine & 1st Floor B-400 Jalan Berserah 25300 Kuantan Pahang Darul Makmur Tel No.: 09-5660 800	076-002
RHB INVESTMENT BANK BERHAD	No. 12, Ground Floor 1st and 2nd Floor Jalan Putra Square 1 Putra Square 25300 Pahang Darul Makmur Tel No.: 09-5173 811	087-007
<u>TERENGGANU DARUL IMAN</u>		
PHILIP CAPITAL SDN BHD	No. 46, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6317 922	076-009
RHB INVESTMENT BANK BERHAD	1st Floor No. 59, Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6261 816	087-055
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	No. 37-B, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6224 766	078-016
<u>SABAH</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 2 & 3 Block A Level 2, Luyang Commercial Centre Damai Plaza PH3 Jalan Damai, 88300 Kota Kinabalu Sabah Tel No.: 088-311 688	068-005
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st – 3rd Floor, Central Building No. 28, Jalan Sagunting 88000 Kota Kinabalu Sabah Tel No.: 088-328 878	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, Lot 12 Block A3, Phase 2 Utama Place Mile 6, Northern Road 90000 Sandakan Sabah Tel No.: 089-215 578	065-001
KENANGA INVESTMENT BANK BERHAD	Level 8, Wisma Great Eastern 68, Jalan Gaya 88000 Kota Kinabalu Sabah Tel No.: 088-236 188	073-032
RHB INVESTMENT BANK BERHAD	2nd Floor No. 81 & 83 Jalan Gaya 88000 Kota Kinabalu Sabah Tel No.: 088-269 788	087-010
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	11, Equity House, Block K Sadong Jaya, Karamunsing 88100 Kota Kinabalu Sabah Tel No.: 088-234 099	078-004
<u>SARAWAK</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	2nd Floor, Lot No. 27, NBX 2 The Northbank Off Kuching-Samarahan Expressway 93350 Kuching, Sarawak Tel No.: 082-501 007	068-005
AMINVESTMENT BANK BERHAD	1st, 2nd, & 3rd Floor No. 162, 164, 166 & 168 Jalan Abell 93100 Kuching Sarawak Tel No.: 082-244 791	086-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 6A, Ground Floor Jalan Bako, Off Brooke Drive 96000 Sibu Sarawak Tel No.: 084-367 700	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 1 (North), Wisma STA No. 26 Jalan Datuk Abang Abdul Rahim 93450 Kuching Sarawak Tel No.: 082-358 688	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker code
KENANGA INVESTMENT BANK BERHAD	Lot 1866, Jalan MS 2/5 Marina Square 2 Marina Parkcity 98000 Miri Sarawak Tel No.: 085-435 577	073-001
KENANGA INVESTMENT BANK BERHAD	Level 2-4, Wisma Mahmud Jalan Sungai Sarawak 93400 Kuching Sarawak Tel No.: 082-338 000	073-001
KENANGA INVESTMENT BANK BERHAD	No. 11-12, (Ground & 1st Floor) Lorong Kampung Datu 3 96000 Sibu Sarawak Tel No.: 084-313 855	073-001
MERCURY SECURITIES SDN BHD	1st Floor No.16 Jalan Getah 96100 Sarikei Sarawak Tel No.: 084-659 019	093-001
RHB INVESTMENT BANK BERHAD	Yung Kong Abell Units No. 1-10, 2nd Floor Lot 365, Section 50 Jalan Abell 93100 Kuching Sarawak Tel No.: 082-250 888	087-008
RHB INVESTMENT BANK BERHAD	102, Pusat Pedada Jalan Pedada 96000 Sibu Sarawak Tel No.: 084-329 100	087-008
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 221, Park City Commerce Square Phase III Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel No.: 086-311 770	087-053
TA SECURITIES HOLDINGS BERHAD	12G, H & I Jalan Kampong Datu 96000 Sibu Sarawak Tel No.: 084-319 998	058-002

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

Name	Address and telephone number	Broker code
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Lot 1265, 1st Floor Centre Point Commercial Centre Jalan Melayu 98000 Miri Sarawak Tel No.: 085-324 128	078-017
UOB KAY HIAN (M) SDN BHD (formerly known as UOB Kay Hian Securities (M) Sdn Bhd)	Ground Floor & First Floor No. 16, Lorong Intan 6 96000 Sibul Sarawak Tel No.: 084-252 737	078-018

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