

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF LIFTECH GROUP BERHAD ("LIFTECH" OR THE "COMPANY") DATED 8 JUNE 2026 ("ELECTRONIC PROSPECTUS")

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

Website

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

Availability and Location of Paper/Printed Prospectus

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

Prospective investors should note that the Application Form is 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, M&A Securities and Liftech take no responsibility for the distribution of the Electronic Prospectus and/ or the sale of the units outside Malaysia, which may be restricted by law in other jurisdictions. The Electronic Prospectus does not constitute and may not be used for the purpose of an offer to sell or an invitation of an offer to buy any units, to any person outside Malaysia or in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

Close of Application

Applications will be accepted from 10.00 a.m. on 8 June 2026 and will close at 5.00 p.m. on 16 June 2026.

In the event the Closing Date is extended, Liftech will advertise the notice of the extension in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia prior to the original Closing Date, and make an announcement on Bursa Securities' website.

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

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

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

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



LIFTECH GROUP BERHAD

(202301002993 (1496912-A))
(Incorporated in Malaysia)

Head Office

10 & 12, Jalan TPP 5/8
Taman Perindustrian Puchong
47100 Puchong
Selangor

Tel + (6) 03-8061 9598
Email info@liftech.com.my
Website https://www.liftech.com.my

LIFTECH GROUP BERHAD

PROSPECTUS

PROSPECTUS

THIS PROSPECTUS IS DATED 8 JUNE 2026



LIFTECH GROUP BERHAD

(202301002993 (1496912-A))
(Incorporated in Malaysia)

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

(I) PUBLIC ISSUE OF 79,234,000 NEW ORDINARY SHARES IN OUR COMPANY ("SHARES") IN THE FOLLOWING MANNER:

- 15,800,000 NEW SHARES AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 7,236,000 NEW SHARES AVAILABLE FOR APPLICATION BY THE ELIGIBLE DIRECTORS AND EMPLOYEES OF OUR GROUP;
- 39,368,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY;
- 16,830,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS;

AND

(II) OFFER FOR SALE OF 15,800,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS,

AT AN ISSUE/ OFFER PRICE OF RM0.29 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

Adviser, Sponsor, Underwriter and Placement Agent



M & A SECURITIES SDN BHD
(197301001503 (15017-H))

(A Participating Organisation of Bursa Malaysia Securities Berhad)

Corporate Finance Adviser



WYNCORP ADVISORY SDN BHD
(200301029902 (632322-H))

BURSA SECURITIES HAS APPROVED OUR ADMISSION TO THE OFFICIAL LIST OF THE ACE MARKET 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 OF THE LISTING OF AND QUOTATION FOR OUR ENTIRE ENLARGED ISSUED SHARE CAPITAL ON THE ACE MARKET OF BURSA SECURITIES AND REGISTRATION OF THIS PROSPECTUS, SHOULD NOT BE TAKEN TO INDICATE THAT BURSA SECURITIES RECOMMENDS THE OFFERING OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. BURSA SECURITIES HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF THE SECURITIES BEING OFFERED FOR INVESTMENT. BURSA SECURITIES IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS DOCUMENT, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER 6 MONTHS FROM THE DATE OF THIS PROSPECTUS.

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

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 200.

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

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

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

M & A Securities Sdn Bhd, being our Adviser, Sponsor, Underwriter and Placement Agent to our IPO (as defined herein), 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.

This Prospectus, together with the Application Form (as defined herein), has also been lodged with the ROC (as defined herein), who takes no responsibility for its contents.

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

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

Approval has been obtained from Bursa Securities for the listing of and quotation for our IPO Shares (as defined herein) on 26 February 2026. Our admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares. Bursa Securities shall not be liable for any non-disclosure on our part and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

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

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

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

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

Further, it shall also be your sole responsibility to ensure that your application for our IPO Shares would be in compliance with the terms of our IPO as stated in our Prospectus and the Application Form and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subjected. We will further assume that you had 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 acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

No action has been or will be taken to ensure that this Prospectus complies with the laws of any country or jurisdiction other than the laws of Malaysia. It shall be your sole responsibility to consult your legal and/or other professional adviser on the laws to which our IPO or you are or might be subjected to. Neither us nor our Adviser nor any other advisers in relation to our IPO shall accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, avoidable or void in any country or jurisdiction.

ELECTRONIC PROSPECTUS

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

You are advised that the internet is not a fully secured medium and that your Internet Share Application (as defined herein) may be subject to risks 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 (as defined herein). These risks cannot be borne by the Internet Participating Financial Institutions or Participating Securities Firms.

If you are in doubt of the validity or integrity of an Electronic Prospectus, you should immediately request from us, our Adviser or Issuing House (as defined herein), a paper printed copy of this Prospectus.

In the event of any discrepancies arising between the contents of the electronic and the contents of the paper printed copy of this Prospectus for any reason whatsoever, the contents of the paper printed copy of this Prospectus which are identical to the copy of the Prospectus registered with Bursa Securities, shall prevail.

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

- (a) We and our Adviser do not endorse and are not affiliated in any way with the Third Party Internet Sites and are not responsible for the availability of, or the contents or any data, information, files or other material provided on the Third Party Internet Sites. You shall bear all risks associated with the access to or use of the Third Party Internet Sites;
- (b) We and our Adviser are not responsible for the quality of products or services in the Third Party Internet Sites, for fulfilling any of the terms of your agreements with the Third Party Internet Sites. We and our Adviser are also not responsible for any loss or damage or costs that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance of any data, information, files or other material provided by such parties; and
- (c) Any data, information, files or other material downloaded from Third Party Internet Sites is done at your own discretion and risk. We and our Adviser are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, information, files or other material.

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

- (a) The Internet Participating Financial Institutions or Participating Securities Firms are only liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent of the contents of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions or Participating Securities Firms and shall not be responsible in any way for the integrity of the contents of an Electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions or Participating Securities Firms and thereafter communicated or disseminated in any manner to you or other parties; and
- (b) While all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of an Electronic Prospectus cannot be guaranteed as the internet is not a fully secured medium.

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

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INDICATIVE TIMETABLE

All terms used are defined under "Definitions" commencing from page vii.

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

Events	Indicative date
Issuance of this Prospectus/ Opening of Application	8 June 2026
Closing of Application	16 June 2026
Balloting of Application	19 June 2026
Allotment of IPO Shares to successful applicants	24 June 2026
Date of Listing	30 June 2026

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

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All terms used in this section are defined under "Definitions" commencing from page vii.

All references to "**Liftech**" and "**Company**" in this Prospectus are to Liftech Group Berhad (202301002993 (1496912-A)). Unless otherwise stated, references to "**Group**" are to our Company and our subsidiaries taken as a whole; and references to "**we**", "**us**", "**our**" and "**ourselves**" are to our Company, and, save where the context otherwise requires, our subsidiaries. Unless the context otherwise requires, references to "**Management**" are to our Directors and key senior management as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

The word "**approximately**" used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest thousand or million or one decimal place (for percentages) or one sen (for currency). Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding.

Certain abbreviations, acronyms and technical terms used are defined in the "**Definitions**" and "**Technical Glossary**" appearing after this section. Words denoting singular shall include plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender and vice versa. Reference to persons shall include companies and corporations.

All reference to dates and times are references to dates and times in Malaysia.

Any reference in this Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted.

This Prospectus includes statistical data provided by our management and various third-parties and cites third-party projections regarding growth and performance of the industry in which our Group operates. This data is taken or derived from information published by industry sources and from the internal data. In each such case, the source is stated in this Prospectus. Where no source is stated, such information can be assumed to originate from us. In particular, certain information in this Prospectus is extracted or derived from report(s) prepared by the Independent Market Researcher. We believe that the statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industry in which we operate.

The information on our website, or any website directly or indirectly linked to such websites do not form part of this Prospectus.

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FORWARD-LOOKING STATEMENTS

All terms used are defined under "Definitions" commencing from page vii.

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, plans and objectives 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 Management's current view with respect to future events and are not a guarantee of future performance.

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

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

- (a) demand for our products and services;
- (b) our business strategies;
- (c) our future plans;
- (d) our future earnings, cash flows and liquidity; and
- (e) our ability to pay future dividends.

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

- (a) the economic, political and investment environment in the countries which we operate; and
- (b) Government policy, legislation or regulation of the countries which we operate in.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed in Section 9 – "Risk Factors" and Section 12 – "Financial Information". 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 date of this Prospectus.

Should we become aware of any subsequent material change or development affecting matters disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment/transfer 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) of the Prospectus Guidelines (Supplementary and Replacement Prospectus).

DEFINITIONS

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

COMPANIES WITHIN OUR GROUP:

"Liftech" or "Company" : Liftech Group Berhad (202301002993 (1496912-A))

"Liftech Group" or the "Group" : Liftech and its subsidiaries, collectively

Subsidiaries

"Liftech Borneo" : Liftech Engineering (Borneo) Sdn Bhd (201601040412 (1211353-P))

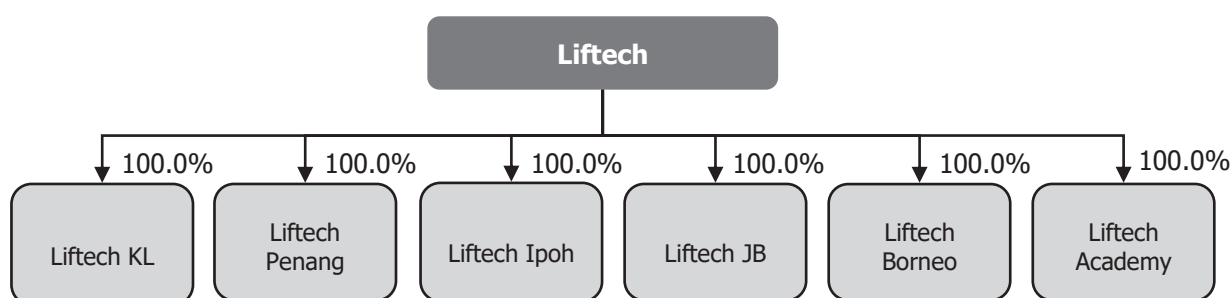
"Liftech Academy" : Liftech Crane & Safety Academy Sdn Bhd (formerly known as SK Crane Engineering Sdn Bhd) (199701009197 (424693-D))

"Liftech Ipoh" : Liftech Engineering (Ipoh) Sdn Bhd (199701013669 (429165-D))

"Liftech JB" : Liftech Engineering Sdn Bhd (199201014838 (246341-T))

"Liftech KL" : Liftech Engineering (K.L) Sdn Bhd (199601039720 (412073-V))

"Liftech Penang" : Liftech Engineering (PG) Sdn Bhd (199701015481 (430978-A))



GENERAL:

"ACCA" : Association of Chartered Certified Accountants

"ACE Market" : ACE Market of Bursa Securities

"Act" : Companies Act 2016

"Acquisitions" : Acquisition of Liftech Borneo, Acquisition of Liftech JB, Acquisition of Liftech Ipoh, Acquisition of Liftech KL, Acquisition of Liftech Penang and Acquisition of Liftech Academy, collectively

DEFINITIONS *(Cont'd)*

"Acquisition of Liftech Academy"	:	Acquisition by our Company of the entire equity interest of Liftech Academy for a purchase consideration of RM1,618,800 of which: (a) RM178,800 was satisfied by the issuance of 1,788,000 Shares at an issue price of RM0.10 per Share to Eng Peng Chai; and (b) RM1,440,000 was satisfied in cash to Liftech KL, Liftech Penang and Liftech Ipoh, which was eventually offset against the dividends declared by Liftech KL, Liftech Penang and Liftech Ipoh to our Company of RM1,440,000, which was completed on 30 October 2024
"Acquisition of Liftech Borneo"	:	Acquisition by our Company of the entire equity interest of Liftech Borneo for a purchase consideration of RM10 which was wholly satisfied by cash and was completed on 25 November 2024
"Acquisition of Liftech Ipoh"	:	Acquisition by our Company of the entire equity interest of Liftech Ipoh for a purchase consideration of RM4,155,000 which was wholly satisfied by the issuance of 41,550,000 Shares at an issue price of RM0.10 per Share and was completed on 30 October 2024
"Acquisition of Liftech JB"	:	Acquisition by our Company of the entire equity interest of Liftech JB for a purchase consideration of RM2,850,000 which was wholly satisfied by the issuance of 28,500,000 Shares at an issue price of RM0.10 per Share and was completed on 30 October 2024
"Acquisition of Liftech KL"	:	Acquisition by our Company of the entire equity interest of Liftech KL for a purchase consideration of RM10,974,000 which was wholly satisfied by the issuance of 109,740,000 Shares at an issue price of RM0.10 per Share and was completed on 30 October 2024
"Acquisition of Liftech Penang"	:	Acquisition by our Company of the entire equity interest of Liftech Penang for a purchase consideration of RM2,070,000 which was wholly satisfied by the issuance of 20,700,000 Shares at an issue price of RM0.10 per Share and was completed on 30 October 2024
"ADA"	:	Authorised Depository Agent
"Adviser" or "Sponsor" or "Underwriter" or "Placement Agent"	:	M&A Securities
"AGM"	:	Annual general meeting
"Application(s)"	:	Application(s) for IPO Shares by way of Application Form(s), Electronic Share Application(s) or Internet Share Application(s)
"Application Form(s)"	:	Printed application form(s) for the application of our IPO Shares accompanying this Prospectus
"ATM"	:	Automated teller machine

DEFINITIONS *(Cont'd)*

"Bintulu Facility"	:	Ground floor of a 3-storey terrace building, used as sales office, maintenance and repair workshop as well as storage, bearing postal address Lot 1359, Tanjung Batu Commercial Centre, Block 31, Jalan Durian Laut, Kemena Land District, 97000 Bintulu, Sarawak
"Board"	:	Board of Directors of Liftech
"Bursa Depository" or "Depository"	:	Bursa Malaysia Depository Sdn Bhd (198701006854 (165570-W))
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (200301033577 (635998-W))
"CAGR"	:	Compound annual growth rate
"Capitalisation"	:	Settlement by our Company of the amount owing by Liftech KL to Ng Sea Kai and Eng Peng Hong by capitalising the amount owing of RM2,000,000 into 20,000,000 Shares at an issue price of RM0.10 each, which was completed on 28 February 2025
"CCC" or "CF"	:	Certificate of completion and compliance or certificate of fitness for occupation or its equivalent issued by the principal submitting person or local authorities (whichever is applicable)
"CCM"	:	Companies Commission of Malaysia
"CDS"	:	Central Depository System
"CDS Account"	:	Account established by Bursa Depository for a depositor for the recording and dealing in securities by the depositor
"Central Depositories Act" or "SICDA"	:	Securities Industry (Central Depositories) Act 1991
"CFA"	:	Certificate for Accommodation
"CIDB"	:	Construction Industry Development Board
"CIDB Act"	:	Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994
"CMSA"	:	Capital Markets and Services Act 2007
"Constitution"	:	Our constitution
"COVID-19"	:	Novel coronavirus disease 2019, an infectious respiratory disease which affects the respiratory system, and it is a global pandemic
"Deposited Security"	:	Securities standing to the credit of a securities account and includes a security in a securities account that is in suspense
"Director(s)"	:	Executive director(s) or a non-executive director(s) of our Company within the meaning of Section 2 of the Act
"DOL"	:	Department of Labour Peninsular Malaysia

DEFINITIONS (Cont'd)

"DOSH"	:	Department of Occupational Safety and Health Malaysia
"EBIT"	:	Earnings before interest and tax
"EBITDA"	:	Earnings before interest, tax, 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 Application(s)"	Share	Application(s) for IPO Shares through a Participating Financial Institution's ATM
"Eligible Person(s)"	:	Eligible Director(s) and employee(s) of our Group who are eligible to participate in the Pink Form Allocations, collectively
"EPS"	:	Earnings per share
"FYE"	:	Financial year(s) ended/ ending 31 December, as the case may be
"Government"	:	Government of Malaysia
"GP"	:	Gross profit
"HR"	:	Human resource
"HRDF"	:	Human Resources Development Fund
"IFRS"	:	International Financial Reporting Standards
"IMR" or "ZANDER"	"SMITH	Smith Zander International Sdn Bhd (201301028298 (1058128-V)), our Independent Market Researcher
"IMR Report"	:	Independent Market Research Report titled "Industrial Lifting and Handling Equipment Industry in Malaysia" dated 15 May 2026
"Inanam (Kota Kinabalu) Facility"	:	Double-storey terrace building, used as sales office, maintenance and repair workshop as well as storage, bearing postal address Lot 3, 12, Block D, HSK Industrial Centre, Mile 7.5, Jalan Tuaran, 88450 Inanam, Kota Kinabalu, Sabah
"Initial Public Offering" or "IPO"	:	Our initial public offering comprising the Public Issue and Offer for Sale
"Internet Financial Institution(s) or Participating Securities Firm(s)"	:	Participating financial institution(s) or participating securities firm(s) for Internet Share Application as listed in Section 16.6
"Internet Application(s)"	Share	Application(s) for IPO Shares through an online share application service provided by Internet Participating Financial Institution(s) or Participating Securities Firm(s)
"IPO Price"	:	Issue/ offer price of RM0.29 per Share under our Public Issue and Offer for Sale

DEFINITIONS *(Cont'd)*

"Ipoh Facility"	: Two annexed 1½-storey semi-detached buildings, used as sales office, maintenance and repair workshop as well as storage, bearing postal address 17 & 19, Dataran Kledang 10, Kawasan Perindustrian Chandan Raya, 31450 Menglembu, Ipoh, Perak
"IPO Share(s)"	: Issue Share(s) and Offer Share(s), collectively
"IRB"	: Inland Revenue Board of Malaysia
"Issue Share(s)"	: New Share(s) to be issued under our Public Issue
"Issuing House"	: Malaysian Issuing House Sdn Bhd (199301003608 (258345-X))
"Johor Facility"	: 1½-storey semi-detached building, used as sales office, maintenance and repair workshop as well as storage, bearing postal address 679, Jalan Idaman 3/3, Senai Industrial Park, Taman Desa Idaman, 81400 Senai, Johor
"Kuantan Facility"	: 1½-storey terrace building, used as sales office, maintenance and repair workshop as well as storage, bearing postal address 29, Jalan IM 14/3, Kawasan Perindustrian Indera Mahkota, 25200 Kuantan, Pahang
"Lifting Solutions"	: Lifting Solutions Sdn Bhd (200401011675 (650178-U))
"Listing"	: Listing of and quotation for our entire enlarged share capital of RM45,901,662 comprising 314,942,002 Shares on the ACE Market
"Listing Requirements"	: ACE Market Listing Requirements of Bursa Securities
"Listing Scheme"	: Comprising the Public Issue and Listing, collectively
"LPD"	: 10 May 2026, being the latest practicable date for ascertaining certain information contained in this Prospectus
"M&A Securities"	: M & A Securities Sdn Bhd (197301001503 (15017-H))
"MAICSA"	: Malaysian Institute of Chartered Secretaries and Administrators
"Malaysian Public"	: Malaysian citizens and companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia
"Market Day"	: A day on which the stock market of Bursa Securities is open for trading in securities, which may include a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year
"MCCG"	: Malaysian Code on Corporate Governance
"MFRS"	: Malaysian Financial Reporting Standards
"MIA"	: Malaysian Institute of Accountants

DEFINITIONS (Cont'd)

"MIDA"	:	Malaysian Investment Development Authority
"MITI"	:	Ministry of Investment, Trade and Industry
"MOF"	:	Ministry of Finance
"MyIPO"	:	Intellectual Property Corporation of Malaysia
"NA"	:	Net assets
"NBV"	:	Net book value
"New Bukit Minyak Facility"	:	Double-storey detached office block and annexed single-storey detached factory, intended to be used as sales office, maintenance and repair workshop as well as storage, bearing postal address 1062, Jalan Perindustrian Bukit Minyak 7, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Penang
"New Kota Kinabalu Facility"	:	Double-storey semi-detached building, intended to be used as sales office, maintenance and repair workshop as well as storage, bearing postal address Lot 46, 31, Taman Perindustrian Bukit Emas (Golden Industrial Park), Phase 1A & 1B, Lorong Perindustrian Bukit Emas, Mile 7.5, Jalan Tuaran, 88450 Kota Kinabalu, Sabah
"Offer for Sale"	:	Offer for sale of 15,800,000 Offer Shares by our Selling Shareholders at our IPO Price
"Offer Share(s)"	:	Existing Share(s) to be offered under the Offer for Sale
"Official List"	:	A list specifying all securities which have been admitted for listing on Bursa Securities
"Participating Financial Institution(s)"	:	Participating financial institution(s) for Electronic Share Application(s) as listed in Section 16.5
"PAT"	:	Profit after taxation
"PBT"	:	Profit before taxation
"PE Multiple"	:	Price-to-earnings multiple
"Penang Facility"	:	Double-storey cluster building, used as sales office, maintenance and repair workshop as well as storage, bearing postal address 7, Lorong Perindustrian Bukit Minyak 1/2, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Penang
"Pink Form Allocations"	:	Allocation of 7,236,000 Issue Shares to Eligible Person(s), which forms part of our Public Issue
"Pre-IPO Reorganisation"	:	Acquisitions, Capitalisation, Share Subscription and Shareholdings Reorganisation, collectively

DEFINITIONS (Cont'd)

"Pre-Listing Investor(s)"	: Eng Peng Chai, Loke Ren Tiem, Wai Ka Man and Wai Kah Poh, collectively
"Promoter(s)"	: Ng Sea Kai, Eng Peng Hong and Ng Say Lim, collectively
"Prospectus"	: This prospectus dated 8 June 2026 in relation to our IPO
"Public Issue"	: Public issue of 79,234,000 Issue Shares at our IPO Price
"Puchong HQ"	: Double-storey semi-detached building, used as our Group's headquarters, manufacturing facility, maintenance and repair workshop as well as storage, bearing postal address 10 & 12, Jalan TPP 5/8, Taman Perindustrian Puchong, 47100 Puchong, Selangor
"QA"	: Quality assurance
"QC"	: Quality control
"ROC"	: Registrar of Companies
"Rules of Bursa Depository" or "Depository Rules"	: Rules of Bursa Depository and any appendices thereto
"SAC"	: Shariah Advisory Council of the SC
"SC"	: Securities Commission Malaysia
"Selling Shareholder(s)"	: Ng Sea Kai and Eng Peng Hong, collectively
"Share(s)" or "Liftech Shares"	: Ordinary share(s) in Liftech
"Shareholdings Reorganisation"	: Reorganisation of the shareholdings of shareholders of Liftech KL, Liftech Penang, Liftech Ipoh, Liftech JB, Liftech Borneo and Liftech Academy after the Acquisitions, Capitalisation and Share Subscription but before the IPO
"Share Subscription"	: Subscription agreement entered into by our Company with Wai Ka Man and Wai Kah Poh for 3,430,000 Shares in Liftech by Wai Ka Man and Wai Kah Poh at an issue price of RM0.20 per Share for a cash consideration of RM0.7 million, which was completed on 28 February 2025
"SOP"	: Standard operating procedures
"Specified Shareholder(s)"	: Ng Sea Kai, Eng Peng Hong, Ng Say Lim, Ng Peng Choong and Yong Mui Yun, collectively
"Surelift Engineering"	: Surelift Engineering Sdn Bhd (formerly known as Liftech Engineering (Kuantan) Sdn Bhd) (199801004212 (460339-H))

DEFINITIONS (Cont'd)

- "Taiping Factory" : Double-storey detached building and single-storey detached building, used as sales office, manufacturing facility, maintenance and repair workshop as well as storage, bearing postal address Lot 26908, Kamunting Raya Industrial Estate Phase 3, Mukim Assam Kumbang, 34000 Taiping, Perak
- "Underwriting Agreement" : Underwriting agreement dated 15 May 2026 entered into between our Company and M&A Securities for the purpose of our IPO

CURRENCIES AND UNITS:

- "EUR" : Euro
- "RM" and "sen" : Ringgit Malaysia and sen respectively
- "RMB" : Renminbi
- "SGD" : Singapore Dollar
- "THB" : Thai Baht
- "USD" : United States Dollar
- "sq ft" : Square feet

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TECHNICAL GLOSSARY

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 usage of these terms:

"Control pendant"	:	A hand-held device that is connected to a crane that allows operators to control the movement of the crane while maintaining a safe distance from the load
"Crane weighing scale"	:	An equipment used to measure the weight of loads suspended from an industrial lifting crane
"Design verification"	:	The process of ensuring that the design of industrial lifting and handling equipment meets safety standards and regulations of the DOSH before it is manufactured, installed or used
"Electric chain hoist"	:	A device that uses a chain driven by an electric motor to lift, lower, and move heavy loads vertically
"Electric wire rope hoist"	:	A device that uses a wire rope driven by an electric motor to lift, lower, and move heavy loads vertically
"End carriages"	:	A set of carriages that are located on both sides of the girder span that house the wheels on which the industrial lifting crane runs
"First-in-first-out ("FIFO")"	:	An inventory management method in which older inventory is sold, used or disposed first before newer inventory
"Girder"	:	The primary horizontal beams that act as a load-bearing structure, which allows the industrial lifting crane to move along the runway beams while supporting the hoist unit
"Girder span"	:	The length of the girder which represents the width of the area it can cover
"Hoist unit"	:	The lifting mechanism of an industrial lifting crane that comprise a system of pulleys, hoists (e.g., chains or wire ropes), and mechanical parts to lift and lower loads vertically. The hoist unit is typically equipped with a hook for securing and lifting loads
"Hydraulic system"	:	The use of pressurised fluid to generate force to move or lift heavy loads
"Hydraulic tilting machine"	:	A machine that uses hydraulic power (pressurised fluid) to tilt or rotate objects for easier handling and access
"Industrial lifting crane"	:	An equipment designed for lifting and moving heavy loads within industrial settings
"Industrial lift"	:	A powered vehicle designed to lift and move heavy goods or materials vertically within industrial settings. Industrial lifts generally are not intended for passenger transport

TECHNICAL GLOSSARY (Cont'd)

"Lifting height"	:	The maximum vertical distance that an industrial lifting crane's hoist unit can travel, which determines the size of the load that an industrial lifting crane can lift, and the space required to lift and/or reposition the load
"Limit switch"	:	A safety device for industrial lifting and handling equipment that limits the movement of an industrial lifting crane or its components to prevent accidents or damage from overloading
"Load"	:	The object(s) or goods being lifted by an industrial lifting and handling equipment
"Magnetic lifter"	:	An equipment comprising a single magnet or a group of magnets to lift and transport magnetic materials
"Maximum floor load bearing weight"	:	The maximum weight a floor can safely support without causing structural damage or failure
"Operating arm"	:	The horizontal arm that extends from a jib crane
"Portal leg"	:	The vertical supporting legs of a gantry and semi-gantry crane
"Power pack"	:	A hydraulic power unit, consisting of a motor, hydraulic pump and a holding tank for hydraulic fluid, that provides power to lift and lower loads
"Rails"	:	Customised tracks that support and guide the horizontal movement of an industrial lifting crane
"Runway beams"	:	Horizontal steel structures with rails that are installed parallel to each other as a path along which an industrial lifting crane, such as an overhead crane, semi-gantry crane and monorail crane, can travel horizontally
"Runway length"	:	The total travel distance of an industrial lifting crane within a facility
"Wire rope sling"	:	A non-powered lifting accessory that is used to connect a load to the lifting mechanism of an industrial lifting crane with a variety of end fitting options such as hooks, shackles and loops for different industrial applications

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1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Designation	Residential address	Nationality	Gender
Dato' Ir Mohtar Bin Musri	Independent Non-Executive Chairman	95, Lorong Taman Mulia 5/1 Taman Mulia, Pajam 71700 Mantin Negeri Sembilan	Malaysian	Male
Ng Sea Kai	Managing Director	1, USJ 16/2P UEP Subang Jaya 47630 Subang Jaya Selangor	Malaysian	Male
Eng Peng Hong	Executive Director	52, Jalan USJ 11/3F 47610 Subang Jaya Selangor	Malaysian	Male
Ng Say Lim	Executive Director	12, Lintang Bunga Raya Off Jalan Raja Uda 13000 Butterworth Penang	Malaysian	Male
Tan Bee Chan	Independent Non-Executive Director	11A, Jalan Jujur 1/2 Taman Bakti 68000 Ampang Selangor	Malaysian	Female
Chan Kim Wean	Independent Non-Executive Director	23, Jalan USJ 2/6 H 47600 Subang Jaya Selangor	Malaysian	Male
Goh Hooi Hooi	Independent Non-Executive Director	19, Jalan LE 1/1, Lake Edge 47160 Puchong Selangor	Malaysian	Female

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Tan Bee Chan	Chairperson	Independent Non-Executive Director
Chan Kim Wean	Member	Independent Non-Executive Director
Goh Hooi Hooi	Member	Independent Non-Executive Director

NOMINATION COMMITTEE

Name	Designation	Directorship
Chan Kim Wean	Chairperson	Independent Non-Executive Director
Tan Bee Chan	Member	Independent Non-Executive Director
Goh Hooi Hooi	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Goh Hooi Hooi	Chairperson	Independent Non-Executive Director
Tan Bee Chan	Member	Independent Non-Executive Director
Chan Kim Wean	Member	Independent Non-Executive Director

1. CORPORATE DIRECTORY (Cont'd)

- COMPANY SECRETARIES** : Tai Yit Chan (SSM Practising Certificate No.: 202008001023)
(MAICSA 7009143)
(Fellow Member of MAICSA)
- Leong Shiak Wan (SSM Practising Certificate No.: 202008002757)
(MAICSA 7012855)
(Associate Member of MAICSA)
- 12th Floor, Menara Symphony
5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor
- Telephone number: +603-7890 4800
- REGISTERED OFFICE** : 12th Floor, Menara Symphony
5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor
- Telephone number: +603-7890 4800
- HEAD OFFICE** : 10 & 12, Jalan TPP 5/8
Taman Perindustrian Puchong
47100 Puchong
Selangor
- Telephone number: +603-8061 9598
- EMAIL ADDRESS AND WEBSITE** : Website: <https://www.liftech.com.my>
Email address: info@liftech.com.my
- AUDITORS AND REPORTING ACCOUNTANTS FOR OUR LISTING** : **BDO PLT**
(201906000013 (LLP0018825-LCA) & AF 0206)
- 51-21-F, Menara BHL
Jalan Sultan Ahmad Shah
10050 Penang
Malaysia
- Partner-in-charge : Ng Soe Kei
Approval number : 02982/08/2027 J
Professional qualification : Member of the Institute of Chartered Accountants in England and Wales (Membership No. 3533839), Fellow Member of the ACCA (Membership No. 0064879), Member of the MIA (Membership No. 20134)
- Telephone number: +603-2616 2888

1. CORPORATE DIRECTORY (*Cont'd*)

ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT	: M & A Securities Sdn Bhd (197301001503 (15017-H)) 45 & 47, Levels 3 and 7 The Boulevard Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Telephone number: +603-2284 2911
CORPORATE FINANCE ADVISER	: WYNCORP Advisory Sdn Bhd (200301029902 (632322-H)) Suite 50-6-8, Level 6, Wisma UOA Damansara 50, Jalan Dungun, Damansara Heights 50490 Kuala Lumpur Partner-in-charge : Moh Jiun Haur Professional qualification : • Chartered Accountant, MIA (Membership No. 33355) • Fellow Member of the ACCA (Membership No. 1200346) • Capital Markets Services Representative's Licence (CMSRL/B3116/2012) Telephone number: +603-2096 2286/ 2289
SOLICITORS FOR OUR LISTING	: Ong Eu Jin Partnership Unit 9-1, Level 9, Wisma Mont Kiara 1, Jalan Kiara, Mont Kiara 50480 Kuala Lumpur Telephone number: +603-6206 2053
INDEPENDENT MARKET RESEARCHER	: Smith Zander International Sdn Bhd (201301028298 (1058128-V)) 15-01, Level 15 Menara MBMR 1 Jalan Syed Putra 58000 Kuala Lumpur Partner-in-charge : Dennis Tan Tze Wen Professional qualification : Bachelor of Science (major in Computer Science and minor in Business Administration) from Memorial University of Newfoundland, Canada Telephone number: +603-2732 7537

1. CORPORATE DIRECTORY (*Cont'd*)

ISSUING HOUSE : **Malaysian Issuing House Sdn Bhd**
(199301003608 (258345-X))

11th Floor, Menara Symphony
5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor

Telephone number: +603-7890 4700

SHARE REGISTRAR : **Boardroom Share Registrars Sdn Bhd**
(199601006647 (378993-D))

11th Floor, Menara Symphony
5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor

Telephone number: +603-7890 4700

LISTING SOUGHT : ACE Market

SHARIAH STATUS : Approved by the SAC

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2. PROSPECTUS SUMMARY

This Prospectus Summary only highlights the key information from other parts of this Prospectus. It does not contain all the information that may be important to you. You should read and understand the contents of the whole Prospectus prior to deciding on whether to invest in our Shares.

2.1 PRINCIPAL DETAILS OF OUR IPO

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

	No. of Shares	(1)%
No. of Shares to be issued under Public Issue	79,234,000	25.2
- For application by the Malaysian Public	15,800,000	5.0
- For Pink Form Allocations	7,236,000	2.3
- For private placement to Bumiputera investors approved by MITI	39,368,000	12.5
- For private placement to selected investors	16,830,000	5.4

No. of Shares to be issued under Offer for Sale

- For private placement to selected investors	15,800,000	5.0

Enlarged number of Shares upon Listing	314,942,002
IPO Price per Share (RM)	0.29
Market capitalisation (calculated based on our IPO Price and enlarged number of Shares upon Listing) (RM)	91,333,181

Note:

(1) Based on our enlarged share capital of 314,942,002 Shares after IPO.

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

In accordance with Rule 3.19(1) of the Listing Requirements, our Specified Shareholders' entire shareholdings after our IPO will be held under moratorium for 6 months from the date of our admission to the ACE Market. Thereafter, their shareholdings amounting to 45.0% 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 month period. 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 moratorium period.

In addition, in accordance with Rule 3.19A of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of the entire shareholdings held by our Pre-Listing Investors for a period of 6 months from the date of our admission to the ACE Market.

Further details on the moratorium on our Shares are set out in Section 3.2.

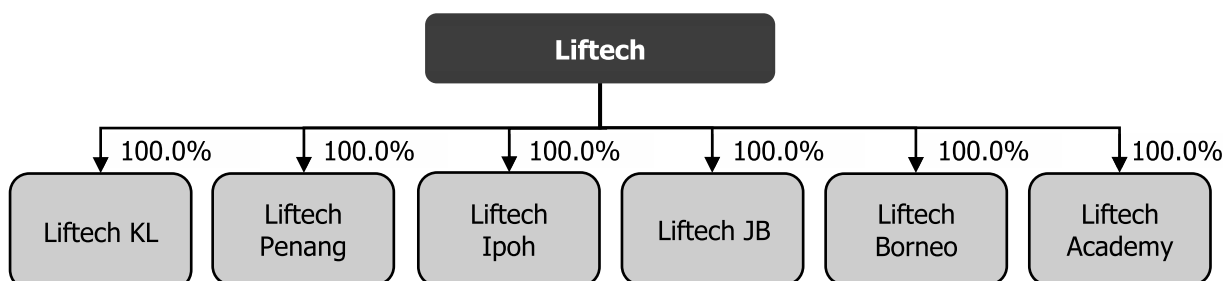
2. PROSPECTUS SUMMARY (Cont'd)

2.2 GROUP STRUCTURE, BUSINESS MODEL AND OPERATIONAL HIGHLIGHTS

Our Company was incorporated in Malaysia under the Act on 27 January 2023 as a private limited company under the name of Liftech Group Sdn Bhd. On 17 September 2025, our Company was converted into a public limited company and adopted our present name. Our Company is principally an investment holding company. Through our subsidiaries, we provide customised industrial lifting and handling equipment, under 'Liftech' brand and is principally involved in the following:

- (a) design, manufacturing, installation and commissioning of industrial lifting and handling equipment;
- (b) provision of maintenance, repair and other related services; and
- (c) trading of components, accessories and other industrial lifting and handling equipment.

Our Group structure as at LPD is as follows:



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

Our principal activity	We are an industrial lifting and handling equipment specialist, principally involved in the provision of customised industrial lifting and handling equipment, under our 'Liftech' brand		
Our business segments	Design, manufacturing, installation and commissioning of industrial lifting and handling equipment	Provision of maintenance, repair and other related services	Trading of components, accessories and other industrial lifting and handling equipment
Our products and services	(a) Industrial lifting cranes • Overhead crane • Gantry/semi-gantry crane • Jib crane • Monorail crane (b) Industrial lifts • Goods hoist • Lifter • Hydraulic scissor lift (c) Dock leveller	(a) Maintenance and repair services • Preventive maintenance • Troubleshooting and repair • Refurbishment • Relocation (b) Other related services: • Industrial lifting crane training • Renewal service for DOSH certificate of fitness • Renting loads for load tests	(a) Components: • Hoist unit • Electrical components • Travel wheel and travel motor • Wire rope and chain (b) Accessories: • Wire rope sling • Crane weighing scale • Magnetic lifter (c) Aerial work platform
Our customers	• Direct end users from various industries (e.g. steel works and steel foundry, construction, public utilities, semiconductor, machinery, pre-cast concrete, palm oil, plastic products, automotive components and raw metals) • Indirect end users: Main contractors (i.e. companies that construct buildings, factories, industrial plants and infrastructures) on behalf of their customers		

Further details of our Group and business model are set out in Sections 6 and 7 respectively.

2. PROSPECTUS SUMMARY (Cont'd)

The breakdown of our Group's revenue by business segments and principal markets for FYE 2022 to 2025 is as follows:

Business segments	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Design, manufacturing, installation and commissioning of industrial lifting and handling equipment	37,516	71.3	31,428	64.0	37,911	65.7	38,467	66.5
Provision of maintenance, repair and other related services	8,707	16.6	10,986	22.4	10,658	18.5	11,159	19.3
Trading of components, accessories and other industrial lifting and handling equipment	6,363	12.1	6,686	13.6	9,086	15.8	8,232	14.2
	52,586	100.0	49,100	100.0	57,655	100.0	57,858	100.0

Principal markets	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	51,707	98.3	48,505	98.8	55,804	96.8	57,183	98.8
- Northern region ⁽¹⁾	22,115	42.1	28,131	57.3	23,809	41.3	20,204	34.9
- Central region ⁽²⁾	8,966	17.1	12,025	24.5	14,193	24.6	23,226	40.1
- East Malaysia ⁽³⁾	15,219	28.9	2,525	5.1	9,205	16.0	5,299	9.2
- Southern region ⁽⁴⁾	4,470	8.5	4,741	9.7	6,352	11.0	7,390	12.8
- East coast region ⁽⁵⁾	937	1.7	1,083	2.2	2,245	3.9	1,064	1.8
Overseas	879	1.7	595	1.2	1,851	3.2	675	1.2
- Thailand	76	0.2	397	0.8	1,386	2.4	463	0.8
- Indonesia	803	1.5	152	0.3	262	0.5	63	0.1
- China	-	-	-	-	196	0.3	149	0.3
- Singapore	-	-	-	-	-	-	<1	<0.1
- Luxembourg	-	-	-	-	7	<0.1	-	-
- Saudi Arabia	-	-	39	0.1	-	-	-	-
- Australia	-	-	7	<0.1	-	-	-	-
	52,586	100.0	49,100	100.0	57,655	100.0	57,858	100.0

Notes:

- (1) Comprising Perak, Penang, Kedah and Perlis.
- (2) Comprising Kuala Lumpur, Selangor and Negeri Sembilan.
- (3) Comprising Sabah and Sarawak.
- (4) Comprising Melaka and Johor.
- (5) Comprising Pahang, Terengganu and Kelantan.

For FYE 2022 to 2025, revenue from our design, manufacturing, installation and commissioning of industrial lifting and handling equipment segment was the largest contributor to our Group's total revenue at 71.3%, 64.0%, 65.7% and 66.5% respectively. We also derive a majority of our sales locally which contributed 98.3%, 98.8%, 96.8% and 98.8% respectively to our Group's total revenue for FYE 2022 to 2025.

2. PROSPECTUS SUMMARY (Cont'd)

We have established our maintenance and repair teams in each of our operational facilities (i.e. Puchong HQ, Taiping Factory, Johor Facility, Ipoh Facility, Penang Facility, Bintulu Facility, New Kota Kinabalu Facility and Kuantan Facility) that are strategically based across Malaysia. This enables our Group to better serve customers in the central, northern, southern and east coast regions as well as in East Malaysia. For FYE 2022 to 2025, we have delivered a total of 1,745 industrial lifting and handling equipment and completed 37,988 maintenance and repair services works, which is a testament to the demand for our products and services.

2.3 INTERRUPTIONS TO BUSINESS

Our Group did not experience any interruptions which has significantly affected our business during the past 12 months preceding LPD.

2.4 COMPETITIVE STRENGTHS

Our Directors believe that our business sustainability and future growth is built on the following competitive strengths:

- (a) We have a well-established history and proven track record of 34 years in the industrial lifting and handling equipment industry. Our Group has developed in-depth understanding and knowledge of local business requirements, industry standards and regulations. With 34 years of track record in the industry, our Group has successfully established the brand reputation of 'Liftech';
- (b) We have in-house capabilities to customise and provide end-to-end services catering to customer's engineering and technical needs and requirements. Our comprehensive capabilities span the entire lifecycle of the industrial lifting and handling equipment, from design, manufacturing, installation and commissioning, to maintenance, repair and other related services;
- (c) We have a strategic network of operational facilities throughout Malaysia to provide prompt maintenance and repair services to our customers. This enables our Group to better serve customers in the central, northern, southern and east coast regions as well as in East Malaysia. This also provides better confidence to customers on our after-sales services, thus driving customer loyalty and repeat order for our industrial lifting and handling equipment as well as our Group's competitiveness in securing new customers;
- (d) We offer a wide range of industrial lifting and handling equipment comprising industrial lifting cranes, industrial lifts, dock levellers and aerial work platforms. We also offer a comprehensive range of services comprising design, manufacturing, installation and commissioning of industrial lifting and handling equipment, and maintenance and repair services. This allows us to attend to various customer requests, thus providing our Group the competitiveness to secure more sales from existing and new customers;
- (e) We serve a diversified portfolio of customer industries where we primarily market and sell our products and services to direct end-users from various industries. This provides our Group the platform to build our reputation in the industry and thus, the opportunity to secure repeat sales from existing customers, as well as enhanced competitiveness to secure sales from new customers. In addition, our sales to main contractors provides our Group extended reach to the main contractors' pool of customers. Given the diversified portfolio of customers that our Group serves, we are not dependent on the performance and growth of any one particular industry segment; and

2. PROSPECTUS SUMMARY (Cont'd)

- (f) We have an experienced and hands-on management team with strong industry and functional expertise as a result of years of experience in their respective fields. Further, they take an active, hands-on role in spearheading their respective departments to support the growth of our Group.

Further details of our competitive strengths are set out in Section 7.15.

2.5 BUSINESS STRATEGIES AND FUTURE PLANS

Our business objectives are to maintain sustainable growth and create long-term shareholder value. To achieve our business objectives, we will implement the following business strategies and future plans over the period of 12 months from the date of our Listing:

- (a) We intend to expand our maintenance and repair business in the regions of Penang and Sabah through the purchase of new facilities in Bukit Minyak, Penang and Kota Kinabalu, Sabah; and
- (b) We intend to enhance the efficiency of our manufacturing activities through the purchase of new machinery and equipment.

Further details of our business strategies and future plans are set out in Section 7.16.

2.6 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with other matters in this Prospectus, the risk factors as set out in Section 9. Some of the more important risk factors are summarised below:

- (a) We are reliant on approvals, licences, registrations and permits to operate our business. If we are unable to comply with the applicable requirements or required conditions of our approvals, licences, registrations and permits, such approvals, licences, registrations and permits may be suspended or revoked and this may materially and adversely affect our business operations. Any failure to maintain or renew our approvals, licences, registrations and permits in the future could materially and adversely affect our business operations and financial performance;
- (b) The project-based and ad-hoc based nature of our business may lead to fluctuations in our Group's financial performance. The sale of our industrial lifting and handling equipment (i.e. our main revenue contributor) is project-based whereby projects are awarded on a one-off basis. Any cancellation or delay in the commencement of our projects secured due to external factors beyond our control such as availability of supplies, customer's business and financial positions, or poor market conditions, may also adversely affect our Group's financial performance in the event that we are unable to secure replacement projects of equal or greater value. Further, our provision of maintenance, repair and other related services as well as trading of components, accessories and other industrial lifting and handling equipment are provided on an ad hoc-basis. There is no assurance that we will be able to continuously secure recurring sales from existing customers or new sales from new customers, which may adversely affect our Group's financial performance;

2. PROSPECTUS SUMMARY (Cont'd)

- (c) Our future growth depends on our ability to execute our business strategies and future plans. Should these business strategies and future plans be delayed or exceed our allocated budget, this may adversely affect our Group's financial performance as well as our ability to pursue other growth opportunities due to the extended commitment period or strain on our time and financial resources;
- (d) We rely on the availability of skilled workers for our design, manufacturing, installation and commissioning works for industrial lifting and handling equipment. Any shortage and/ or loss of skilled workers and our inability to find suitable replacements in a timely manner and at competitive salary rates may cause delays to the delivery of our industrial lifting and handling equipment, which may consequently affect our revenue recognition. Any delays to our delivery schedules may lead to dissatisfaction from our customers and may impact our ability to secure future business opportunities from these customers. Further, such delays may also adversely affect our Group's reputation within the industry and subsequently challenge our ability to secure new customers;
- (e) We are dependent on our management team for the continued success and growth of our business. Any loss of our Executive Directors and/ or key senior management simultaneously or within a short time span without suitable and timely replacement, or our inability to attract and retain qualified and competent personnel or to integrate new personnel, could adversely affect the business operations, financial performance and the future growth of our Group; and
- (f) We are dependent on subcontractors to carry out certain works. Despite outsourcing certain works, we remain accountable to our customers for the overall quality of our products and services as our subcontractors do not have direct business relationships with our customers. Delays in our delivery schedule may adversely affect our revenue recognition and financial performance. Further, it may also adversely impact our relationship with existing customers and our Group's reputation in the industry, thereby reducing our abilities to secure repeat orders or attract new customers. In the event that customers are not satisfied with the quality of work performed, we may incur additional costs to rectify the issues, which may adversely impact our financial performance.

2.7 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and key senior management are as follows:

Name	Designation
Directors	
Dato' Ir Mohtar Bin Musri	Independent Non-Executive Chairman
Ng Sea Kai	Managing Director
Eng Peng Hong	Executive Director
Ng Say Lim	Executive Director
Tan Bee Chan	Independent Non-Executive Director
Chan Kim Wean	Independent Non-Executive Director
Goh Hooi Hooi	Independent Non-Executive Director
Key senior management	
Low Wei Keat	Chief Financial Officer
Ho Kee Meng	Head of Sales
Ooi Poh Keong	Head of Project Planning
Ng Peng Choong	Head of Business Development

Further details of our Directors and key senior management are set out in Sections 5.2 and 5.3.

2. PROSPECTUS SUMMARY (Cont'd)

2.8 PROMOTERS AND/ OR SUBSTANTIAL SHAREHOLDERS

The shareholdings of our Promoters and/ or substantial shareholders in our Company before and after our IPO are set out below:

Name	Nationality	⁽¹⁾ Before IPO				⁽²⁾ After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Promoters and substantial shareholders									
Ng Sea Kai	Malaysian	90,544,501	38.4	⁽³⁾ 31,213,000	13.2	82,644,501	26.2	⁽³⁾⁽⁴⁾ 31,413,000	10.0
Eng Peng Hong	Malaysian	55,658,001	23.6	-	-	47,758,001	15.2	⁽⁴⁾⁽⁵⁾ 25,000	<0.1
Ng Say Lim	Malaysian	19,473,100	8.3	-	-	⁽⁴⁾ 19,573,100	6.2	⁽⁴⁾⁽⁶⁾ 500,000	0.2
Substantial shareholder									
Ng Peng Choong	Malaysian	22,099,000	9.4	-	-	⁽⁴⁾ 22,299,000	7.1	-	-

Notes:

- ⁽¹⁾ Based on our share capital of 235,708,002 Shares before IPO.
- ⁽²⁾ Based on our enlarged share capital of 314,942,002 Shares after IPO.
- ⁽³⁾ By virtue of the Shares held by Yong Mui Yun, his spouse and the director of Liftech KL, and Ng Peng Choong, his son and our Head of Business Development, pursuant to Section 59(11)(c) of the Act.
- ⁽⁴⁾ Assuming they will fully subscribe for their respective entitlements under the Pink Form Allocations.
- ⁽⁵⁾ By virtue of the Shares held by Eng Kai Ru, his daughter and an employee of our Group, pursuant to Section 59(11)(c) of the Act.
- ⁽⁶⁾ By virtue of the Shares held by Ng Peng Loon, his son and the director of Liftech Penang, pursuant to Section 59(11)(c) of the Act.

Further details of our Promoters and/ or substantial shareholders are set out in Section 5.1.

2. PROSPECTUS SUMMARY (Cont'd)**2.9 UTILISATION OF PROCEEDS**

The estimated gross proceeds to be raised from our Public Issue of RM23.0 million shall be utilised in the following manner:

Utilisation of proceeds	RM'000	%	⁽¹⁾Estimated timeframe for utilisation
Repayment of bank borrowings	13,750	59.8	Within 12 months
Purchase of machinery and equipment	1,720	7.5	Within 12 months
Capital expenditure	1,010	4.4	Within 6 months
Working capital	1,998	8.7	Within 12 months
Estimated listing expenses	4,500	19.6	Within 1 month
	22,978	100.0	

Note:

⁽¹⁾ From the date of our Listing.

There is no minimum subscription to be raised from our IPO.

Detailed information on our utilisation of proceeds is set out in Section 4.9.1.

The gross proceeds from the Offer for Sale of approximately RM4.6 million shall accrue entirely to the Selling Shareholders.

2.10 FINANCIAL HIGHLIGHTS**2.10.1 Statements of profit or loss and other comprehensive income**

The following table sets out the financial highlights based on our statements of profit or loss and other comprehensive income for FYE 2022 to 2025:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Revenue	52,586	49,100	57,655	57,858
GP	14,456	19,068	23,222	23,834
PBT	6,877	9,080	9,055	9,929
PAT	5,429	6,718	6,583	6,863
GP margin (%) ⁽¹⁾	27.5	38.8	40.3	41.2
PBT margin (%) ⁽²⁾	13.1	18.5	15.7	17.2
PAT margin (%) ⁽²⁾	10.3	13.7	11.4	11.9
Basic/ Diluted EPS (sen) ⁽³⁾	1.7	2.1	2.1	2.2

Notes:

⁽¹⁾ Calculated based on GP divided by revenue.

⁽²⁾ Calculated based on PBT or PAT divided by revenue.

⁽³⁾ Calculated based on PAT attributable to owners of our Company divided by our enlarged share capital of 314,942,002 Shares after our IPO.

2. PROSPECTUS SUMMARY (Cont'd)

There were no exceptional or extraordinary items during the financial years under review. Our audited combined and consolidated financial statements for the financial years under review were not subject to any audit qualifications. Further details on our financial information are set out in Sections 12 and 13.

2.10.2 Pro forma consolidated statements of financial position

The following table sets out a summary of the pro forma consolidated statements of financial position of our Group to show the effects of the significant subsequent events as well as the Public Issue and utilisation of proceeds. It is presented for illustrative purposes only and should be read together with the pro forma consolidated statements of financial position as set out in Section 14.

		I	II	III
	As at 31 December 2025	(1)After significant subsequent events	After I and Public Issue	After II and utilisation of proceeds
	RM'000	RM'000	RM'000	RM'000
ASSETS				
Total non-current assets	35,024	36,209	36,209	36,209
Total current assets	37,409	36,484	59,462	43,037
TOTAL ASSETS	72,433	72,693	95,671	79,246
EQUITY AND LIABILITIES				
Share capital	22,924	22,924	45,902	45,072
Reserves	17,140	17,140	17,140	15,295
TOTAL EQUITY	40,064	40,064	63,042	60,367
Total non-current liabilities	15,467	15,688	15,688	1,938
Total current liabilities	16,902	16,941	16,941	16,941
TOTAL LIABILITIES	32,369	32,629	32,629	18,879
TOTAL EQUITY AND LIABILITIES	72,433	72,693	95,671	79,246
No. of Shares in issue ('000)	235,708	235,708	314,942	314,942
NA per Share (RM)	0.17	0.17	0.20	0.19
Borrowings ⁽²⁾	18,768	19,028	19,028	5,278
Gearing (times)	0.47	0.47	0.30	0.09

Notes:

- (1) Significant subsequent events relate to acquisitions of property, plant and equipment, right-of-use assets and investment property.
- (2) Comprising total interest-bearing borrowings (excluding lease liabilities arising from leasing of workshops and hostels) over total equity.

2. PROSPECTUS SUMMARY (Cont'd)**2.11 DIVIDEND POLICY**

Our Company presently does not have any formal dividend policy and the declaration of dividends and other distributions are subject to the discretion of our Board. It is our intention to pay dividends to shareholders in the future, however, such payments will depend upon a number of factors, including our Group's financial performance, capital expenditure requirements, general financial condition and any other factors considered relevant by our Board.

During FYE 2022 to 2025 and up to LPD, we have declared and paid the following dividends:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025	1 January 2026 up to LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Dividends declared	300	300	350	2,500	-
Dividends paid	300	300	350	2,500	-

The dividends declared and paid in FYE 2022 to 2025 and up to LPD were funded via internally generated funds of the respective subsidiaries. Further to the above, we do not intend to declare or pay any dividends from LPD up to our Listing.

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

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3. APPROVALS AND CONDITIONS

3.1 APPROVALS AND CONDITIONS

3.1.1 Bursa Securities approval

Bursa Securities had, vide its letter dated 26 February 2026, approved our admission to the Official List of the ACE Market and the listing of and quotation for our entire enlarged issued share capital on the ACE Market. The approval from Bursa Securities is subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
(a)	Submission of the following information with respect to the moratorium on the shareholdings of the Specified Shareholders to Bursa Depository: (i) Name of shareholders; (ii) Number of Shares; and (iii) Date of expiry of the moratorium for each block of Shares.	To be complied
(b)	Approvals from other relevant authorities have been obtained for implementation of the Listing;	Complied
(c)	The Bumiputera equity requirements for public listed companies as approved/ exempted by the SC including any conditions imposed thereon;	Complied
(d)	Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Guidance Notes 15 of Listing Requirements;	To be complied
(e)	Furnish to Bursa Securities a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire enlarged issued share capital of the Company at least 1 Market Day prior to the Listing;	To be complied
(f)	Furnish to Bursa Securities a confirmation of compliance with Paragraph 2.2(b)(ii)(aa) of Guidance Note 10 of the Listing Requirements at least 2 Market Days prior to the Listing date;	To be complied
(g)	In relation to the Public Issue to be undertaken by the Company, please announce at least 2 Market Days prior to the Listing date, the result of the offering including the following: (i) Level of subscription of public balloting and placement; (ii) Basis of allotment/ allocation; (iii) A table showing the distribution for placement tranche; and (iv) Disclosure of placees who become substantial shareholders of the Company arising from the Public Issue, if any.	To be complied

3. APPROVALS AND CONDITIONS (Cont'd)

No.	Details of conditions imposed	Status of compliance
(h)	Liftech/ M&A Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of the Company to the Official List of the ACE Market.	To be complied

3.1.2 SC approval

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

The SC had, vide its letter dated 12 March 2026, approved our application under the Bumiputera equity requirement for public listed companies pursuant to our Listing. The approval from the SC is subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
(a)	Liftech is to allocate shares equivalent to 12.5% of its enlarged number of issued shares upon Listing to Bumiputera investors to be approved by the MITI; and	Complied
(b)	Liftech is to make available at least 50% of the Shares offered to the Malaysian Public Investors via balloting to Bumiputera public investors.	Complied

In addition, the SAC had, on 13 November 2025, classified our Shares as Shariah-compliant.

3.1.3 MITI approval

The MITI had, vide its letter dated 1 December 2025, taken note and has no objection to our Listing.

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3. APPROVALS AND CONDITIONS (Cont'd)

3.2 MORATORIUM ON OUR SHARES

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:

- 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 ACE Market ("**First 6-Month Moratorium**");
- Upon the expiry of the First 6-Month Moratorium, our Company must ensure that our Specified Shareholders' aggregate shareholdings amounting to at least 45.0% of the total number of issued ordinary shares remain under moratorium for another period of 6 months ("**Second 6-Month Moratorium**"); and
- On 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 Specified Shareholders' Shares which will be subject to the abovesaid moratorium, are set out below:

Specified Shareholders	Year 1				Year 2		Year 3	
	Moratorium shares during the First 6-Month Moratorium		Moratorium shares during the Second 6-Month Moratorium		Moratorium shares		Moratorium shares	
	(1)No. of Shares	(2)%	(1)No. of Shares	(2)%	(1)No. of Shares	(2)%	(1)No. of Shares	(2)%
Ng Sea Kai	82,644,501	26.2	64,572,430	20.5	43,048,290	13.7	21,524,150	6.9
Eng Peng Hong	47,758,001	15.2	37,314,650	11.8	24,876,440	7.9	12,438,220	3.9
Ng Say Lim	(3)19,573,100	6.2	15,293,000	4.9	10,195,340	3.2	5,097,670	1.6
Ng Peng Choong	(3)22,299,000	7.1	17,422,830	5.5	11,615,220	3.7	5,807,610	1.8
Yong Mui Yun	9,114,000	2.9	7,121,020	2.3	4,747,350	1.5	2,373,680	0.8
	181,388,602	57.6	141,723,930	45.0	94,482,640	30.0	47,241,330	15.0

Notes:

- (1) After Offer for Sale.
- (2) Based on our enlarged share capital of 314,942,002 Shares after our IPO.
- (3) Assuming they will fully subscribe for their respective entitlements under the Pink Form Allocations.

3. APPROVALS AND CONDITIONS (Cont'd)

In accordance with Rule 3.19A of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of the entire shareholdings held by our Pre-Listing Investors for a period of 6 months from the date of our admission to the ACE Market.

Details of our Pre-Listing Investors' Shares which will be subject to the abovesaid moratorium, are set out below:

Pre-Listing Investors	Moratorium shares during the 6 months moratorium period	
	No. of Shares	(1)%
Eng Peng Chai	(2)6,834,000	2.2
Loke Ren Tiem	3,810,200	1.2
Wai Ka Man	(2)1,915,000	0.6
Wai Kah Poh	(2)1,915,000	0.6
	14,474,200	4.6

Notes:

- (1) Based on our enlarged share capital of 314,942,002 Shares after our IPO.
- (2) Assuming they will fully subscribe for their respective entitlements under the Pink Form Allocations.

The moratorium has been fully accepted by our Specified Shareholders and Pre-Listing Investors, 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 the Specified Shareholders and Pre-Listing Investors to ensure that our Share Registrar does not register any transfer that contravenes with such restrictions.

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4. DETAILS OF OUR IPO

4.1 OPENING AND CLOSING OF APPLICATION PERIOD

The Application period will open at 10.00 a.m. on 8 June 2026 and will remain open until 5.00 p.m. on 16 June 2026. **LATE APPLICATIONS WILL NOT BE ACCEPTED.**

4.2 INDICATIVE TIMETABLE

Events	Indicative date
Issuance of this Prospectus/ Opening of Application	8 June 2026
Closing of Application	16 June 2026
Balloting of Application	19 June 2026
Allotment of IPO Shares to successful applicants	24 June 2026
Date of Listing	30 June 2026

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

4.3 DETAILS OF OUR IPO

4.3.1 Listing scheme

(a) Public Issue

A total of 79,234,000 Issue Shares, representing 25.2% of our enlarged share capital are offered at our IPO Price. The Issue Shares shall be allocated in the following manner:

(i) Malaysian Public

15,800,000 Issue Shares, representing 5.0% of our enlarged share capital, are reserved for application by the Malaysian Public, to be allocated via balloting process as follows:

- (aa) 7,900,000 Issue Shares, representing 2.5% of our enlarged share capital, made available to public investors; and
- (bb) 7,900,000 Issue Shares, representing 2.5% of our enlarged share capital, made available to Bumiputera public investors.

(ii) Eligible Persons

7,236,000 Issue Shares, representing 2.3% of our enlarged share capital, are reserved for our Eligible Persons under the Pink Form Allocations. Further details of our Pink Form Allocations are set out in Section 4.3.2.

(iii) Private placement to Bumiputera investors approved by MITI

39,368,000 Issue Shares, representing 12.5% of our enlarged share capital, are reserved for private placement to Bumiputera investors approved by MITI.

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

(iv) Private placement to selected investors

16,830,000 Issue Shares, representing 5.4% of our enlarged share capital, are reserved for private placement to selected investors.

The basis of allocation of the Issue Shares shall take into account our Board's intention to distribute the Issue Shares to a reasonable number of applicants to broaden our Company's shareholding base to meet the public spread requirements, and to establish a liquid and adequate market for our Shares. Applicants will be selected in a fair and equitable manner to be determined by our Board.

Upon completion of our Public Issue, our share capital will increase from RM22.9 million comprising 235,708,002 Shares to RM45.9 million comprising 314,942,002 Shares. There is no over-allotment or 'greenshoe' option that will increase the number of our IPO Shares.

Our Public Issue is subject to the terms and conditions of this Prospectus.

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4. DETAILS OF OUR IPO (Cont'd)

(b) Offer for Sale

A total of 15,800,000 Offer Shares, representing 5.0% of our enlarged share capital, are offered by our Selling Shareholders to selected investors by way of private placement at our IPO Price. Our Offer for Sale is subject to the terms and conditions of this Prospectus. The details of our Selling Shareholders and their relationship with our Group are as follows:

Name/ Residential address	Material relationship with our Group	Before IPO		Offer Shares offered			After IPO	
		No. of Shares	(1)%	No. of Shares	(1)%	(2)%	No. of Shares	(2)%
Ng Sea Kai/ 1, USJ 16/2P UEP Subang Jaya 47630 Subang Jaya Selangor	Promoter, Managing Director and substantial shareholder	90,544,501	38.4	7,900,000	3.4	2.5	82,644,501	26.2
Eng Peng Hong/ 52, Jalan USJ 11/3F 47610 Subang Jaya Selangor	Promoter, Executive Director and substantial shareholder	55,658,001	23.6	7,900,000	3.4	2.5	47,758,001	15.2

Notes:

(1) Based on our share capital of 235,708,002 Shares before IPO.

(2) Based on our enlarged share capital of 314,942,002 Shares after IPO.

Further details of our Selling Shareholders, who are also our Promoters, Directors and substantial shareholders are set out in Section 5.

(c) Listing

Upon completion of our IPO, our Company's entire enlarged share capital of RM45.9 million comprising 314,942,002 Shares shall be listed on the ACE Market.

4. DETAILS OF OUR IPO (Cont'd)**4.3.2 Pink Form Allocations**

We have allocated 7,236,000 Issue Shares under the Pink Form Allocations to our Eligible Persons as follows:

Category	No. of Eligible Persons	Aggregate no. of Issue Shares allocated
Eligible Directors	5	750,000
Eligible employees	51	6,486,000
	56	7,236,000

Entitlements which are not accepted by certain Eligible Persons will be re-allocated among the Eligible Persons at the discretion of our Board. After the said reallocation, any balance portion of Issue Shares under the Pink Form Allocations will be allocated to the Malaysian Public. Further details are set out in Section 4.3.3.

(a) Allocation to eligible Directors

The criteria for allocation to our eligible Directors (as approved by our Board where the interested Director has abstained from deliberation on their respective allocations) are based on, amongst others, their past and anticipated contribution to our Group.

Ng Sea Kai (our Managing Director) and Eng Peng Hong (our Executive Director) have opted not to participate in the Pink Form Allocations as they are already our major shareholders and will be undertaking the Offer for Sale.

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

Name	Designation	No. of Issue Shares allocated
Dato' Ir Mohtar Bin Musri	Independent Non-Executive Chairman	200,000
Ng Say Lim	Executive Director	100,000
Chan Kim Wean	Independent Non-Executive Director	150,000
Goh Hooi Hooi	Independent Non-Executive Director	150,000
Tan Bee Chan	Independent Non-Executive Director	150,000
		750,000

(b) Allocation to our eligible employees

The criteria of allocation to our eligible employees (as approved by our Board) are based on, inter-alia, the following factors:

- (i) Our employees must be an eligible and confirmed employee and on the payroll of our Group;
- (ii) The number of Issue Shares allocated to our eligible employees are based on their seniority, position, length of service and respective contribution made to our Group as well as other factors deemed relevant to our Board; and
- (iii) Full-time employee of at least 18 years of age.

4. DETAILS OF OUR IPO (Cont'd)

Included in the allocation to our eligible employees are the proposed allocation to our key senior management as follows:

Name	Designation	No. of Issue Shares allocated
Low Wei Keat	Chief Financial Officer	400,000
Ho Kee Meng	Head of Sales	300,000
Ooi Poh Keong	Head of Project Planning	1,000,000
Ng Peng Choong	Head of Business Development	200,000
		1,900,000

4.3.3 Placement and underwriting arrangement

Our Underwriter will underwrite 23,036,000 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. The balance 56,198,000 Issue Shares and 15,800,000 Offer Shares available for application by Bumiputera investors approved by MITI and selected investors will not be underwritten and will be placed out by our Placement Agent.

Any of our Issue Shares not subscribed by the Malaysian Public and Pink Form Allocations shall be subject to the following clawback and reallocation provisions:

- (a) If any Issue Shares allocated to the Malaysian Public are undersubscribed, the balance portion will be made available to selected investors via private placement before being allocated for excess application by the Eligible Persons (subject always that public spread requirements are met). Likewise, any Issue Shares which are not taken up by the Eligible Persons, will firstly be made available to the selected investors via private placement before being allocated to the Malaysian Public in the event of an oversubscription.
- (b) After (a) above, the remaining portion will be made available for application by way of private placement to selected investors to be identified.
- (c) Thereafter, any remaining Issue Shares that are not subscribed for will be subscribed by our Underwriter based on the terms and conditions of the Underwriting Agreement.

The allocation of Issue Shares to identified Bumiputera investors shall be subject to the allocation as approved by MITI. Such Issue Shares shall be subject to the following clawback and reallocation provisions:

- (a) Any unsubscribed Issue Shares allocated to Bumiputera investors approved by MITI shall firstly be reallocated to Bumiputera public investors via public balloting. If after the above reallocation, there are still Issue Shares not taken up, the said unsubscribed Issue Shares shall then be offered to Malaysian institutional investors (in the event of an oversubscription).

4. DETAILS OF OUR IPO (Cont'd)

(b) After (a) above, the remaining portion will be made available for:

- (i) Malaysian Public, in the event of an oversubscription; or
- (ii) application by way of private placement to selected investors to be identified,

the proportion of which will be determined by our Board and Placement Agent.

The clawback and reallocation shall not apply in the event of oversubscription of the Issue Shares allocated to the Malaysian Public, Pink Form Allocations and private placement to Bumiputera investors approved by MITI. Our Board will ensure that any excess IPO Shares will be allocated in a fair and equitable manner.

4.3.4 Minimum and oversubscription

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

In the event of an oversubscription, acceptance of Applications by the Malaysian Public shall be subject to ballot to be conducted in a manner approved by our Directors. Our Board will ensure that any excess IPO Shares will be allocated on a fair and equitable manner.

Under the Listing Requirements, at least 25.0% of our enlarged share capital for which listing is sought must be in the hands of a minimum of 200 public shareholders, each holding not less than 100 Shares upon our admission to the ACE Market. We expect to meet the public shareholding requirement at the point of our Listing. If we fail to meet the said requirement, we may not be allowed to proceed with our Listing on the ACE Market. In such an event, we will return in full, without interest, all monies paid in respect of all applications. If any such monies are not repaid within 14 days after we become liable to do so, the provision of sub-section 243(2) of the CMSA shall apply accordingly.

As at LPD, save as disclosed in Section 4.3.2, to the extent known to our Company:

- (a) there are no substantial shareholder(s), Directors or key senior management of our Company who have indicated to our Company that they intend to subscribe for the IPO Shares; and
- (b) there are no person(s) who have indicated to our Company that they intend to subscribe for more than 5.0% of the IPO Shares.

4. DETAILS OF OUR IPO (Cont'd)**4.4 SHARE CAPITAL, CLASSES OF SHARES AND RANKINGS**

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

Details	No. of Shares	RM
Share capital		
As at date of this Prospectus	235,708,002	22,923,802
To be issued under our Public Issue	79,234,000	⁽¹⁾ 22,977,860
Enlarged share capital upon our Listing	314,942,002	45,901,662

Note:

- ⁽¹⁾ Prior to the capitalisation of estimated listing expenses of approximately RM0.8 million, being the listing expenses that are directly attributable to new issuance of Shares, which will be capitalised against the share capital of our Group.

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

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

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

Our Offer Shares rank equally in all respects with our existing ordinary shares including voting rights and will be entitled to all rights and dividends and other distributions that may be declared subsequent to the date of transfer of the Offer Shares.

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

Each of our shareholders shall be entitled to vote at any of our general meetings in person or by proxy or by other duly authorised representative. On a poll, every shareholder present in person or by proxy or other duly authorised representative shall have one vote for each ordinary share held.

4.5 PURPOSES OF OUR IPO

The purposes of our IPO are as follows:

- (a) To enable our Group to raise funds for the purposes specified in Section 4.9.1 herein;
- (b) To gain recognition through our listing status to enhance our reputation in terms of marketing our products and services and to retain and attract new and skilled employees;
- (c) To provide an opportunity for the Malaysian Public, including our Eligible Persons to participate in our equity; and
- (d) 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.

4. DETAILS OF OUR IPO (Cont'd)**4.6 BASIS OF ARRIVING AT OUR IPO PRICE**

Our IPO Price was determined and agreed upon by us and M&A Securities, as our Adviser, Sponsor, Underwriter and Placement Agent, after taking into consideration the following factors:

- (a) Our pro forma NA per Share of RM0.19, calculated based on our pro forma NA after our Public Issue and utilisation of proceeds as at 31 December 2025 of approximately RM60.4 million and enlarged share capital of 314,942,002 Shares upon Listing;
- (b) The PE Multiple of our IPO Price of 13.2 times, calculated based on our PAT for FYE 2025 of RM6.9 million and market capitalisation of RM91.3 million upon Listing;
- (c) Our historical financial track record as follows:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Revenue	52,586	49,100	57,655	57,858
GP	14,456	19,068	23,222	23,834
PAT	5,429	6,718	6,583	6,863

- (d) Our competitive strengths as set out in Section 7.15; and
- (e) Our business strategies and future plans as set out in Section 7.16.

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

4.7 TOTAL MARKET CAPITALISATION UPON LISTING

Based on our IPO Price and enlarged share capital of 314,942,002 Shares upon Listing, our total market capitalisation will be RM91.3 million.

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4. DETAILS OF OUR IPO (Cont'd)**4.8 DILUTION**

Dilution is the amount by which our IPO Price exceeds our pro forma NA per Share immediately after our IPO. The following table illustrates such dilution on a per Share basis:

	RM
IPO Price	0.29
Pro forma NA per Share as at 31 December 2025 before Public Issue and utilisation of proceeds	0.17
Pro forma NA per Share as at 31 December 2025 after Public Issue and utilisation of proceeds	0.19
Increase in pro forma NA per Share attributable to existing shareholders	0.02
Dilution in pro forma NA per Share to our new public investors pursuant to our IPO	0.10
Dilution in pro forma NA per Share as a percentage of our IPO Price	34.5%

Further details of our pro forma NA per Share as at 31 December 2025 is set out in Section 14.

The following table shows the average effective cost per Share paid by our existing shareholders for our Shares since our incorporation up to the date of this Prospectus:

Shareholders	No. of Shares received	Total consideration	Average effective cost per Share
		RM	RM
Ng Sea Kai ⁽¹⁾⁽²⁾⁽³⁾	90,544,501	8,559,451	0.0945
Eng Peng Hong ⁽¹⁾⁽²⁾⁽³⁾⁽⁵⁾	55,658,001	5,070,801	0.0911
Ng Peng Choong ⁽²⁾⁽⁵⁾	22,099,000	2,209,900	0.1000
Ng Say Lim ⁽²⁾	19,473,100	1,947,310	0.1000
Eng Seiw Peng ⁽²⁾	11,519,000	1,151,900	0.1000
Yong Mui Yun ⁽²⁾	9,114,000	911,400	0.1000
Goay Keng Hau ⁽²⁾	6,824,000	682,400	0.1000
Eng Peng Chai ⁽²⁾⁽⁵⁾	6,534,000	653,400	0.1000
Loke Ren Tiem ⁽²⁾⁽⁵⁾	3,810,200	381,020	0.1000
Har Yeat Khen ⁽²⁾	3,076,000	307,600	0.1000
Ho Kee Meng ⁽²⁾	2,070,000	207,000	0.1000
Wai Ka Man ⁽⁴⁾	1,715,000	343,000	0.2000
Wai Kah Poh ⁽⁴⁾	1,715,000	343,000	0.2000
Ng Say Pin ⁽²⁾	1,097,400	109,740	0.1000
Tan Chor Keang ⁽²⁾	458,800	45,880	0.1000
	235,708,002	22,923,802	

Notes:

- (1) Being the issuance of 2 subscriber shares.
- (2) Being Shares issued pursuant to the Acquisitions.
- (3) Being Shares issued pursuant to the Capitalisation.

4. DETAILS OF OUR IPO (Cont'd)

- (4) Being Shares issued pursuant to the Share Subscription.
- (5) Being Shares transferred pursuant to the Shareholdings Reorganisation.

Save as disclosed above and the Pink Form Allocations to our eligible Directors and key senior management, there has been no acquisition or subscription of any of our Shares by our Directors or key senior management, substantial shareholders or persons connected with them, or any transaction entered into by them which grants them the right to acquire any of our existing Shares, in the past 3 years up to LPD.

4.9 UTILISATION OF PROCEEDS**4.9.1 Public Issue**

The estimated gross proceeds from our Public Issue of RM23.0 million will accrue entirely to us and are planned to be utilised in the following manner:

Utilisation of proceeds	Notes	RM'000	%	(1)Estimated timeframe for utilisation
Repayment of bank borrowings	(a)	13,750	59.8	Within 12 months
Purchase of machinery and equipment	(b)	1,720	7.5	Within 12 months
Capital expenditure	(c)	1,010	4.4	Within 6 months
Working capital	(d)	1,998	8.7	Within 12 months
Estimated listing expenses	(e)	4,500	19.6	Within 1 month
		22,978	100.0	

Pending the deployment of the proceeds raised from our Public Issue as aforementioned, the funds will be placed in short-term deposits with financial institutions. The interest, income and/ or profit distribution to be received from placement of the proceeds in short-term deposits with financial institutions shall be utilised for our Group's working capital requirements as set out in Section 4.9.1(d) below.

Note:

- (1) From the date of our Listing.

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

(a) Repayment of bank borrowings

As part of our business growth strategy, we intend to enhance our presence, specifically in the northern region of Peninsular Malaysia and East Malaysia to cater for the growth of our customers in the respective regions. Please refer to Section 7.16.1 for further details.

As at LPD, our Penang Facility and Inanam (Kota Kinabalu) Facility have built-up area of approximately 7,100 sq ft and 3,090 sq ft respectively. These facilities mainly carry out our maintenance and repair operations. For avoidance of doubt, our Group currently owns the Penang Facility and previously rented the Inanam (Kota Kinabalu) Facility. Upon relocation to the New Bukit Minyak Facility and New Kota Kinabalu Facility, we will dispose the existing Penang Facility and have terminated our tenancy for our Inanam (Kota Kinabalu) Facility.

As at LPD, our respective subsidiaries have entered into sale and purchase agreements for the following:

- (i) On 12 September 2024, Liftech Penang (as purchaser) has entered into a sale and purchase agreement with Winning Strike Sdn Bhd (as vendor) for the New Bukit Minyak Facility, with a total built-up area of 12,953 sq ft, for a cash consideration of RM8.5 million, of which RM0.9 million has been paid as deposit via internally generated funds. The purchase consideration of RM8.5 million was arrived at on a "willing-buyer willing-seller" basis, with reference to recent transacted values of other similar properties. Winning Strike Sdn Bhd is not a related party to our Group. Further to the deposit paid, we funded the balance cash consideration of RM7.6 million and legal fees, stamp duty as well as fees to authorities of RM0.4 million via bank borrowings under Islamic term financing from Maybank Islamic Berhad ("**New Bukit Minyak Facility Loan**") to facilitate the completion of the purchase of our New Bukit Minyak Facility. The New Bukit Minyak Facility Loan has been secured on 3 September 2024 and drawdown on 28 November 2025. The sale and purchase agreement for the New Bukit Minyak Facility was completed on 28 November 2025.

We are experiencing space constraints at our current Penang Facility which limits our ability to undertake more maintenance and repair orders to further grow our business. Hence, as we continue to secure more orders, a larger workspace in our New Bukit Minyak Facility has become necessary where we intend to primarily utilise it for our additional maintenance and repair works as well as to store our inventories and machinery. Our New Bukit Minyak Facility has a total land area of 48,115 sq ft, with an existing double-storey detached office building (i.e. built-up area of 5,960 sq ft) and a single-storey work area (i.e. built-up area of 6,993 sq ft). The work area in the New Bukit Minyak Facility is approximately 34.2% larger than the existing allocated area for maintenance and repair works in our Penang Facility, which we anticipate is able to cater to our initial expansion needs. As we continue to grow our business, the New Bukit Minyak Facility has ample land area that can be utilised to further expand our work area when the need arises.

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

- (ii) On 14 July 2025, Liftech Borneo (as purchaser) has entered into a sale and purchase agreement with Ng Chin Heng and Pang Fong Thau (as vendors) for the New Kota Kinabalu Facility, with a total built-up area of 3,601 sq ft, for a cash consideration of RM2.2 million, of which RM0.3 million has been paid as deposit via internally generated funds. The purchase consideration of RM2.2 million was arrived at on a "willing-buyer willing-seller" basis, with reference to recent transacted values of other similar properties. Ng Chin Heng and Pang Fong Thau are not related parties to our Group. Further to the deposit paid, the balance cash consideration of RM1.9 million is funded via a combination of bank borrowings under term loan from Public Bank Berhad which was drawdown on 30 September 2025 (RM1.7 million) ("**New Kota Kinabalu Facility Loan**") and internally generated funds of RM0.2 million to facilitate the completion of the purchase of our New Kota Kinabalu Facility. The sale and purchase agreement for the New Kota Kinabalu Facility was completed on 2 October 2025.

The acquisition of our New Kota Kinabalu Facility is to further strengthen and establish our market presence in East Malaysia to enhance our credibility and instill confidence among potential customers towards our products and services, where additional space is required to improve the overall efficiency of our maintenance and repair operations. Hence, the larger space at our New Kota Kinabalu Facility will allow us to carry out additional maintenance and repair works as we continue to secure more orders.

Our New Kota Kinabalu Facility with semi-detached configuration will provide a more conducive environment for a well organised placement of machinery and equipment, thus optimising accessibility and driving a more efficient movement of inventories as well as manufactured industrial lifting and handling equipment in and out of the facility. Please refer to Section 7.16.1(b) for further details of our New Kota Kinabalu Facility.

Relocation costs of RM0.1 million has been incurred for New Kota Kinabalu Facility, which has been funded via our internally generated funds. Estimated relocation costs of RM0.1 million will be incurred for New Bukit Minyak Facility upon completion of the renovation, which will be funded via our internally generated funds. The estimated relocation costs are determined based on our management's previous experience in relocating to a similar facility. The relocation costs of our new facilities mainly consist of lorry rental, mobile crane rental, staff welfare, packing and loading as well as other related expenses. As at LPD, no relocation costs have been incurred for our New Bukit Minyak Facility.

We do not expect the need for increase in headcount and investment in machinery and equipment in conjunction with the relocation of our business operations from our existing Penang Facility and Inanam (Kota Kinabalu) Facility to our New Bukit Minyak Facility and New Kota Kinabalu Facility. Any future increase in headcount and investment in machinery and equipment to cater for the growth of our business operations, should the need arise, will be funded via internally generated funds and/or bank borrowings.

4. DETAILS OF OUR IPO (Cont'd)

We have allocated RM13.8 million, representing 59.8% of our gross proceeds from the Public Issue to pare down our New Bukit Minyak Facility Loan, New Kota Kinabalu Facility as well as bank borrowings for the extension of Taiping Factory. The details of the repayment of bank borrowings for New Bukit Minyak Facility Loan, New Kota Kinabalu Facility Loan and extension of Taiping Factory are as follows:

Financier/ Type of facility	Purpose	Interest rate per annum %	Maturity date	Balance as at LPD RM'000	Amount to be repaid RM'000
Maybank Islamic Berhad/ Term loan	Establishment of New Bukit Minyak Facility	3.70 (for the first twelve months) 3.85 (for the remaining tenure)	December 2050	8,006	7,750
Public Berhad/ Term loan	Bank Establishment of New Kota Kinabalu Facility	3.80	September 2050	1,662	1,500
Public Berhad/ Term loan	Bank Extension of Taiping Factory	4.37	March 2038	4,661	4,500
				14,329	13,750

The repayment of the borrowings is expected to result in annual interest savings of RM0.6 million based on the abovementioned interest rate. However, the actual interest savings may vary depending on the then applicable interest rate. For clarity, the repayment of the abovementioned outstanding bank borrowings will not result in any penalty or early repayment fee being incurred by us.

Our selection to repay the above term loan was determined after taking into consideration the following factors:

- (i) interest cost of such term loan; and
- (ii) outstanding loan amount.

Our total outstanding borrowings (excluding lease liabilities arising from leasing of workshops and hostels of RM0.1 million) as at 31 December 2025 stood at RM18.8 million. After the proposed repayment, our Group's total borrowings will amount to RM5.0 million. The proposed repayment of bank borrowings coupled with the increase in total equity from the issuance of new Shares under our Public Issue will reduce our pro forma gearing level from 0.30 times (after our Public Issue but prior to utilisation of proceeds) to 0.08 times (after utilisation of proceeds) as set out in Section 12.4.

In the event that the balance term loan at the point of repayment is less than the amount allocated due to scheduled payments, we will use the excess amount for our working capital.

4. DETAILS OF OUR IPO (Cont'd)**(b) Purchase of machinery and equipment**

We presently carry out our manufacturing activities using the existing machinery and equipment at our current manufacturing factories (Puchong HQ and Taiping Factory). Pursuant to the completion of the expansion of our Taiping Factory in June 2024, the total manufacturing area of our Taiping Factory has increased to 127,100 sq ft. This enables our Group to expand our overall production capacity and increase the level of automation for our customisation and manufacturing activities in our Taiping Factory. As such, we intend to utilise RM1.7 million or 7.5% of our gross proceeds from our Public Issue for the purchase of new machinery and equipment for our Taiping Factory.

The details of the purchase of new machinery and equipment are as follows:

Machinery and equipment	No. of units	Total estimated cost RM'000
Gantry auto-welding machine	2	248
Laser machine	1	398
Metal inert gas and arc welding machines	⁽¹⁾ 10	39
Overhead cranes	2	158
CNC machine	1	298
Remote transfer car	1	83
Road sweeper	1	13
Industrial fans	3	21
Forklift and lorries	⁽²⁾ 3	462
	24	1,720

Notes:

- (1) Comprising 5 units of metal inert gas welding machines and 5 units of arc welding machines.
- (2) Comprising 1 unit each of 3-tonne forklift, 3-tonne lorry and 20-tonne lorry.

4. DETAILS OF OUR IPO (Cont'd)

These new machinery and equipment will be purchased from local and overseas suppliers, the estimated cost of which has been obtained from such suppliers. As at LPD, save for the RM0.2 million that was incurred for the purchase of the abovementioned gantry auto-welding machine, our Group has not incurred any costs for the aforesaid purchase of machinery and equipment and we have not procured or entered into any binding arrangements for the purchase of new machinery and equipment. Therefore, the estimated cost for these machinery and equipment may change if the quotations obtained are being revised. Upon receipt of gross proceeds from the Public Issue, our Group plans to utilise such proceeds to replenish our internally generated funds which were used to purchase the said gantry auto-welding machine. Please refer to Section 7.16.2 for further details.

Separately, we currently maintain headcount that is sufficient to meet the volume of sales order received and we do not presently anticipate the need to hire additional headcount to operate these new machinery and equipment. Instead, we intend to upskill and train our existing headcount to operate the said machinery and equipment. We do not expect any material increase in the workload of our existing headcount as the aforesaid purchase of machinery, such as gantry auto-welding machine, is equipped with automation features that will further enhance our welding activities by increasing welding efficiency with minimal human intervention and requiring only a few operational steps. As the process becomes more automated, it is expected to enhance our overall operational efficiency and reduce our dependency on manual labour in our Taiping Factory.

Notwithstanding the above, as we continue to grow our business and secure more orders, any future increase in headcount to cater to the growth of our business would be funded via internally generated funds and/or bank borrowings.

In the event that additional costs for purchase of machinery and equipment are incurred before the receipt of the gross proceeds from the Public Issue, the gross proceeds of the Public Issue will be used to replenish internally generated funds or bank borrowings utilised for the cost to purchase the new machinery and equipment. In the event there are any excess available from the amount allocated above, such excess will be allocated for our working capital requirements. Conversely, if the allocated proceeds are insufficient for the purchase of new machinery and equipment, such shortfall will be funded via internally generated funds and/ or bank borrowings.

(c) Capital expenditure

We have allocated RM1.0 million, representing 4.4% of our gross proceeds from the Public Issue for the renovation of our facilities and office space in Taiping Factory, details of which are as follows:

Descriptions	(3)Estimated cost RM'000
New Bukit Minyak Facility ⁽¹⁾	570
New Kota Kinabalu Facility ⁽¹⁾	140
Office space in Taiping Factory ⁽²⁾	300
	1,010

Notes:

- ⁽¹⁾ Further details on our business expansion/ establishment of facilities are set out in Section 7.16.1.

4. DETAILS OF OUR IPO (Cont'd)

- (2) Following the completion of the second phase expansion of our Taiping Factory in June 2024, we intend to renovate our existing office space in Taiping Factory to cater for the expected increase in 5 headcounts in line with the second phase expansion of our Taiping Factory. The total estimated cost for the renovation of our Taiping Factory is RM0.30 million, which will be fully funded via our gross proceeds from the Public Issue.
- (3) Mainly comprising mechanical and engineering works as well as external works, of which the estimated costs are based on quotations obtained from contractors.

As at LPD, our Group has completed the renovation works for our New Kota Kinabalu Facility at a total renovation cost of RM0.14 million. Upon receipt of gross proceeds from the Public Issue, our Group plans to utilise such proceeds to replenish our internally generated funds which were used to finance the said renovation.

In the event there is any excess available from the above capital expenditures, such excess will be allocated for our working capital requirements. Conversely, if the allocated proceeds are insufficient for our capital expenditures, such shortfall will be funded via internally generated funds and/ or bank borrowings.

(d) Working capital

Our Group's working capital requirements are expected to increase in tandem with the expected growth in the scale of our business. We have allocated RM2.0 million, representing approximately 8.7% of our gross proceeds from the Public Issue for the purchase of steel materials as well as components and accessories for our manufacturing activities. Please refer to Section 7.11 for further details on our purchases for FYE 2022 to 2025. The exact allocation for the purchase of steel materials as well as components and accessories are not determined at this juncture and shall vary depending on our actual operating requirements at the relevant point in time.

(e) Estimated listing expenses

An amount of RM4.5 million, representing 19.6% of our gross proceeds from the Public Issue, is allocated to meet the estimated expenses of our Listing. The following summarises the estimated expenses incidental to our Listing to be borne by us:

Estimated listing expenses	RM'000
Professional fees ⁽¹⁾	3,341
Fees payable to authorities	107
Underwriting, placement and brokerage fees	830
Printing and contingencies ⁽²⁾	222
	4,500

Notes:

- (1) Includes advisory/ professional fees for, amongst others, our Adviser, Corporate Finance Adviser, Solicitors, Auditors and Reporting Accountants, IMR, Internal Control Review Consultant and Issuing House.
- (2) Other incidental or related expenses in connection with our IPO.

4. DETAILS OF OUR IPO (Cont'd)

In the event the allocated proceeds are insufficient for our Listing expenses, any shortfall will be funded from the amount allocated for our general working capital requirements. Conversely, if our actual Listing expenses are lower than the amount budgeted, the excess will be utilised for our general working capital requirements.

Any variations from the amounts budgeted above, save for item (d), shall be adjusted towards or against, as the case may be, the proceeds allocated for our working capital requirements. Any further shortfall will be funded via our internally generated funds and/ or bank borrowings. Where applicable and required under Rule 8.24 of the Listing Requirements, we will seek shareholders' approval for any material variation to the intended utilisation of proceeds.

4.9.2 Offer for Sale

The Offer for Sale is expected to raise gross proceeds of approximately RM4.6 million which will accrue entirely to our Selling Shareholders and we will not receive any of the proceeds.

The Selling Shareholders shall bear all of the expenses relating to the Offer Shares, the aggregate of which is estimated to be approximately RM0.1 million.

4.10 BROKERAGE FEES, PLACEMENT FEES AND UNDERWRITING COMMISSION

4.10.1 Brokerage fees

Brokerage is payable in respect of the Issue Shares at the rate of 1.0% of our IPO Price in respect of successful applicants which bear the stamp of member companies of Bursa Securities, member of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association or Issuing House.

4.10.2 Placement fees

Our Placement Agent will place out a total of 56,198,000 Issue Shares and 15,800,000 Offer Shares to Bumiputera investors approved by MITI and selected investors.

We will pay our Placement Agent a placement fee of 2.5% of our IPO Price multiplied by the number of Issue Shares placed out by our Placement Agent.

The placement fee of 2.5% of the value of those Offer Shares placed out by our Placement Agent will be paid by our Selling Shareholders.

4.10.3 Underwriting commission

Our Underwriter has agreed to underwrite 23,036,000 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. We will pay our Underwriter an underwriting commission of 3.0% of our IPO Price multiplied by the number of Shares underwritten.

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

4.11 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

We have entered into the Underwriting Agreement with M&A Securities, to underwrite 23,036,000 Issue Shares ("**Underwritten Shares**") as set out in Section 4.3.3.

The salient terms in the Underwriting Agreement are as follows:

4.11.1 Conditions Precedent

The several obligations of our Underwriter under the Underwriting Agreement shall further be conditional upon:

- (a) the acceptance of the listing proposal and the clearance of registrable prospectus from Bursa Securities, and the lodgment of registrable prospectus with the CCM respectively together with copies of all documents required under Section 154 of the Act prior to the issuance of this Prospectus to the public;
- (b) the issuance of this Prospectus (including all procedures, requirements, letters and documents) required under Section 154 of the Act to the public within three (3) months from the date of the Underwriting Agreement or such extension as consented by our Underwriter;
- (c) there having been, as at any time hereafter up to and including the date adopted in this Prospectus as the last date for acceptance and receipt of application for the subscription to the Issue Shares or such other later date as our Company and our Underwriter may agree upon ("**Closing Date**"), no material adverse change, or any development involving a prospective material adverse change, in the condition, financial or otherwise of our Company and its subsidiaries (which in the reasonable opinion of our Underwriter is or will be material in the context of the issue of the Issue Shares) from that set forth in this Prospectus, nor the occurrence of any event nor the discovery of any fact rendering inaccurate, untrue or incorrect to an extent which is or will be material in any of the representations, warranties and undertakings contained in the Underwriting Agreement, if they are repeated on and as of the Closing Date;
- (d) the issue, offering and subscription of the Issue Shares in accordance with the provisions hereof and this Prospectus not being prohibited by any statute, order, rule, regulation, directive or guideline (whether or not having the force of law) promulgated or issued by any legislative, executive or regulatory body or authority of Malaysia (including Bursa Securities);
- (e) all necessary approvals and consents required in relation to our Public Issue including but not limited to governmental approvals having been obtained and are in full force and effect;
- (f) our Underwriter having been satisfied that arrangements have been made by our Company to ensure payment of the expenses referred to in the Underwriting Agreement;

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

- (g) the delivery to our Underwriter prior to the date of registration of this Prospectus of:
 - (i) a copy certified as a true copy by an authorised officer of our Company of all the resolutions of the Directors of our Company and the shareholders in general meeting approving the Underwriting Agreement, this Prospectus, our Public Issue and authorising the execution of the Underwriting Agreement and the issuance of the Prospectus;
 - (ii) a certificate dated the date of this Prospectus signed by duly authorised officers of our Company stating that, after having made all reasonable enquiries, there has been no such change, development or occurrence as referred to in sub-section (c) above;
- (h) the delivery to our Underwriter on the Closing Date of such reports and confirmations dated the Closing Date from our Board as our Underwriter may reasonably require to ascertain that there is no material change subsequent to the date of the Underwriting Agreement that will adversely affect the performance or financial position of our Group nor the occurrence of any event rendering, untrue or incorrect, to a material extent any representations and/ or warranties contained in the Underwriting Agreement as though they have been given and/ or made on such date; and
- (i) our Underwriter being satisfied that our Company will, following completion of our Public Issue, be admitted to the Official List and our issued share capital listed and quoted on the ACE Market of Bursa Securities without undue delay.

4.11.2 Non-fulfilment of conditions precedent

In the event any of the conditions set forth in Section 4.11.1 are not satisfied by the Closing Date, our Underwriter shall thereupon be entitled but not bound to terminate the Underwriting Agreement by notice given to our Company not later than three (3) Market Days after the Closing Date and upon such termination our Company and our Underwriter shall be released and discharged from our respective obligations under the Underwriting Agreement, save for any surviving obligations, and none of the parties shall have a claim against the other save for antecedent breaches by our Company and claims arising therefrom. Each party shall in such event return any and all monies paid to the other under the Underwriting Agreement within seventy-two (72) hours of the receipt of such notice (except for monies paid by our Company for the payment of the expenses as provided in the Underwriting Agreement). Our Underwriter reserves the right to waive or modify any of the conditions aforesaid and such waiver or modification shall not prejudice our Underwriter's rights under the Underwriting Agreement.

4. DETAILS OF OUR IPO (Cont'd)

4.11.3 Termination

Notwithstanding anything herein contained, our Underwriter may by notice in writing to our Company given at any time on or before the allotment and issuance of our Issue Shares, terminate and cancel and withdraw its commitment to underwrite the Underwritten Shares if:

- (a) there is any breach by our Company of any of the representations, warranties or undertakings, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to our Company, or by the Closing Date, whichever is earlier, or withholding of information of a material nature from our Underwriter, which is required to be disclosed pursuant to the Underwriting Agreement which, in the opinion of our Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of our Public Issue, or the distribution of the Issue Shares; or
- (b) there is withholding of information of a material nature from our Underwriter, which, if capable of remedy, is not remedied within such number of days as stipulated within the notice after notice of such breach shall be given to our Company, which, in the opinion of our Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group and the success of the Public Issue, or the distribution of the Issue Shares; or
- (c) there shall have occurred, happened or come into effect in the opinion of our Underwriter any material and/or adverse change to the business or financial condition of our Company or any of its subsidiaries; or
- (d) there shall have occurred, happened or come into effect any of the following circumstances: -
 - (i) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or
 - (ii) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of our Company and/or our Underwriter (including without limitation, acts of God, acts of terrorism, strikes, lock outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents); which, (in the reasonable opinion of our Underwriter), would have or can reasonably be expected to have, a material adverse effect on and/or materially prejudice the business or the operations of our Company or any of its subsidiaries and the success of our Public Issue, or the distribution of our Issue Shares, or which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or

4. DETAILS OF OUR IPO (Cont'd)

- (iii) the FTSE Bursa Malaysia KLCI Index ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day: (1) on or after the date of the Underwriting Agreement; and (2) prior to the allotment of the Issue Shares, lower than ninety percent (90%) of the level of the Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to such date and remains at or below that level for at least three (3) Market Days; or
- (iv) in the event of national disorder, outbreak of war or the declaration of a state of national emergency;
- (e) there is failure on the part of our Company to perform any of our respective obligations herein contained; or
- (f) any matter which arose immediately before the date of this Prospectus would have constituted a material and adverse omission in the context of our Public Issue; or
- (g) any event, act or omission which gives or is likely to give rise to any liability which will have a material and adverse effect on our Company pursuant to the indemnities contained under the Underwriting Agreement.

4.12 TRADING AND SETTLEMENT IN SECONDARY MARKET

Our Shares will be admitted to the Official List of the ACE Market and an official quotation will commence after, among others, the receipt of confirmation from Bursa Depository that all of our IPO Shares have been duly credited into the respective CDS Accounts of the successful applicants and the notices of allotment have been issued and despatched to all the successful applicants.

Pursuant to Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as securities to be deposited into the CDS. Following this, we will deposit our Shares directly with Bursa Depository and any dealings in our Shares will be carried out in accordance with the SICDA and Depository Rules. We will not issue any share certificates to successful applicants.

Upon our Listing, transactions in our Shares under the book-entry settlement system will be reflected by the seller's CDS Account being debited with the number of Shares sold and the buyer's CDS Account being credited with the number of Shares acquired.

Trading of shares of companies listed on Bursa Securities is normally done in "board lots" of 100 shares. Investors who desire to trade less than 100 shares will trade under the odd lot board. Settlement of trades done on a "ready" basis on Bursa Securities generally takes place on the second Market Day following the transaction date, and payment for the securities is generally settled on the second Market Day following the transaction date.

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

5.1 PROMOTERS AND/ OR SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters' and/ or substantial shareholders' shareholdings

The shareholdings of our Promoters and/ or substantial shareholders in our Company before and after our IPO are set out below:

Name	Nationality	⁽¹⁾ Before IPO				⁽²⁾ After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Promoters and substantial shareholders									
Ng Sea Kai	Malaysian	90,544,501	38.4	⁽³⁾ 31,213,000	13.2	82,644,501	26.2	⁽³⁾ ⁽⁴⁾ 31,413,000	10.0
Eng Peng Hong	Malaysian	55,658,001	23.6	-	-	47,758,001	15.2	⁽⁴⁾ ⁽⁵⁾ 25,000	<0.1
Ng Say Lim	Malaysian	19,473,100	8.3	-	-	⁽⁴⁾ 19,573,100	6.2	⁽⁴⁾ ⁽⁶⁾ 500,000	0.2
Substantial shareholder									
Ng Peng Choong	Malaysian	22,099,000	9.4	-	-	⁽⁴⁾ 22,299,000	7.1	-	-

Notes:

- ⁽¹⁾ Based on our share capital of 235,708,002 Shares before IPO.
- ⁽²⁾ Based on our enlarged share capital of 314,942,002 Shares after IPO.
- ⁽³⁾ By virtue of the Shares held by Yong Mui Yun, his spouse and the director of Liftech KL, and Ng Peng Choong, his son and our Head of Business Development, pursuant to Section 59(11)(c) of the Act.
- ⁽⁴⁾ Assuming they will fully subscribe for their respective entitlements under the Pink Form Allocations.
- ⁽⁵⁾ By virtue of the Shares held by Eng Kai Ru, his daughter and an employee of our Group, pursuant to Section 59(11)(c) of the Act.
- ⁽⁶⁾ By virtue of the Shares held by Ng Peng Loon, his son and the director of Liftech Penang, pursuant to Section 59(11)(c) of the Act.

Our Promoters and/ or substantial shareholders do not have different voting rights from other shareholders of our Group.

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

5.1.2 Profiles of Promoters and/ or substantial shareholders

The profiles of our Promoters and/ or substantial shareholders are set out below:

(a) Ng Sea Kai

Ng Sea Kai, a Malaysian male aged 71, is our Promoter, substantial shareholder and Managing Director. He is our co-founder and was appointed to our Board on 27 January 2023. He is responsible for steering our Group's overall strategic directions and overseeing key initiatives to support our Group's expansion and business growth. He has more than 42 years of experience in the industrial lifting and handling equipment industry.

He obtained a Diploma in Mechanical Engineering from Feng Chia College of Engineering and Business (now known as Feng Chia University), Taichung, Taiwan in 1976.

In 1977, he returned to Malaysia and worked as a part-time general worker at a workshop where he performed grinding and painting works.

In 1978, he left the said workshop and joined Malaysia Steel Works (KL) Sdn Bhd (now known as Malaysia Steel Works (KL) Berhad, listed on the Main Market of Bursa Securities) as Maintenance Engineer where he was responsible for the maintenance of machines.

In 1981, he left Malaysia Steel Works (KL) Sdn Bhd and joined Sumiputeh Steel Centre Sdn Bhd as Assistant Factory Superintendent, where he was responsible for managing the operations and maintenance of machines.

In 1983, he left Sumiputeh Steel Centre Sdn Bhd and joined Mechanical Handling Engineering (M) Sdn Bhd, as After-Sales Executive, where he was responsible for overseeing the after-sales services of lifting equipment, for the east coast region.

In 1986, he left Mechanical Handling Engineering (M) Sdn Bhd and co-founded Deko Engineering & Industrial Supplies (M) Sdn Bhd (now known as JH Building & Construction (M) Sdn Bhd) ("**Deko**"), a company involved in trading of cranes, with a third party. He was appointed as the company's director where he oversaw the operations of the company. In 1997, he disposed of his shares to third parties and left the company.

In 1990, he was appointed as director of Deko Engineering Services (North) Sdn Bhd where he oversaw the operations of the company. The company has been dissolved in 2008.

In 1992, he was appointed as director of Liftech JB where he oversaw the operations of the company. He relinquished his role in 2020.

In March 1997, he co-founded Liftech Holdings Sdn Bhd (now known as Liftech Academy) with Ng Say Lim and Eng Peng Hong. He also assumed the role of director, overseeing the operations of the company. He continues to hold this position to-date.

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

In April 1997, he co-founded Liftech Ipoh with Ng Say Lim, Eng Peng Hong and Tay Chai Hwa (a third party). He also assumed the role as director, overseeing the operations of the company. He continues to hold this position to-date.

In May 1997, he co-founded Liftech Penang with Ng Say Lim and Lee Chong Aik (a third party). He also assumed the role as director, overseeing the operations of the company. He continues to hold this position to-date.

In September 1997, he assumed the role as director of Liftech KL, where he was responsible for overseeing the company's day-to-day business activities and development strategies. He continues to hold this position to-date.

In 2016, he co-founded Liftech Engineering (Sarawak) Sdn Bhd (now known as Liftech Borneo) with Wee Tong Hai (a third party), and took on the role as director, overseeing the operations of the company. He continues to hold this position to-date.

He is the brother of Ng Say Lim, our Promoter, substantial shareholder and Executive Director. He is the father of Ng Peng Choong, our Head of Business Development and substantial shareholder. He is also the uncle of Eng Peng Hong, our Promoter, substantial shareholder and Executive Director.

Kindly refer to Section 5.2.3(b) for his involvement in other business activities outside our Group.

(b) Eng Peng Hong

Eng Peng Hong, a Malaysian male aged 58, is our Promoter, substantial shareholder and Executive Director. He is our co-founder and was appointed to our Board on 27 January 2023. He is responsible for driving our Group's operational efficiency, including overseeing the manufacturing, servicing and maintenance operations, as well as developing high-level operational strategies to improve operational workflow. He has more than 34 years of experience in the industrial lifting and handling equipment industry.

He obtained his Diploma in Mechanical Technology from Feng Chia University, Taichung, Taiwan in 1990.

In 1990, he returned to Malaysia and began his career as a Junior Designer in NKE-Flexible Automation System Sdn Bhd (now known as NKE Automation Sdn Bhd), where he assisted the design engineers in design and production works.

In 1991, he left NKE-Flexible Automation System Sdn Bhd and joined Deko as Sales Executive where he was responsible for coordinating the sales and service department as well as liaising with customers. He was later appointed as a director in the same year, overseeing the operations of the company. He relinquished his role in 1997.

In 1992, he co-founded Liftech JB with Ng Suan Chiok (the late sister of Ng Sea Kai, our Managing Director) and took on the role of director where he oversaw the operations of the company. He continues to hold this position to-date.

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

In 1996, he co-founded Liftech KL with Chin Yuen San (a third party), and assumed the role of director, overseeing the operations of the company. He continues to hold this position to-date.

In March 1997, he co-founded Liftech Holdings Sdn Bhd (now known as Liftech Academy) alongside Ng Sea Kai and Ng Say Lim. He assumed the role of director, overseeing the operations of the company. He continues to hold this position to-date.

In April 1997, he co-founded Liftech Ipoh alongside Ng Sea Kai, Ng Say Lim and Tay Chai Hwa (a third party), and assumed the role of director of Liftech Ipoh, overseeing the operations of the company. He relinquished his role in 2015.

He is the nephew of Ng Sea Kai, our Promoter, substantial shareholder and Managing Director, and Ng Say Lim, our Promoter, substantial shareholder and Executive Director. He is the cousin of Ng Peng Choong, our Head of Business Development and substantial shareholder.

Kindly refer to Section 5.2.3(c) for his involvement in other business activities outside our Group.

(c) Ng Say Lim

Ng Say Lim, a Malaysian male aged 66, is our Promoter, substantial shareholder and Executive Director. He was appointed to our Board on 21 July 2025. He is responsible for overseeing our Group's overall sales and business development functions. He has more than 35 years of experience in the industrial lifting and handling equipment industry.

He obtained his Sijil Pelajaran Malaysia from Han Chiang High School, Penang in 1978.

Upon completing his secondary education, he assisted his family at the palm oil estate. In 1980, he went to Singapore and undertook part-time jobs involving the fitting and welding of boats.

In 1985, he returned to Malaysia and joined Selama Motor Trading Co as Manager, where he oversaw workshop operations and managed the sales of used and new motorcycles.

In 1990, he left Selama Motor Trading Co and founded Deko Engineering Services (North) Sdn Bhd, a company involved in the trading of cranes, where he also took on the role of director. He oversaw the day-to-day operations of the company. The company was dissolved in 2008.

In March 1997, he co-founded Liftech Holdings Sdn Bhd (now known as Liftech Academy) with Ng Sea Kai and Eng Peng Hong. He also assumed the role of director, overseeing the operations of the company. He continues to hold this position to-date.

In April 1997, he co-founded Liftech Ipoh with Ng Sea Kai, Eng Peng Hong and Tay Chai Hwa (a third party), and assumed the role of director, overseeing the operations of the company. He continues to hold this position to-date.

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

In May 1997, he co-founded Liftech Penang with Ng Sea Kai and Lee Chong Aik (a third party), and also assumed the role of director, overseeing the operations of the company. He continues to hold this position to-date.

He is the brother of Ng Sea Kai, our Promoter, substantial shareholder and Managing Director. He is the uncle of Eng Peng Hong, our Promoter, substantial shareholder and Executive Director and Ng Peng Choong, our Head of Business Development and substantial shareholder.

Kindly refer to Section 5.2.3(d) for his involvement in other business activities outside our Group.

(d) Ng Peng Choong

Ng Peng Choong, a Malaysian male aged 34, is our Head of Business Development and substantial shareholder. He leads our Group's business development efforts including identifying new product opportunities, driving marketing initiatives to strengthen market presence and exploring global partnerships that complement with our Group's products.

He obtained his Bachelor of Business (Management) from Royal Melbourne Institute of Technology, Melbourne, Australia in 2015. Following his graduation, he undertook part-time jobs in Melbourne, Australia.

In March 2017, he returned to Malaysia and commenced his career as Business Development Executive at Liftech KL, where he was responsible for assisting in the execution of business development strategies. In 2021, he was appointed as director of Liftech KL, and also assumed the role as Business Development Manager. In the said role, he oversaw the sourcing of new products and the execution of business development initiatives, including digital marketing, promotional campaigns and exhibitions. In 2025, he was promoted to Head of Business Development, where he assumed his current responsibilities.

In May 2017, he was appointed as director of Liftech Engineering (Sarawak) Sdn Bhd (now known as Liftech Borneo). In 2020, he was appointed as director of Liftech Penang. He is responsible for overseeing the business development functions of the said companies. He continues to hold these positions to-date.

He is the son of Ng Sea Kai, our Promoter, substantial shareholder and Managing Director. He is the nephew of Ng Say Lim, our Promoter, substantial shareholder and Executive Director. He is the cousin of Eng Peng Hong, our Promoter, substantial shareholder and Executive Director.

Kindly refer to Section 5.3.4(a) for his involvement in other business activities outside our Group.

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

5.1.3 Changes in Promoters' and/ or substantial shareholders' shareholdings

The changes in our Promoters and/ or substantial shareholders' respective shareholdings in our Company since our incorporation on 27 January 2023 are as follows:

Name	As at incorporation				⁽¹⁾ 31 December 2023				⁽²⁾ 31 December 2024			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Promoters and substantial shareholders												
Ng Sea Kai	1	50.0	-	-	1	50.0	-	-	78,544,501	37.0	⁽⁵⁾ 31,062,000	14.6
Eng Peng Hong	1	50.0	-	-	1	50.0	-	-	46,472,001	21.9	-	-
Ng Say Lim	-	-	-	-	-	-	-	-	19,473,100	9.2	-	-
Substantial shareholder												
Ng Peng Choong	-	-	-	-	-	-	-	-	21,948,000	10.3	-	-
Eng Seiw Peng ⁽⁹⁾	-	-	-	-	-	-	-	-	15,315,000	7.2	-	-
Name	⁽³⁾ 31 December 2025				⁽³⁾ Before IPO				⁽⁴⁾ After IPO			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Promoters and substantial shareholders												
Ng Sea Kai	90,544,501	38.4	⁽⁵⁾ 31,213,000	13.2	90,544,501	38.4	⁽⁵⁾ 31,213,000	13.2	82,644,501	26.2	⁽⁵⁾⁽⁶⁾ 31,413,000	10.0
Eng Peng Hong	55,658,001	23.6	-	-	55,658,001	23.6	-	-	47,758,001	15.2	⁽⁶⁾⁽⁷⁾ 25,000	<0.1
Ng Say Lim	19,473,100	8.3	-	-	19,473,100	8.3	-	-	⁽⁶⁾ 19,573,100	6.2	⁽⁶⁾⁽⁸⁾ 500,000	0.2
Substantial shareholder												
Ng Peng Choong	22,099,000	9.4	-	-	22,099,000	9.4	-	-	⁽⁶⁾ 22,299,000	7.1	-	-
Eng Seiw Peng ⁽⁹⁾	11,519,000	4.9	-	-	11,519,000	4.9	-	-	11,519,000	3.7	-	-

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

Notes:

- (1) Based on our share capital of 2 Shares.
- (2) Based on our share capital of 212,278,002 Shares before IPO.
- (3) Based on our share capital of 235,708,002 Shares after Pre-IPO Reorganisation but before IPO.
- (4) Based on our enlarged share capital of 314,942,002 Shares after Pre-IPO Reorganisation and IPO.
- (5) By virtue of the Shares held by Yong Mui Yun, his spouse and the director of Liftech KL, and Ng Peng Choong, his son and our Head of Business Development, pursuant to Section 59(11)(c) of the Act.
- (6) Assuming they will fully subscribe for their respective entitlements under the Pink Form Allocations.
- (7) By virtue of the Shares held by Eng Kai Ru, his daughter and an employee of our Group, pursuant to Section 59(11)(c) of the Act.
- (8) By virtue of the Shares held by Ng Peng Loon, his son and the director of Liftech Penang, pursuant to Section 59(11)(c) of the Act.
- (9) Eng Seiw Peng has ceased to be our substantial shareholder after Pre-IPO Reorganisation.

5.1.4 Persons exercising control over the corporation

Save for our Promoters as set out in Section 5.1.1, there is no other person who is able to, directly or indirectly, jointly or severally, exercise control over our Company. As at LPD, there is no arrangement between our Company, the Promoters and our substantial shareholders with any third party which may result in a change in control of our Company at a date subsequent to our Listing.

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

5.1.5 Amounts or benefits paid or intended to be paid or given to our Promoters and/ or substantial shareholders

Save for the issuance of our Shares for the Acquisitions, Capitalisation, dividends paid or intended to be paid to our Promoters and/ or substantial shareholders as disclosed below, and aggregate remuneration and benefits paid or proposed to be paid for services rendered to our Group in all capacities as disclosed in Section 5.2.4, there are no other amounts or benefits that have been paid or intended to be paid to our Promoters and/ or substantial shareholders within the 2 years preceding the date of this Prospectus:

	Dividends declared and paid			1 January 2026 up to LPD
	FYE 2023 RM'000	FYE 2024 RM'000	FYE 2025 RM'000	
Promoters and/ or substantial shareholders				
Promoters and substantial shareholders				
Ng Sea Kai	96	-	960	-
Eng Peng Hong	30	-	590	-
Ng Say Lim	66	-	207	-
Substantial shareholder				
Ng Peng Choong	10	70	234	-
	202	70	1,991	-

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

5.2 DIRECTORS

5.2.1 Directors' shareholdings

The shareholdings of our Directors in our Company before and after our IPO assuming that they will fully subscribe for their respective entitlements under the Pink Form Allocations are set out below:

Name	Designation/ Nationality	⁽¹⁾ As at LPD/ Before IPO				⁽²⁾ After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Ir Mohtar Bin Musri	Independent Non-Executive Chairman/ Malaysian	-	-	-	-	⁽³⁾ 200,000	<1.0	-	-
Ng Sea Kai	Managing Director/ Malaysian	90,544,501	38.4	⁽⁴⁾ 31,213,000	13.2	82,644,501	26.2	⁽³⁾⁽⁴⁾ 31,413,000	10.0
Eng Peng Hong	Executive Director/ Malaysian	55,658,001	23.6	-	-	47,758,001	15.2	⁽³⁾⁽⁵⁾ 25,000	<0.1
Ng Say Lim	Executive Director/ Malaysian	19,473,100	8.3	-	-	⁽³⁾ 19,573,100	6.2	⁽³⁾⁽⁶⁾ 500,000	0.2
Chan Kim Wean	Independent Non-Executive Director/ Malaysian	-	-	-	-	⁽³⁾ 150,000	<1.0	-	-
Goh Hooi Hooi	Independent Non-Executive Director/ Malaysian	-	-	-	-	⁽³⁾ 150,000	<1.0	-	-
Tan Bee Chan	Independent Non-Executive Director/ Malaysian	-	-	-	-	⁽³⁾ 150,000	<1.0	-	-

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

Notes:

- (1) Based on our share capital of 235,708,002 Shares before IPO.
- (2) Based on our enlarged share capital of 314,942,002 Shares after IPO.
- (3) Assuming they will fully subscribe for their respective entitlements under the Pink Form Allocations.
- (4) By virtue of the Shares held by Yong Mui Yun, his spouse and the director of Liftech KL, and Ng Peng Choong, his son and our Head of Business Development, pursuant to Section 59(11)(c) of the Act.
- (5) By virtue of the Shares held by Eng Kai Ru, his daughter and an employee of our Group, pursuant to Section 59(11)(c) of the Act.
- (6) By virtue of the Shares held by Ng Peng Loon, his son and the director of Liftech Penang, pursuant to Section 59(11)(c) of the Act.

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

5.2.2 Profiles of Directors

The profiles of Ng Sea Kai, our Managing Director, Eng Peng Hong, our Executive Director and Ng Say Lim, our Executive Director are set out in Section 5.1.2. The profiles of our other Directors are as follows:

(a) Dato' Ir Mohtar Bin Musri

Dato' Ir. Mohtar Bin Musri, a Malaysian male aged 68, is our Independent Non-Executive Chairman. He was appointed to our Board on 22 July 2025.

He obtained his Bachelor of Science with Honours in Mechanical Engineering from University of Nottingham, United Kingdom in 1982. He further obtained his Master of Science (Engineering) (Work Design and Ergonomics) from the University of Birmingham, United Kingdom in 1991. He has been a Professional Engineer with Practicing Certificate (Mechanical) under the Board of Engineers Malaysia. He was a Member of the National Accreditation Committee from 2012 to 2014. He was also the Board Member of CIDB and the National Institution of Occupational Safety and Health from 2014 to 2018. He was the Council Member of the Malaysian Standards and Accreditation Council from 2015 to 2017. He was the Board Member of the Malaysian Highway Authority from 2021 to 2023.

Upon his graduation, he joined DOSH as a Factories and Machinery Inspector under the Design Section at DOSH's head office, where he was responsible for reviewing engineering designs of lift and boilers as well as conducting safety inspections and tests to ensure compliance with safety regulations.

In 1985, he was promoted to Section Head of the Safety Unit Division at DOSH's head office, where he was responsible for overseeing the division's operations including conducting accident investigations, addressing complaints and leading prosecutions for violations under the applicable safety regulations.

In 1990, he furthered his studies in United Kingdom. Upon his return in 1991, he resumed his position at DOSH's head office as Senior Engineer in the Design Section, where he was responsible for reviewing and approving the designs of boilers, lifts and escalators to ensure compliance with safety regulations.

In January 1992, he was seconded to the Petroleum Safety Division as Senior Factories and Machinery Inspector in the Pipeline Section, where he was responsible for reviewing, inspecting pipeline system designs as well as issuing approvals for their installation and operation.

In August 1992, he was transferred to the Major Hazard Division at DOSH's head office, where he assumed the same position as Senior Factories and Machinery Inspector. He led inspections and audits on major hazard installations and provided advices on hazard analysis.

In 1993, he was promoted to Deputy Director of the Industrial Health Division and Section Head of the Policy and Regulatory Division at DOSH's head office, where he was responsible for planning, coordinating and reviewing divisional activities including preparing and distributing codes of practice, formulating guidelines and carrying out scientific studies in the safety and health field.

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

In 1999, he was appointed as the Director of DOSH Wilayah Persekutuan Kuala Lumpur, where he managed and supervised the office's operations including controlling operational budgets and ensuring the execution of annual work targets and business plans.

In 2001, he was assigned the role of United Nations Development Program Project Director, where he was responsible for preparing work plans and project budgets as well as engaging with international and national agencies and consultants.

In 2004, he was posted to the role of Director of DOSH Selangor where he oversaw the day-to-day operations. In 2007, he was redesignated as the Director of the Industrial Safety and Health Division at DOSH's head office where he was responsible for overseeing the division's operations including budget management and ensuring annual work targets and key objectives are met. In 2008, he re-assumed his role as Director of DOSH Selangor.

In 2009, he was promoted to Deputy Director-General (Operation) where he was responsible for the supervision and management of six divisions under DOSH's head office, namely the Offshore Division, Industrial Safety Division, Major Hazard Division, Industrial Hygiene and Ergonomics Division, Chemical Management Division and Occupational Health Division.

In 2014, he was appointed as the Director-General of DOSH where he was responsible for overseeing the overall operations of DOSH in the country. He retired in 2018.

In 2018, he was appointed as the Advisor of MIE Industrial Sdn Bhd, a role he presently assumes, where he provides advice on engineering as well as safety and health matters.

In 2019, he was appointed as the Non-Independent Non-Executive Director of Seremban Engineering Berhad, a company listed on the Main Market of Bursa Securities. In 2021, he was redesignated to Non-Independent Non-Executive Chairman of the company, a position he continues to hold to-date.

Kindly refer to Section 5.2.3(a) for his involvement in other business activities outside our Group.

(b) Chan Kim Wean

Chan Kim Wean, a Malaysian male aged 71, is our Independent Non-Executive Director. He was appointed to our Board on 22 July 2025.

He obtained his Bachelor's Degree in Engineering (Mechanical) (Honours) from Universiti Malaya in 1979 and completed the Senior Executive Programme at London Business School in 2001.

Upon his graduation, he joined Mechanical Handling Engineering (M) Sdn Bhd, an engineering services company, as Production Engineer where he was responsible for managing the production operations. In 1981, he was promoted to General Manager (Sales) where he was responsible for leading the sales team as well as developing and executing sales strategies. In 1986, he was appointed as director of Mechanical Handling Engineering (M) Sdn Bhd where he was responsible for overseeing the company's day-to-day operations.

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

In 1987, he was appointed as director of MHE-Demag Malaysia Sdn Bhd (now known as Konecranes Material Handling (Malaysia) Sdn Bhd), a company involved in the manufacturing and engineering of lifting and heavy automotive equipment. In 2000, he assumed the role of Managing Director where he was responsible for overseeing the company's operations including developing and implementing strategic plans for business expansion.

In 1988, he was also appointed as director of MHE-Demag Logistics Malaysia Sdn Bhd, a company involved in the trading of spare parts, servicing and refurbishment of industrial plant and equipment where he oversaw the company's operations.

In 2021, he retired from the aforementioned roles.

Kindly refer to Section 5.2.3(e) for his involvement in other business activities outside our Group.

(c) Goh Hooi Hooi

Goh Hooi Hooi, a Malaysian female aged 47, is our Independent Non-Executive Director. She was appointed to the Board on 22 July 2025.

She obtained her Bachelor of Laws (Honours) from International Islamic University Malaysia in 2003. She was admitted as an Advocate and Solicitor of the High Court of Malaya in November 2004.

In 2004, she joined Yeoh Mazlina & Partners to perform her pupillage where she was responsible for assisting in civil litigation and conveyancing matters.

In 2005, she practiced as Legal Assistant in Norma Goh & Co where she was responsible for providing legal services in relation to civil and criminal litigation as well as assisting in conveyancing matters.

In 2006, she left Norma Goh & Co and founded H.H. Goh & Partners as a sole proprietor, where she provides legal services in relation to litigation and conveyancing matters.

In 2007, she ceased her sole proprietorship practice under H.H. Goh & Partners and returned to Norma Goh & Co where she took on the role as Partner, overseeing the litigation department.

In 2011, she left Norma Goh & Co and joined Kelvin Wong, Phang and Associates as Senior Legal Assistant, overseeing and managing litigation cases related to contracts, torts, family law, accident claims, inheritance issues and debt recovery. She also represents corporations and companies as panel solicitors. She continues to hold this position to-date.

Kindly refer to Section 5.2.3(f) for her involvement in other business activities outside our Group.

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

(d) Tan Bee Chan

Tan Bee Chan, a Malaysian female aged 52, is our Independent Non-Executive Director. She was appointed to our Board on 22 July 2025.

She obtained her Diploma in Accounting and Diploma in Management Accounting from the London Chamber of Commerce and Industry in 1994. She has been an Affiliate and Member of ACCA from 2003 to 2008, and subsequently became a Fellow in 2009. She has also been certified as a Chartered Accountant under the MIA since 2004.

In 1995, she joined Ambigain Enterprise Sdn Bhd as Account Assistant where she managed the company's accounting matters.

In 1997, she left Ambigain Enterprise Sdn Bhd and joined Yoong Siew Wah & Co, an audit firm, as Audit Assistant where she was involved in various audit assignments. She left the firm in 1999 to pursue her ACCA qualification.

In 2001, she joined Malaysian Assurance Alliance Berhad (now known as Zurich Life Insurance Malaysia Berhad) as Executive where she was responsible for preparing the company's account reconciliations. In 2007, she was promoted to Assistant Manager, where she was responsible for preparing the monthly statutory investment reports and managing the company's financial and regulatory reporting. In 2012, she was promoted to Manager where she was responsible for preparing business plans and overseeing the company's accounting activities.

In 2015, she left Malaysian Assurance Alliance Berhad and joined Tokio Marine Life Insurance Malaysia Berhad as Manager where she was responsible for leading the finance team in implementing accounting system and enhancing internal processes.

In 2018, she left Tokio Marine Life Insurance Malaysia Berhad and joined Labuan Reinsurance (L) Ltd as Assistant Vice President where she was responsible for leading and guiding the finance department in conducting financial analysis and implementing system improvements.

In 2022, she left Labuan Reinsurance (L) Ltd and joined Tune Protect Group Berhad as Head of Management Reporting where she was responsible for monitoring the group's performance and key performance indicators as well as overseeing the preparation and delivery of monthly and quarterly reports. She left Tune Protect Group Berhad in 2023.

In 2024, she joined AmMetLife Insurance Berhad as Head of Statutory Reporting under the Finance Reporting Department where she is responsible for monitoring and ensuring that financial reports are submitted to Bank Negara Malaysia in a timely manner as well as reviewing board papers. She continues to hold this position to-date.

Kindly refer to Section 5.2.3(g) for her involvement in other business activities outside our Group.

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

5.2.3 Principal business performed outside our Group

Save as disclosed below, none of our Directors has any other principal directorship and/or principal business activities performed outside our Group in the past 5 years up to LPD:

(a) Dato' Ir Mohtar Bin Musri

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
<u>Present involvement</u>						
Eita Elevator (Malaysia) Sdn Bhd	Design, installation and maintenance of elevator systems	Director	2 April 2018	-	-	-
Eita Kop Sdn Bhd	Installation of elevators, escalators in buildings or other construction projects	Director	15 March 2019	-	-	-
Seremban Engineering Berhad (listed on the Main Market of Bursa Securities)	Investment holding and fabrication of process equipment and metal structures and the provision of maintenance, repair and shutdown works	Non-Independent Non-Executive Chairman ⁽¹⁾	11 October 2019	-	-	-
ETC Training Sdn Bhd	Provision of training in relation to installation of elevators and escalators	Director	13 April 2021	-	-	-
NS Semiconductor Valley Sdn Bhd	Property development and construction	Director	20 November 2024	-	-	-
<u>Past involvement</u>						
Nil						

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

- (1) On 11 October 2019, Dato' Ir Mohtar Bin Musri was appointed as the Non-Independent Non-Executive Director of Seremban Engineering Berhad. On 28 April 2021, he was redesignated to Non-Independent Non-Executive Chairman.

(b) Ng Sea Kai

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
<u>Present involvement</u>						
Surelift Engineering	Dormant (previously involved in the trading and maintenance of industrial lifting and handling equipment)	Director/Shareholder	12 August 2003	-	72.0	-
AhKai Holding Sdn Bhd	Property investment	Director/Shareholder	27 January 2023	-	50.0	-
Lifting Solutions	Property investment (previously involved in the trading and maintenance of industrial lifting and handling equipment)	Shareholder	23 April 2004	Resigned as director on 18 June 2024	60.0	-
<u>Past involvement</u>						
Nil						

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

Company		Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
						Direct	Indirect
<u>Present involvement</u>							
Surelift Engineering		Dormant (previously involved in the trading and maintenance of industrial lifting and handling equipment)	Director/Shareholder	31 May 2011	-	20.0	-
VFI Technology Sdn Bhd		Dormant (previously involved in provision of internet solutions)	Shareholder	-	-	5.0	-
Palmeco Berhad	Technology	Investment holding company with subsidiaries involved in palm oil trading, plantation and milling	Shareholder	-	-	<1.0	-

Past involvement

Nil

(d) Ng Say Lim

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
<u>Present involvement</u>						
Lifting Solutions	Property investment (previously involved in the trading and maintenance of industrial lifting and handling equipment)	Shareholder	26 January 2006	Resigned as director on 18 June 2024	20.0	-

Past involvement

Nil

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

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
<u>Present involvement</u>						
MHE-Donati (M) Sdn Bhd ⁽¹⁾	Dormant (previously involved in trading of hoists)	Director	23 December 2002	-	-	-

Past involvement

Nil

Note:
⁽¹⁾ In the midst of winding up.

(f) Goh Hooi Hooi

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
<u>Present involvement</u>						
3C Business Avenue Sdn Bhd	Hotel operations and lodging business	Director/Shareholder	21 October 2014	-	50.0	-
Double Factor Sdn Bhd	Property investment	Director/Shareholder	1 March 2011	-	50.0	-
<u>Past involvement</u>						
3C Hotel Sdn Bhd	Dissolved on 20 March 2024 (previously involved in hotel operations)	Director/Shareholder	30 September 2019	-	50.0	-

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

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
<u>Present involvement</u>						
Arisprop Capital Berhad	Manufacture of other food products, raising, breeding and production of chicken and broiler	Shareholder	-	-	<0.1	-

Past involvement

Nil

The involvement of our Directors as disclosed above excludes shares in public listed companies which are held by them as minority shareholders (less than 5.0% of the total number of issued shares of a public listed company), and for which they do not hold any directorship. Such shares are held by them only for trading and personal investment purposes.

As at LPD, the directorships of our Directors in other companies are in compliance with Rule 15.06 of the Listing Requirements as they do not hold more than 5 directorships in public listed companies on Bursa Securities.

The involvement of our Directors in those business activities outside our Group does not give rise to any conflict of interest situation with our business. The involvement of our Executive Directors in the business outside our Group does not preclude them from allocating or committing their time and effort to our Group as they are not involved in the day-to-day operations of the companies. Therefore, their involvement in the companies do not require a significant amount of time, and hence does not affect their ability to fulfil their executive roles and responsibilities to our Group.

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

5.2.4 Directors' remuneration and benefits

The remuneration of our Directors including fees, salaries, bonuses, other emoluments and benefits-in-kind, must be reviewed and recommended by our Remuneration Committee and subsequently, be approved by our Board. The Directors' fees and any benefits payable to Directors shall be subject to annual approval by our shareholders pursuant to an ordinary resolution passed at a general meeting in accordance with our Constitution. Please refer to Section 15.3 for further details.

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Directors for services rendered in all capacities to our Group for FYE 2023 to 2026 are as follows:

	<u>Directors' fees</u>	<u>Salaries</u>	<u>Bonuses</u>	<u>Other emoluments</u>	<u>Benefits-in-kind</u>	<u>Total</u>
	RM'000					
FYE 2023 (Paid)						
Ng Sea Kai	-	234	37	12	-	283
Eng Peng Hong	-	204	32	30	-	266
Ng Say Lim	-	240	54	58	24	376
FYE 2024 (Paid)						
Ng Sea Kai	-	244	59	13	24	340
Eng Peng Hong	-	216	51	33	24	324
Ng Say Lim	-	252	70	68	24	414
FYE 2025 (Paid)						
Dato' Ir Mohtar Bin Musri	(1)-	-	-	1	-	1
Ng Sea Kai	-	395	62	19	24	500
Eng Peng Hong	-	324	47	46	24	441
Ng Say Lim	-	324	63	24	24	435
Chan Kim Wean	(1)-	-	-	1	-	1
Goh Hooi Hooi	(1)-	-	-	1	-	1
Tan Bee Chan	(1)-	-	-	1	-	1

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

	Directors' fees	Salaries	Bonuses	Other emoluments	Benefits-in-kind	Total
	RM'000					
FYE 2026 (Proposed)						
Dato' Ir Mohtar Bin Musri	(1)-	-	-	1	-	1
Ng Sea Kai	-	408	(2)-	21	24	453
Eng Peng Hong	-	336	(2)-	50	24	410
Ng Say Lim	-	336	(2)-	18	24	378
Chan Kim Wean	(1)-	-	-	1	-	1
Goh Hooi Hooi	(1)-	-	-	1	-	1
Tan Bee Chan	(1)-	-	-	1	-	1

Notes:

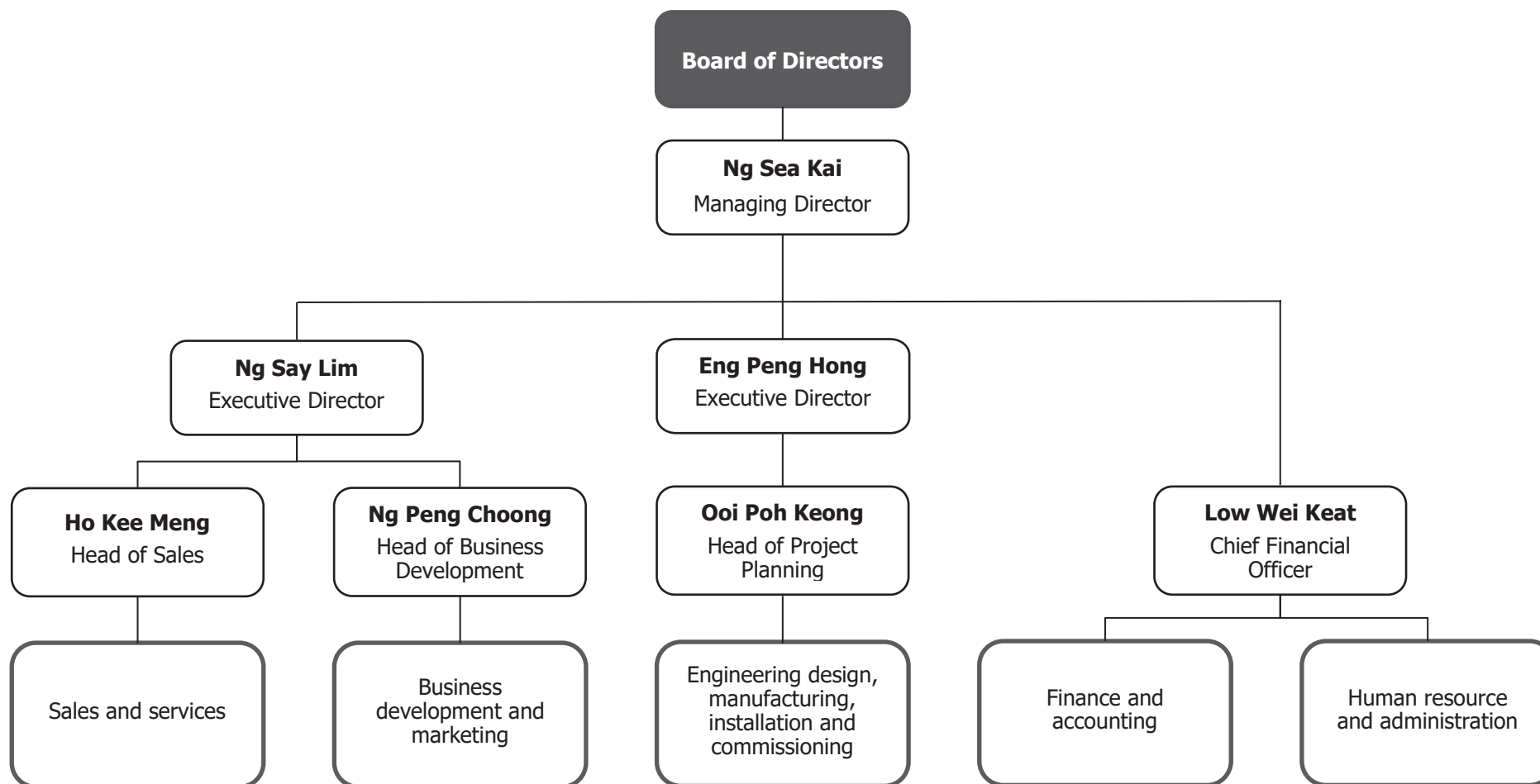
- (1) The Independent Non-Executive Directors' fees will commence upon the date of our Listing. Such Directors' fees will be subject to shareholders' approval at a general meeting pursuant to Section 230 of the Act.
- (2) The bonuses for FYE 2026 are not included. Such bonuses, if any, will be determined at a later date based on the individual's performance as well as our Group's performance, and will be subject to recommendation of our Remuneration Committee and approval by our Board.

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

5.3 KEY SENIOR MANAGEMENT

5.3.1 Management structure

The management reporting structure of our Group is as follows:



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

5.3.2 Key senior management shareholdings

The shareholdings of our key senior management in our Company before and after our IPO (assuming they fully subscribe for their Pink Form Allocations), save for Ng Sea Kai (our Managing Director), Eng Peng Hong (our Executive Director) and Ng Say Lim (our Executive Director) which are disclosed in Section 5.2.1, are set out below:

Name	Designation/ Nationality	⁽¹⁾ As at LPD/ Before IPO				⁽²⁾ After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Low Wei Keat	Chief Financial Officer/ Malaysian	-	-	-	-	400,000	0.1	-	-
Ooi Poh Keong	Head of Project Planning Malaysian	-	-	-	-	1,000,000	0.3	-	-
Ho Kee Meng	Head of Sales/ Malaysian	2,070,000	0.9	-	-	2,370,000	0.8	-	-
Ng Peng Choong	Head of Business Development/ Malaysian	22,099,000	9.4	-	-	22,299,000	7.1	-	-

Notes:

⁽¹⁾ Based on our share capital of 235,708,002 Shares before IPO.

⁽²⁾ Based on our enlarged share capital of 314,942,002 Shares after IPO.

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

5.3.3 Profiles of key senior management

Save for the profiles of Ng Sea Kai (our Managing Director), Eng Peng Hong (our Executive Director), Ng Say Lim (our Executive Director) and Ng Peng Choong (our Head of Business Development), which are set out in Section 5.1.2, the profiles of the other key senior management of our Group are as follows:

(a) Low Wei Keat

Low Wei Keat, a Malaysian aged 55, is our Chief Financial Officer. He is responsible for overseeing our Group's overall finance and accounting functions as well as human resource and administration matters.

He obtained his Bachelor of Business in Combined Majors in Accounting and Finance from the University of Technology Sydney, Australia in 1996. He also obtained an Executive Diploma in Real Estate from UCSI University Malaysia in 2019. He has been a Member of the MIA since 2001. He has also been certified as Probationary Estate Agent under the Board of Valuers, Appraisers, Estate Agents and Property Managers since 2020.

He began his career with Kassim Chan & Co (now known as Deloitte PLT) as Audit Assistant in 1996 and was subsequently promoted to Audit Senior in 1999. During his tenure in the firm, he was involved in various audit engagements.

In 2000, he left Kassim Chan & Co and joined S. Thillaimuthu & Co as Audit Manager where he was responsible for managing various audit engagements.

In 2003, he left S. Thillaimuthu & Co and joined CPA Australia (M) Sdn Bhd as Technical Manager where he was responsible for conducting technical research, providing support services and managing the company's financial functions.

In 2004, he left CPA Australia (M) Sdn Bhd and joined Deh Fu Coating (M) Sdn Bhd as Finance Manager/ Controller where he was responsible for overseeing the finance functions of the company.

In 2007, he left Deh Fu Coating (M) Sdn Bhd and joined IBM Malaysia Sdn Bhd as Accounting Manager where he was responsible for overseeing the company's statutory and tax accounting matters within the Asia Pacific ("**APAC**") region.

In 2009, he left IBM Malaysia Sdn Bhd and joined Air Products Shared Services Sdn Bhd as General Accounting Manager for the Southeast Asia and Korea regions where he was responsible for overseeing the company's statutory and tax reporting as well as managing external audits and tax filings for the company's subsidiaries.

In 2012, he left Air Products Shared Services Sdn Bhd and joined Avon Cosmetics (Malaysia) Sdn Bhd as Senior Manager (Financial Reporting) where he was responsible for overseeing the treasury, statutory reporting and tax matters for the company's operations in Malaysia, Thailand, Vietnam, Singapore, Brunei and Indonesia.

In 2013, he left Avon Cosmetics (Malaysia) Sdn Bhd and joined GlaxoSmithKline Consumer Healthcare Sdn Bhd as APAC Regional Tax, Transfer Pricing and Statutory Reporting Service Line Owner, where he served as the main liaison with external auditors and tax agents across the APAC region.

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

In 2017, he left GlaxoSmithKline Consumer Healthcare Sdn Bhd and joined AstraZeneca Asia-Pacific Business Service Sdn Bhd as Finance Lead, where he led the controlling and tax teams for the APAC region. He left AstraZeneca Asia-Pacific Business Service Sdn Bhd in 2018 for a study break. In 2019, he was engaged under a contract for service by EUM Realty Sdn Bhd as a Real Estate Negotiator.

In 2021, he joined Academic Medical Centre Sdn Bhd as Chief Financial Officer and Bursar of Perdana University Malaysia where he was responsible for overseeing the group's overall financial matters.

In 2022, he left Academic Medical Centre Sdn Bhd and joined Averis Sdn Bhd as the Tower Lead, Financing and Accounting, where he managed finance and accounting matters for private and multinational companies.

In 2023, he left Averis Sdn Bhd and was appointed as our Chief Financial Officer, where assumed his current responsibilities.

Presently, he does not have any involvement in other business activities or directorships outside our Group.

(b) Ooi Poh Keong

Ooi Poh Keong, a Malaysian male aged 50, is our Head of Project Planning. He is responsible for managing our Group's design, manufacturing, installation and commissioning activities including monitoring QC/QA processes and ensuring compliance with industry and safety standards.

He obtained his Sijil Am Pelajaran from Sekolah Menengah Sri Kota, Taiping, Perak, in 1994.

Upon completion of his secondary education, he began his career as Sales Representative at Sri Sakti Sdn Bhd where he was involved in the sales of dairy products.

In 1995, he left Sri Sakti Sdn Bhd and joined Southern Products Marketing Sdn Bhd as Sales Representative where he was involved in the sales of edible oil products.

In 1997, he left Southern Products Marketing Sdn Bhd and joined BT Hardware (K.L.) Sdn Bhd as Sales Executive where he was involved in the sales of hardware products.

In 1998, he left BT Hardware (K.L.) Sdn Bhd and joined Syarikat Aliaa Sdn Bhd as Sales Representative where he was involved in the sales of tea, edible products and home accessories.

In 1999, he co-founded Seng Soon Yee Trading, a partnership involved in sales of jewelry, with a third party. He was involved in the day-to-day operations of the business. In 2006, the partnership was terminated and he started providing catering services on a personal basis.

In 2008, he co-founded SK Sepadu Bakti, a partnership involved in the sale of pharmaceutical products, with a third party, where he was responsible for the overall sales activities. He withdrew from the partnership in 2010 and continued providing catering services on a personal basis.

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

In 2012, he joined Liftech KL as Operation Executive where he was responsible for the maintenance and upkeep of the company's machinery and facility. In 2013, he was transferred to SK Crane Engineering Sdn Bhd (now known as Liftech Academy) and was promoted to Production and Technical Manager, where he was responsible for monitoring and coordinating operations relating to the manufacturing, servicing, and maintenance of products. In 2024, he was transferred back to Liftech KL where he assumed the same role and responsibilities. In 2025, he was redesignated as our Head of Project Planning, where he assumed his current responsibilities.

Presently, he does not have any involvement in other business activities or directorships outside our Group.

(c) Ho Kee Meng

Ho Kee Meng, a Malaysian male aged 58, is our Head of Sales. He is responsible for managing our Group's sales and services operations, including the development and implementation of sales strategies, supervision of sales teams, and coordination of after-sales services to ensure customer satisfaction and support our Group's revenue growth.

He obtained his Sijil Pelajaran Vokasional Malaysia from Sekolah Menengah Vokasional Teluk Ayer Tawar, Butterworth, Penang in 1986.

Upon graduation, he left for Singapore and undertook part-time jobs as a general worker in foundry shops whilst seeking for job opportunities. In 1988, he joined Fujikura Asia Limited, an electrical and wiring accessories company based in Singapore as Operator where he was responsible for operating and repairing machines.

In 1991, he left Fujikura Asia Limited and joined Philips Singapore Pte Ltd, a consumer electronics manufacturing company based in Singapore as Technician where he was responsible for troubleshooting machine breakdowns and performing repair works.

In 1993, he returned to Malaysia and joined Liftech JB as Sales Executive where he was responsible for the sales of lifting equipment products. In 1997, he left the company and took a career break, during which he undertook part-time work assisting at a coffee shop.

In 2000, he joined Xerox Corporation (Penang) Sdn Bhd as Technician where he was responsible for maintaining and repairing equipment and troubleshooting technical issues.

In 2002, he left Xerox Corporation (Penang) Sdn Bhd and joined Newera Equipment (Penang) Sdn Bhd as Sales Executive where he was responsible for the sales of workshop equipment.

In 2003, he left Newera Equipment (Penang) Sdn Bhd and joined Liftech Penang as Project Manager where he was responsible for project management tasks such as cost calculations, product selection and facilitating communication between the sales and project teams to ensure client requirements are met.

In 2008, he was appointed as director of Liftech Penang where he was responsible for overseeing the company's sales functions. In 2025, he was appointed as our Head of Sales, where he assumed his current responsibilities.

Presently, he does not have any involvement in other business activities or directorships outside our Group.

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

5.3.4 Principal business performed outside our Group

Save as disclosed in Section 5.2.3 and below, none of our key senior management has any other principal directorship and/ or principal business activities performed outside our Group within the last 5 years up to LPD.

(a) Ng Peng Choong

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
<u>Present involvement</u>						
AhKai Holding Sdn Bhd	Property investment	Director/Shareholder	27 January 2023	-	25.0	-

Past involvement

Nil

(b) Low Wei Keat

Company	Principal activities	Position held	Date of appointment	Date of resignation/cessation	% of shareholdings held	
					Direct	Indirect
<u>Present involvement</u>						
Nil						
<u>Past involvement</u>						
Scribe Sdn Bhd	Provision of management and secretarial services	Director	18 March 2002	5 April 2024	-	-

The involvement of our key senior management in those business activities outside our Group does not give rise to any conflict of interest situation with our business. Their involvement in those business activities (which are managed by other partners/ directors) does not require significant amount of time, and hence does not affect their ability to perform their executive roles and responsibilities to our Group.

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

5.3.5 Key senior management remuneration and benefits

The remuneration of our key senior management including salaries, bonuses, other emoluments and benefits-in-kind, must be reviewed and recommended by our Remuneration Committee and subsequently, be approved by our Board.

The aggregate remuneration and material benefits-in-kind (in bands of RM50,000) paid and proposed to be paid to our key senior management (save for our Directors which are disclosed in Section 5.2.4) for services rendered in all capacities to our Group for FYE 2023 to 2026 are as follows:

	⁽¹⁾ Remuneration band			
	FYE 2023 (Paid)	FYE 2024 (Paid)	FYE 2025 (Paid)	⁽²⁾ FYE 2026 (Proposed)
	RM'000			
Low Wei Keat	50 – 100	200 – 250	200 – 250	200 – 250
Ooi Poh Keong	100 – 150	50 – 100	100 – 150	100 – 150
Ho Kee Meng	200 – 250	200 – 250	250 – 300	250 – 300
Ng Peng Choong	100 – 150	150 – 200	200 – 250	200 – 250

Notes:

- (1) The remuneration for key senior management includes salaries, bonuses, commission, allowances and other emoluments.
- (2) The bonuses for FYE 2026 are not included. Such bonuses, if any, will be determined at a later date based on the individual's performance as well as our Group's performance, and will be subject to recommendation of our Remuneration Committee and approval by our Board.

5.4 BOARD PRACTICE

5.4.1 Board

Our Board has adopted the following responsibilities for effective discharge of its functions:

- together with management, to promote a good corporate governance culture within our Group which reinforces ethical, prudent and professional behaviour;
- to review and set a strategic plan for our Group to ensure that the strategic plans of our Group support long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- to review, challenge and decide on management's proposals for our Group, and monitor its implementation by management;
- to oversee the conduct of our Group's business to ensure it is properly managed, including supervising and assessing corporate behaviour, management performance and conduct of the business of our Group;

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

- (e) to identify the principal risks and ensure implementation of appropriate internal controls and mitigation measures to achieve a proper balance between risks incurred and potential returns to our shareholders;
- (f) to review the information and risk management and internal control system and the effectiveness of the management;
- (g) to appoint our Board committees, to delegate powers to such committees, to review the composition and performance and effectiveness of such committees, and to review the reports prepared by our Board committees and deliberate on the recommendations thereon;
- (h) to develop and implement an investor relations programme or shareholders' communications policy for our Group to enable effective communication with stakeholders;
- (i) to review and approve our Company's financial statements and annual reports;
- (j) to ensure the integrity of our Group's financial and non-financial reporting; and
- (k) to undertake a formal and objective annual evaluation to determine the effectiveness of our Board, Board committees and each individual Director.

In accordance with our Constitution, an election of Directors shall take place each year. At the first AGM of our Company, all the Directors shall retire from office, 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 at the conclusion of the AGM in every year provided always that all 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 whether adjourned or not.

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

Name	Designation	Date of appointment as Director	Date of expiration of the current term in office	Approximate no. of months in office as at LPD
Dato' Ir Mohtar Bin Musri	Independent Non-Executive Chairman	22 July 2025	First AGM and eligible for re-election	Less than 1 year
Ng Sea Kai	Managing Director	27 January 2023	First AGM and eligible for re-election	3 years 4 months
Eng Peng Hong	Executive Director	27 January 2023	First AGM and eligible for re-election	3 years 4 months

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

Name	Designation	Date of appointment as Director	Date of expiration of the current term in office	Approximate no. of months in office as at LPD
Ng Say Lim	Executive Director	21 July 2025	First AGM and eligible for re-election	Less than 1 year
Tan Bee Chan	Independent Non-Executive Director	22 July 2025	First AGM and eligible for re-election	Less than 1 year
Chan Kim Wean	Independent Non-Executive Director	22 July 2025	First AGM and eligible for re-election	Less than 1 year
Goh Hooi Hooi	Independent Non-Executive Director	22 July 2025	First AGM and eligible for re-election	Less than 1 year

The members of our Board are set out in Section 5.2. Our Board takes note of the recommendations under the MCCG released in April 2021 and intends to have our Group adhere to its recommendations. Specifically, on Practice Note 5.9, where it is recommended that our Board comprise at least 30% women directors. As at the date of this Prospectus, our Board comprises 2 women Board members out of a total of 7 Board members, which represents 29% of our Board, and is a departure from Practice Note 5.9. We undertake to secure the appointment of 1 additional woman Director within a year after our Listing to meet the recommendation of 30% women Board members.

Save for Practice Note 5.9, the composition of our Board presently adheres to the other recommendations of the MCCG, details of which are as follows:

- (a) at least half of our Board comprised Independent Non-Executive Directors;
- (b) the position of our Chairman who is responsible for leading our Board in its collective oversight of management, and our Managing Director who focuses on the business and day-to-day operations of our Group are held by different individuals;
- (c) our Independent Non-Executive Chairman is not a member of our Board Committees namely, Audit and Risk Management Committee, Nomination Committee and Remuneration Committee; and
- (d) our Board Committees comprised solely Independent Non-Executive Directors.

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

5.4.2 Audit and Risk Management Committee

The members of our Audit and Risk Management Committee are as follows:

Name	Designation	Directorship
Tan Bee Chan	Chairperson	Independent Non-Executive Director
Chan Kim Wean	Member	Independent Non-Executive Director
Goh Hooi Hooi	Member	Independent Non-Executive Director

The main function of our Audit and Risk Management Committee is to assist our Board in fulfilling its oversight responsibilities. Our Audit and Risk Management Committee has full access to internal and external auditors who in turn have access at all times to the Chairperson of our Audit and Risk Management Committee.

The key duties and responsibilities of our Audit and Risk Management Committee include, amongst others, the following:

- (a) to review the engagement, compensation, performance, qualification and independence of our external auditors, its conduct of the annual statutory audit of our financial statements, and the engagement of external auditors for all other services;
- (b) to review and recommend our quarterly and annual financial statements for approval by our Board before announcement to regulatory bodies, focusing in particular on any changes in or implementation of major accounting policies and practices, significant and unusual events, significant adjustments arising from our audit, going concern assumption and compliance with accounting standards and other regulatory or legal requirements;
- (c) to review and monitor any related party transaction/ business dealings entered into by our Group and any conflict of interest situation that arose, persist or may arise within our Group including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts;
- (d) to oversee and recommend the risk management framework of our Group;
- (e) to review and recommend changes as needed to ensure that our Group has in place at all times a risk management policy which address the strategies, operational, financial and compliance risk;
- (f) to implement and maintain a sound risk management framework which identifies, assesses, manages and monitors our Group's business risks;
- (g) to review the risk profile of our Group and to evaluate the measure taken to mitigate the business risks;
- (h) to review the adequacy of our management's response to issues identified to risk registers, ensuring that our risks are managed within our Group's risk appetite;

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

- (i) to perform the oversight function over the administration of whistleblowing policy that is approved and adopted by our Board and to protect the values of transparency, integrity, impartiality and accountability where our Group conducts its business and affairs;
- (j) to discuss and review the major findings of internal investigations and our management's response;
- (k) to do the following:
 - (i) consider and approve the appointment of internal auditors and any question of resignation;
 - (ii) review the adequacy of the scope, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
 - (iii) review the internal audit plan and results of the internal audit assessments and investigation undertaken, and ensure that the appropriate action is taken on the recommendation of the internal auditors;
 - (iv) consider the internal audit reports and findings by the internal auditors, fraud investigation and actions and steps taken by our management in response to audit findings;
 - (v) appraise or assess the performance of members of the internal audit function; and
 - (vi) monitor the overall performance of our Company's internal audit function.
- (l) to consider other areas as defined by our Board or as may be prescribed by Bursa Securities or any other relevant authority from time to time; and
- (m) to perform such other functions that may be mutually agreed upon by our Audit and Risk Management Committee and our Board.

The recommendations of our Audit and Risk Management Committee are subject to the approval of our Board.

5.4.3 Nomination Committee

The members of our Nomination Committee are as follows:

Name	Designation	Directorship
Chan Kim Wean	Chairperson	Independent Non-Executive Director
Goh Hooi Hooi	Member	Independent Non-Executive Director
Tan Bee Chan	Member	Independent Non-Executive Director

Our Nomination Committee undertakes, amongst others, the following functions:

- (a) to assist our Board in ensuring that our Board is of an effective composition, size and commitment to adequately discharge its responsibilities and duties;

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

- (b) to ensure appropriate selection criteria and processes and to identify and recommend to our Board, candidates for directorships of our Company and members of the relevant Board committees;
- (c) to evaluate the effectiveness of our Board and our Board committees;
- (d) to undertake formal assessment on the effectiveness of our Board as a whole and the effectiveness of each Director;
- (e) to ensure that all Directors receive appropriate continuous training in order to broaden their perspectives and to keep abreast with developments in the market place and with changes in new statutory and regulatory requirements;
- (f) to ensure an appropriate framework and succession planning for our Board, including our Executive Directors; and
- (g) to consider and examine such other matters as our Nomination Committee considers appropriate.

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

5.4.4 Remuneration Committee

The members of our Remuneration Committee are as follows:

Name	Designation	Directorship
Goh Hooi Hooi	Chairperson	Independent Non-Executive Director
Tan Bee Chan	Member	Independent Non-Executive Director
Chan Kim Wean	Member	Independent Non-Executive Director

The main function of our Remuneration Committee is to assist our Board in fulfilling its responsibility on matters relating to our Group's compensation, bonuses, incentives and benefits. The Remuneration Committee's duties and responsibilities as stated in its terms of reference include, amongst others, the following:

- (a) to recommend a remuneration framework for our Executive Directors and key senior management for our Board's approval to ensure corporate accountability and governance with respect to our Board's remuneration and compensation. There should be a balance in determining the remuneration package, which should be sufficient to attract and retain Directors of calibre, and yet not excessive. The framework should cover all aspects of remuneration including Director's fee, salaries, allowance, bonuses, options and benefits-in-kind;
- (b) to recommend specific remuneration packages for our Executive Directors and key senior management. The remuneration package should be structured such that it is competitive. Salary scales drawn up should be within the scope of the general business policy and not be dependent on short-term performance to avoid incentives for excessive risk-taking. As for independent directors, the level of remuneration should be linked to their level of responsibilities undertaken and contribution to the effective functioning of our Board;

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

- (c) to ensure the establishment of a formal and transparent procedure for developing policies, strategies and framework for the remuneration of our Executive Directors and key senior management;
- (d) to implement the policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of our Board and key senior management; and
- (e) to perform any other functions as defined by our Board.

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

5.5 RELATIONSHIPS AND/ OR ASSOCIATIONS

Save as disclosed below, there are no family relationships or association between or amongst our Promoters, substantial shareholders, Directors and key senior management as at LPD:

Name	Position	Relationship
Ng Sea Kai	Promoter, substantial shareholder and Managing Director	• Father of Ng Peng Choong • Brother of Ng Say Lim • Uncle of Eng Peng Hong
Ng Say Lim	Promoter, substantial shareholder and Executive Director	• Brother of Ng Sea Kai • Uncle of Eng Peng Hong and Ng Peng Choong
Eng Peng Hong	Promoter, substantial shareholder and Executive Director	• Nephew of Ng Sea Kai and Ng Say Lim • Cousin of Ng Peng Choong
Ng Peng Choong	Substantial shareholder and Head of Business Development	• Son of Ng Sea Kai • Nephew of Ng Say Lim • Cousin of Eng Peng Hong

5.6 EXISTING OR PROPOSED SERVICE AGREEMENTS

As at LPD, there are no existing or proposed service agreements entered into between our Company with any Directors or between any companies within our Group with any key senior management which provide for benefits upon termination of employment.

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

5.7 DECLARATIONS FROM PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

As at LPD, none of our Promoters, Directors or key senior management is or has been involved in any of the following events (whether within or outside Malaysia):

- (a) in the last 10 years, a petition under any bankruptcy or insolvency laws that was filed (and not struck out) against him or any partnership in which he was a partner or any corporation of which he was a Director or a member of key senior management;
- (b) disqualified from acting as a Director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (c) in the last 10 years, charged or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (d) in the last 10 years, any judgment that was entered against him, 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;
- (e) in the last 10 years, was 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;
- (f) being 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;
- (g) in the last 10 years, has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; and
- (h) has any unsatisfied judgment against him.

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6. INFORMATION ON OUR GROUP

6.1 INFORMATION ON OUR COMPANY

Our Company was incorporated in Malaysia under the Act on 27 January 2023 as a private limited company under the name of Liftech Group Sdn Bhd. On 17 September 2025, our Company was converted into a public limited company and adopted our present name.

Our Company is principally an investment holding company. There has been no material change in the manner in which we conduct our business or activities since our incorporation and up to LPD. Through our subsidiaries, we are principally involved in the provision of customised industrial lifting and handling equipment, under our 'Liftech' brand. Please refer to Section 7.1 for detailed information of our Group's history.

As at LPD, our share capital is RM22,923,802 comprising 235,708,002 Shares, which have been issued and fully paid-up. The movements in our share capital since the date of our incorporation are set out below:

Date of allotment	No. of Shares allotted	Consideration/ Types of issue	Cumulative share capital RM
27 January 2023	2	RM2/ Subscribers' share	2
12 July 2024	10,000,000	RM10,000/ Cash	10,002
30 October 2024	202,278,000	RM20,227,800/ Consideration for the Acquisitions	20,237,802
28 February 2025	3,430,000	RM686,000/ Consideration for the Share Subscription	20,923,802
28 February 2025	20,000,000	RM2,000,000/ Consideration for the Capitalisation	22,923,802

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

Upon completion of our IPO, our enlarged share capital will increase to RM45.9 million comprising 314,942,002 Shares.

6. INFORMATION ON OUR GROUP (Cont'd)**6.2 DETAILS OF THE PRE-IPO REORGANISATION**

In preparation for our listing, we have undertaken the Pre-IPO Reorganisation comprising the Acquisitions, Capitalisation, Share Subscription and Shareholdings Reorganisation.

6.2.1 Acquisition of Liftech KL

On 15 May 2024, Ng Sea Kai, Eng Peng Hong, Ng Peng Choong, Yong Mui Yun, Loke Ren Tiem and Ng Say Pin entered into a share sale agreement with our Company to dispose their entire equity interests in Liftech KL for a consideration of RM11.0 million, which was satisfied by the issuance of 109,740,000 Shares to the vendors of Liftech KL at an issue price of RM0.10 per Share.

Details of the Acquisition of Liftech KL and the number of Shares issued to the vendors of Liftech KL pursuant to the Acquisition of Liftech KL are set out below:

Vendors of Liftech KL	Shareholdings in Liftech KL		Purchase consideration	No. of Shares issued
	No. of shares acquired	% of share capital		
			RM	
Ng Sea Kai	1,112,000	37.7	4,136,640	41,366,400
Eng Peng Hong	885,000	30.0	3,292,200	32,922,000
Ng Peng Choong	590,000	20.0	2,194,800	21,948,000
Yong Mui Yun	245,000	8.3	911,400	9,114,000
Loke Ren Tiem	88,500	3.0	329,220	3,292,200
Ng Say Pin	29,500	1.0	109,740	1,097,400
	2,950,000	100.0	10,974,000	109,740,000

The purchase consideration of RM11.0 million was arrived at on a “willing-buyer willing-seller” basis after taking into consideration the adjusted NA of Liftech KL as at 31 December 2022 of RM11.0 million. The Acquisition of Liftech KL was completed on 30 October 2024.

	RM'000
Audited NA of Liftech KL as at 31 December 2022 ⁽¹⁾	10,564
Add: Audited NA of Liftech Academy as at 31 December 2022 ⁽²⁾	1,254
Less: Carrying value of investment in Liftech Academy ⁽²⁾	(840)
Adjusted NA of Liftech KL	10,978

Notes:

- (1) Based on the latest available audited financial statements of Liftech KL when the share sale agreement was entered into for the Acquisition of Liftech KL.
- (2) Adjustments made to reflect Liftech KL's proportionate share of Liftech Academy's NA based on the 70.0% shareholding held by Liftech KL in Liftech Academy and the latest available audited financial statements of Liftech Academy when the share sale agreement was entered into for the Acquisition of Liftech KL.

6. INFORMATION ON OUR GROUP (Cont'd)**6.2.2 Acquisition of Liftech Penang**

On 15 May 2024, Ng Sea Kai, Ng Say Lim, Ho Kee Meng and Tan Chor Keang entered into a share sale agreement with our Company to dispose their entire equity interests in Liftech Penang for a consideration of RM2.1 million which was satisfied by the issuance of 20,700,000 Shares to the vendors of Liftech Penang at an issue price of RM0.10 per Share.

Details of the Acquisition of Liftech Penang and the number of Shares issued to the vendors of Liftech Penang pursuant to the Acquisition of Liftech Penang are set out below:

Vendors of Liftech Penang	Shareholdings in Liftech Penang		Purchase consideration	No. of Shares issued
	No. of shares acquired	% of share capital		
			RM	
Ng Sea Kai	219,459	43.9	908,560	9,085,600
Ng Say Lim	219,459	43.9	908,560	9,085,600
Ho Kee Meng	50,000	10.0	207,000	2,070,000
Tan Chor Keang	11,082	2.2	45,880	458,800
	500,000	100.0	2,070,000	20,700,000

The purchase consideration of RM2.1 million was arrived at on a "willing-buyer willing-seller" basis after taking into consideration the adjusted NA of Liftech Penang as at 31 December 2022 of RM2.1 million. The Acquisition of Liftech Penang was completed on 30 October 2024.

	RM'000
Audited NA of Liftech Penang as at 31 December 2022 ⁽¹⁾	2,194
Add: Audited NA of Liftech Academy as at 31 December 2022 ⁽²⁾	179
Less: Carrying value of investment in Liftech Academy ⁽²⁾	(300)
Adjusted NA of Liftech Penang	2,073

Notes:

- (1) Based on the latest available audited financial statements of Liftech Penang when the share sale agreement was entered into for the Acquisition of Liftech Penang.
- (2) Adjustments made to reflect Liftech Penang's proportionate share of Liftech Academy's NA based on the 10.0% shareholding held by Liftech Penang in Liftech Academy and the latest available audited financial statements of Liftech Academy when the share sale agreement was entered into for the Acquisition of Liftech Penang.

6. INFORMATION ON OUR GROUP (Cont'd)**6.2.3 Acquisition of Liftech Ipoh**

On 15 May 2024, Ng Sea Kai, Eng Seiw Peng, Ng Say Lim and Har Yeat Khen entered into a share sale agreement with our Company to dispose their entire equity interests in Liftech Ipoh for a consideration of RM4.2 million, which was satisfied by the issuance of 41,550,000 Shares to the vendors of Liftech Ipoh at an issue price of RM0.10 per Share.

Details of the Acquisition of Liftech Ipoh and the number of Shares issued to the vendors of Liftech Ipoh pursuant to the Acquisition of Liftech Ipoh are set out below:

Vendors of Liftech Ipoh	Shareholdings in Liftech Ipoh		Purchase consideration	No. of Shares issued
	No. of shares acquired	% of share capital		
			RM	
Ng Sea Kai	175,000	35.0	1,454,250	14,542,500
Eng Seiw Peng	150,000	30.0	1,246,500	12,465,000
Ng Say Lim	125,000	25.0	1,038,750	10,387,500
Har Yeat Khen	50,000	10.0	415,500	4,155,000
	500,000	100.0	4,155,000	41,550,000

The purchase consideration of RM4.2 million was arrived at on a "willing-buyer willing-seller" basis after taking into consideration the adjusted NA of Liftech Ipoh as at 31 December 2022 of RM4.2 million. The Acquisition of Liftech Ipoh was completed on 30 October 2024.

	RM'000
Audited NA of Liftech Ipoh as at 31 December 2022 ⁽¹⁾	4,280
Add: Audited NA of Liftech Academy as at 31 December 2022 ⁽²⁾	179
Less: Carrying value of investment in Liftech Academy ⁽²⁾	(300)
Adjusted NA of Liftech Ipoh	4,159

Notes:

- (1) Based on the latest available audited financial statements of Liftech Ipoh when the share sale agreement was entered into for the Acquisition of Liftech Ipoh.
- (2) Adjustments made to reflect Liftech Ipoh's proportionate share of Liftech Academy's NA based on the 10.0% shareholding held by Liftech Ipoh in Liftech Academy and the latest available audited financial statements of Liftech Academy when the share sale agreement was entered into for the Acquisition of Liftech Ipoh.

6. INFORMATION ON OUR GROUP (Cont'd)**6.2.4 Acquisition of Liftech JB**

On 15 May 2024, Ng Sea Kai, Eng Peng Hong, Goay Keng Hau and Eng Seiw Peng entered into a share sale agreement with our Company to dispose their entire equity interests in Liftech JB for a consideration of RM2.9 million, which was satisfied by the issuance of 28,500,000 Shares to the vendors of Liftech JB at an issue price of RM0.10 per Share.

Details of the Acquisition of Liftech JB and the number of Shares issued to the vendors of Liftech JB pursuant to the Acquisition of Liftech JB are set out below:

Vendors of Liftech JB	Shareholdings in Liftech JB		Purchase consideration	No. of Shares issued
	No. of shares acquired	% of share capital		
			RM	
Ng Sea Kai	150,000	30.0	855,000	8,550,000
Eng Peng Hong	150,000	30.0	855,000	8,550,000
Goay Keng Hau	150,000	30.0	855,000	8,550,000
Eng Seiw Peng	50,000	10.0	285,000	2,850,000
	500,000	100.0	2,850,000	28,500,000

The purchase consideration of RM2.9 million was arrived at based on a "willing-buyer willing-seller" basis after taking into consideration the audited NA of Liftech JB as at 31 December 2022 of RM2.9 million⁽¹⁾. The Acquisition of Liftech JB was completed on 30 October 2024.

Note:

- ⁽¹⁾ Based on the latest available audited financial statements of Liftech JB when the share sale agreement was entered into for the Acquisition of Liftech JB.

6.2.5 Acquisition of Liftech Borneo

On 5 June 2024, Ng Peng Lek and Ng Peng Choong entered into a share sale agreement with our Company to dispose their entire equity interests in Liftech Borneo for a consideration of RM10, which was fully satisfied in cash.

Details of the Acquisition of Liftech Borneo are set out below:

Vendors of Liftech Borneo	Shareholdings in Liftech Borneo		Purchase consideration
	No. of shares acquired	% of share capital	
			RM
Ng Peng Lek	8	80.0	8
Ng Peng Choong	2	20.0	2
	10	100.0	10

The purchase consideration of RM10 was arrived at based on a "willing-buyer willing-seller" basis after taking into consideration the unaudited NA of Liftech Borneo as at 31 May 2024 of RM0.4 million adjusted for the dividend payment of RM0.4 million. The Acquisition of Liftech Borneo was completed on 25 November 2024.

6. INFORMATION ON OUR GROUP (Cont'd)**6.2.6 Acquisition of Liftech Academy**

On 15 May 2024, Liftech KL, Liftech Penang, Liftech Ipoh and Eng Peng Chai had entered into a share sale agreement with our Company to dispose their entire equity interests in Liftech Academy for a total purchase consideration of RM1.6 million, whereby:

- (a) the purchase consideration of RM0.2 million, was satisfied by the issuance of 1,788,000 Shares to Eng Peng Chai at an issue price of RM0.10 each; and
- (b) the purchase consideration of RM1.4 million was satisfied by way of cash to Liftech KL, Liftech Penang and Liftech Ipoh, which was eventually offset against the dividends declared of RM1.4 million.

Details of the Acquisition of Liftech Academy and the mode of settling the purchase consideration are set out below:

Vendors of Liftech Academy	Shareholdings in Liftech Academy		Purchase consideration	No. of Shares issued
	No. of shares acquired	% of share capital		
			RM	
Liftech KL	840,000	70.0	⁽¹⁾ 840,000	-
Liftech Penang	120,000	10.0	⁽¹⁾ 300,000	-
Liftech Ipoh	120,000	10.0	⁽¹⁾ 300,000	-
Eng Peng Chai	120,000	10.0	178,800	1,788,000
	1,200,000	100.0	1,618,800	1,788,000

Note:

- ⁽¹⁾ Such amount was offset against the dividends declared by Liftech KL, Liftech Penang and Liftech Ipoh to our Company in respect of FYE 2024.

The purchase consideration of RM1.4 million to Liftech KL, Liftech Penang and Liftech Ipoh was arrived at based on their respective cost of investment in Liftech Academy; in view that the acquisition by our Company from Liftech KL, Liftech Penang and Liftech Ipoh is intercompany transaction undertaken to consolidate the entire shareholding of Liftech Academy under our Company. The purchase consideration of RM0.2 million to Eng Peng Chai was arrived at based on a "willing-buyer willing-seller" basis after taking into consideration the audited NA of Liftech Academy as at 31 December 2022 of RM1.8 million⁽¹⁾. Liftech Academy's shares were transferred to our Company on 1 August 2024, and the Acquisition of Liftech Academy was deemed completed on 30 October 2024 upon the set-off of dividends against the purchase consideration to Liftech KL, Liftech Penang and Liftech Ipoh.

Note:

- ⁽¹⁾ Based on the latest available audited financial statements of Liftech Academy when the share sale agreement was entered into for the Acquisition of Liftech Academy.

6. INFORMATION ON OUR GROUP (Cont'd)**6.2.7 Capitalisation**

We have undertaken the Capitalisation whereby our Company has capitalised the entire amount owing to Ng Sea Kai and Eng Peng Hong as at 31 December 2024 of RM1.2 million and RM0.8 million respectively. The Capitalisation has been completed on 28 February 2025.

Details of the number of Shares issued to Ng Sea Kai and Eng Peng Hong, based on the issue price of RM0.10 per Share, pursuant to the Capitalisation are set out below:

	Amount owing as at 31 December 2024 RM	Amount capitalised RM	No. of Shares issued	Balance amount owing RM
Ng Sea Kai	⁽¹⁾ 1,200,000	1,200,000	12,000,000	-
Eng Peng Hong	⁽¹⁾ 800,000	800,000	8,000,000	-
	2,000,000	2,000,000	20,000,000	-

Note:

- ⁽¹⁾ Comprises advances from Ng Sea Kai and Eng Peng Hong to Liftech KL in prior years for working capital purposes, of which the Company assumed the obligation for repayment on behalf of Liftech KL.

6.2.8 Share Subscription

On 1 October 2024, our Company entered into subscription agreements with Wai Ka Man and Wai Kah Poh respectively wherein our Company shall issue and allot a total of 3,430,000 Shares (representing 1.1% of our total issued Shares after our IPO) at an issue price of RM0.20 to both Wai Ka Man and Wai Kah Poh, with each receiving 1,715,000 Shares, at a total subscription price of approximately RM0.7 million. The issue price of RM0.20 per Share was agreed upon between the parties to the subscription agreements to arrive at approximately 1.1% of our enlarged issued Shares, after taking into consideration the past relationship and contributions of Wai Ka Man and Wai Kah Poh to our Group, as well as their expertise and expected contributions to our Group moving forward. In this regard, Wai Ka Man and Wai Kah Poh are the directors and shareholders of our Group's former subcontractors, HYBERTECH Sales & Services Sdn Bhd. HYBERTECH Sales & Services Sdn Bhd has ceased its operations and is only involved in property investment holding since 2024 after Wai Ka Man and Wai Kah Poh joined our Group. Wai Ka Man joined our Group since January 2024 serving as Hydraulic Division Manager of Liftech KL, responsible for overseeing the overall operations of our Group's hydraulic division; whilst Wai Kah Poh joined our Group since January 2024 serving as Hydraulic Division Project Manager of Liftech KL, responsible for overseeing the design, fabrication, delivery and installation of our Group's hydraulic products. They are not related to our Group's directors and shareholders. The Share Subscription was completed on 28 February 2025. The Shares issued to Wai Ka Man and Wai Kah Poh will be subject to moratorium for a period of 6 months from the date of our Company's admission to the ACE Market in accordance with Rule 3.19A of the Listing Requirements as set out in Section 3.2.

6. INFORMATION ON OUR GROUP (Cont'd)**6.2.9 Shareholdings Reorganisation**

Following the Acquisitions, the vendors of Liftech KL, Liftech Penang, Liftech Ipoh, Liftech JB, Liftech Borneo and Liftech Academy, namely Eng Peng Hong, Ng Peng Choong, Eng Seiw Peng, Goay Keng Hau, Eng Peng Chai, Loke Ren Tiem and Har Yeat Khen undertook a shareholdings reorganisation exercise involving the transfer of their shareholdings in our Company among themselves, details of which are as follows:

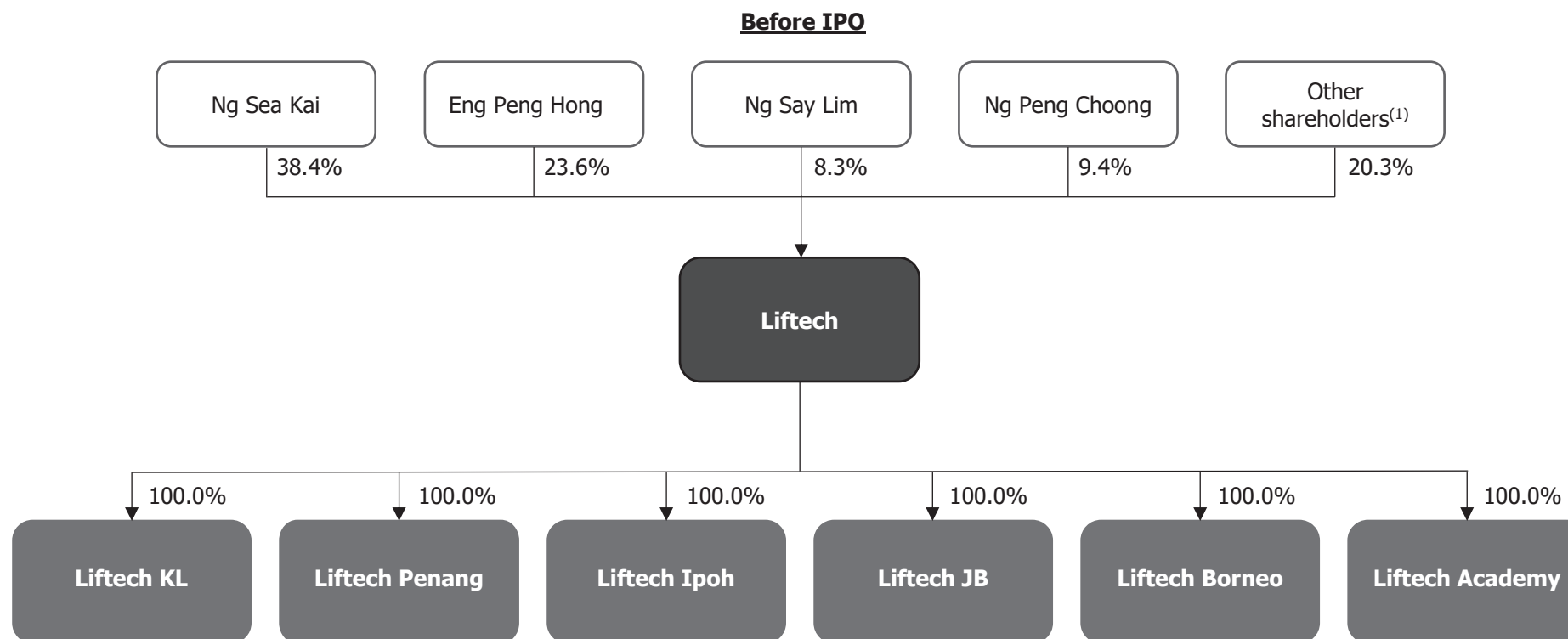
Name	After the Acquisitions, Capitalisation and Share Subscription		Changes in no. of Shares held pursuant to the Shareholdings Reorganisation	After the Shareholdings Reorganisation	
	No. of Shares	% of share capital	No. of Shares	No. of Shares	% of share capital
Eng Peng Hong	54,472,001	23.1	1,186,000	55,658,001	23.6
Ng Peng Choong	21,948,000	9.3	151,000	22,099,000	9.4
Eng Seiw Peng	15,315,000	6.5	(3,796,000)	11,519,000	4.9
Goay Keng Hau	8,550,000	3.6	(1,726,000)	6,824,000	2.9
Eng Peng Chai	1,788,000	0.8	4,746,000	6,534,000	2.8
Loke Ren Tiem	3,292,200	1.4	518,000	3,810,200	1.6
Har Yeat Khen	4,155,000	1.8	(1,079,000)	3,076,000	1.3
	109,520,201	46.5		109,520,201	46.5

The Shareholdings Reorganisation was undertaken to facilitate the transfer of existing Shares held by Eng Seiw Peng (the Branch Manager for Ipoh Facility), Goay Keng Hau (the Branch Manager for Johor Facility) and Har Yeat Khen (the Sales Manager for Ipoh Facility) to Eng Peng Hong, Ng Peng Choong, Eng Peng Chai and Loke Ren Tiem to regularise their shareholdings in our Company as well as to attain the desired shareholdings based on the consensus amongst the existing shareholders in their capacity as vendors of Liftech KL, Liftech Penang, Liftech Ipoh, Liftech JB, Liftech Borneo and Liftech Academy. For clarity, the Shareholdings Reorganisation was not linked to the compensation of these shareholders as employees of our Group. Such transfer of Shares were made after taking into consideration the existing sales and profit contribution and expected growth in sales and profit contribution of Liftech KL, Liftech Penang, Liftech Ipoh, Liftech JB and Liftech Borneo to our Group, as well as the existing and expected roles and responsibilities of the respective shareholders. In this regard, Eng Peng Hong, Ng Peng Choong, Eng Peng Chai (the Factory Manager for Taiping Factory) and Loke Ren Tiem (the Senior Manager) are the key contributors to our Group who have and will continue to carry out instrumental roles in the areas of manufacturing, business development and fabrication and assembly, and servicing and maintenance, respectively. Hence, the adjustments were agreed upon between the parties to reflect the agreed shareholdings amongst themselves, in favour of the aforementioned shareholders. The consideration paid by Eng Peng Hong, Ng Peng Choong, Eng Peng Chai and Loke Ren Tiem in respect of the Shares received by them was a nominal amount of RM0.10 per Share based on the issue price for the Acquisitions, which was wholly satisfied in cash. The Shareholdings Reorganisation does not have any effect on our issued share capital.

The Shareholdings Reorganisation was completed on 20 August 2025.

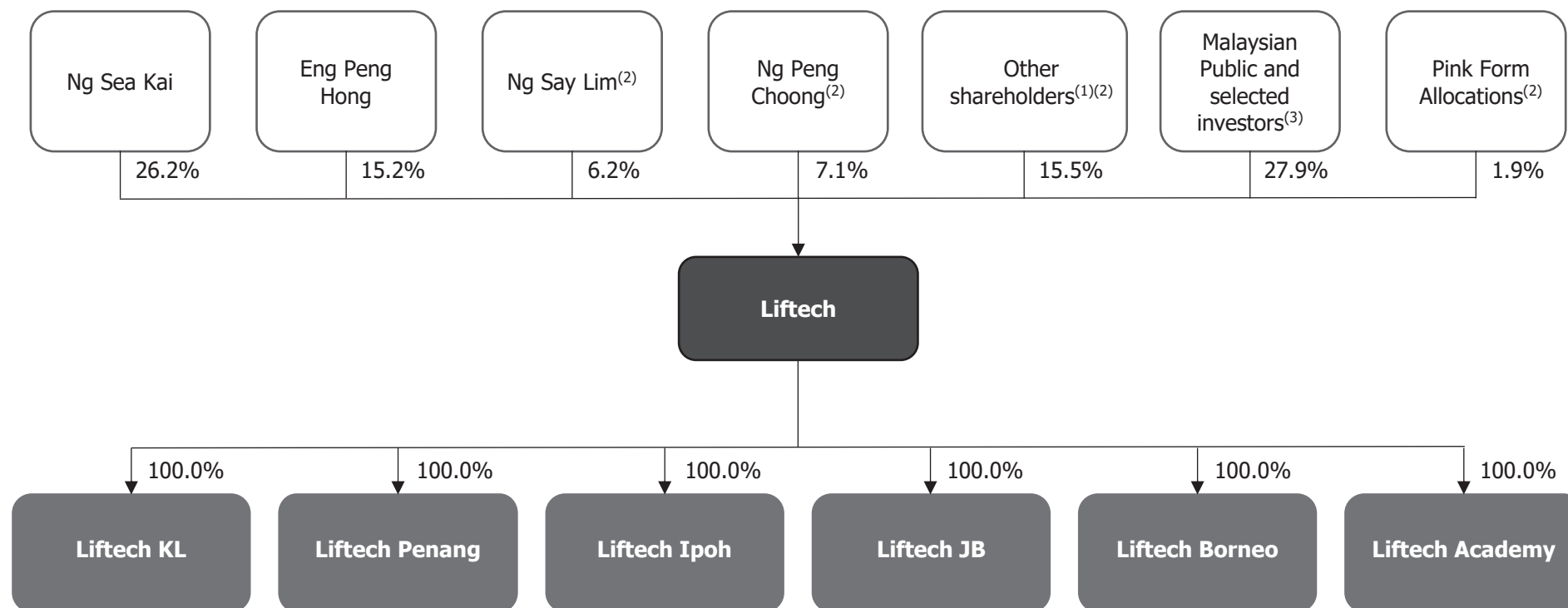
6. INFORMATION ON OUR GROUP *(Cont'd)*

6.3 GROUP STRUCTURE



6. INFORMATION ON OUR GROUP (Cont'd)

After IPO



6. INFORMATION ON OUR GROUP (Cont'd)

Notes:

- (1) Comprises Eng Seiw Peng, Yong Mui Yun, Goay Keng Hau, Eng Peng Chai, Loke Ren Tiem, Har Yeat Khen, Ho Kee Meng, Ng Say Pin and Tan Chor Keang pursuant to the Acquisitions as well as Wai Ka Man and Wai Kah Poh pursuant to the Share Subscription. The details of which are as follows:

Name	Nationality	Before IPO		Pink Form Allocations	After IPO	
		No. of Shares	(a)%		No. of Shares	(b)%
Eng Seiw Peng	Malaysian	11,519,000	4.9	-	11,519,000	3.6
Yong Mui Yun	Malaysian	9,114,000	3.9	-	9,114,000	2.9
Goay Keng Hau	Malaysian	6,824,000	2.9	-	6,824,000	2.2
Eng Peng Chai	Malaysian	6,534,000	2.8	300,000	(c)6,834,000	2.2
Loke Ren Tiem	Malaysian	3,810,200	1.6	-	3,810,200	1.2
Har Yeat Khen	Malaysian	3,076,000	1.3	-	3,076,000	1.0
Ho Kee Meng	Malaysian	2,070,000	0.9	300,000	(c)2,370,000	0.8
Wai Ka Man	Malaysian	1,715,000	0.7	200,000	(c)1,915,000	0.6
Wai Kah Poh	Malaysian	1,715,000	0.7	200,000	(c)1,915,000	0.6
Ng Say Pin	Malaysian	1,097,400	0.4	-	1,097,400	0.3
Tan Chor Keang	Malaysian	458,800	0.2	-	458,800	0.1
		47,933,400	20.3		48,933,400	15.5

Notes:

- (a) Based on our share capital of 235,708,002 Shares before IPO.
- (b) Based on our enlarged share capital of 314,942,002 Shares after IPO.
- (c) Assuming they will fully subscribe for their respective entitlements under the Pink Form Allocations.
- (2) Assuming that all Eligible Persons will subscribe for the Pink Form Allocations.
- (3) Including Bumiputera investors approved by MITI.

6. INFORMATION ON OUR GROUP (Cont'd)

6.4 SUBSIDIARIES AND ASSOCIATED COMPANIES

Details of our subsidiaries as at LPD are summarised as follows:

Company/ Registration No.	Date/ Place of incorporation	Principal place of business	Issued share capital RM	Effective equity interest %	Principal activities
Liftech KL/ 199601039720 (412073-V)	3 December 1996/ Malaysia	Malaysia	2,950,000	100.0	- Design, manufacturing, installation and commissioning of industrial lifting and handling equipment - Maintenance, repair and other related services - Trading of components, accessories and other industrial lifting and handling equipment
Liftech Penang/ 199701015481 (430978-A)	12 May 1997/ Malaysia	Malaysia	500,000	100.0	Maintenance, repair and other related services, as well as trading of components, accessories and other industrial lifting and handling equipment
Liftech Ipoh/ 199701013669 (429165-D)	28 April 1997/ Malaysia	Malaysia	500,000	100.0	Maintenance, repair and other related services, as well as trading of components, accessories and other industrial lifting and handling equipment
Liftech JB/ 199201014838 (246341-T)	8 August 1992/ Malaysia	Malaysia	500,000	100.0	Maintenance, repair and other related services, as well as trading of components, accessories and other industrial lifting and handling equipment

6. INFORMATION ON OUR GROUP (Cont'd)

Company/ Registration No.	Date/ Place of incorporation	Principal place of business	Issued share capital RM	Effective equity interest %	Principal activities
Liftech Borneo/ 201601040412 (1211353-P)	5 December 2016/ Malaysia	Malaysia	250,000	100.0	Maintenance, repair and other related services, as well as trading of components, accessories and other industrial lifting and handling equipment
Liftech Academy/ 199701009197 (424693-D)	26 March 1997/ Malaysia	Malaysia	1,560,000	100.0	Dormant (previously involved in crane and mechanical engineering work) ⁽¹⁾

Note:

- ⁽¹⁾ The cessation of Liftech Academy's business since September 2024 was to streamline the corporate structure of our Group. As at LPD, the crane and mechanical engineering work is being undertaken by Liftech KL. Despite the cessation of business, the assets of Liftech Academy which were sold to Liftech KL are as follows:

Type of assets	Acquisition cost RM'000
Computer	20
Factory equipment	19
Furniture and fittings and office equipment	7
Machinery	155
Motor vehicles	161
Renovation	<1
	362

Details of the share capital of our subsidiaries are set out in Section 15.2.

As at LPD, we do not have any associated company.

6. INFORMATION ON OUR GROUP (Cont'd)**6.5 MATERIAL CONTRACTS**

Save as disclosed below, there were no contracts which are or may be material (not being contracts entered into in the ordinary course of business) entered into by our Group for FYE 2022 to 2025 and up to LPD:

- (a) Share sale agreement dated 15 May 2024 between Ng Sea Kai, Eng Peng Hong, Ng Peng Choong, Yong Mui Yun, Loke Ren Tiem and Ng Say Pin (as vendors) and our Company (as purchaser) for the Acquisition of Liftech KL, which was completed on 30 October 2024;
- (b) Share sale agreement dated 15 May 2024 between Ng Sea Kai, Ng Say Lim, Ho Kee Meng and Tan Chor Keang (as vendors) and our Company (as purchaser) for the Acquisition of Liftech Penang, which was completed on 30 October 2024;
- (c) Share sale agreement dated 15 May 2024 between Ng Sea Kai, Eng Siw Peng, Ng Say Lim and Har Yeat Khen (as vendors) and our Company (as purchaser) for the Acquisition of Liftech Ipoh, which was completed on 30 October 2024;
- (d) Share sale agreement dated 15 May 2024 between Ng Sea Kai, Eng Peng Hong, Goay Keng Hau and Eng Siw Peng (as vendors) and our Company (as purchaser) for the Acquisition of Liftech JB, which was completed on 30 October 2024;
- (e) Share sale agreement dated 5 June 2024 between Ng Peng Choong and Ng Peng Lek (as vendors) and our Company (as purchaser) for the Acquisition of Liftech Borneo, which was completed on 25 November 2024;
- (f) Share sale agreement dated 15 May 2024 between Liftech KL, Liftech Penang, Liftech Ipoh and Eng Peng Chai (as vendors) and our Company (as purchaser) for the Acquisition of Liftech Academy, which was completed on 30 October 2024;
- (g) Subscription agreement dated 1 October 2024 entered into between Wai Kah Poh and our Company for the Share Subscription, which was completed on 28 February 2025;
- (h) Subscription agreement dated 1 October 2024 entered into between Wai Ka Man and our Company for the Share Subscription, which was completed on 28 February 2025;
- (i) Sale and purchase agreement dated 21 June 2024 between Surelift Engineering (as vendor) and Liftech KL (as purchaser) for the acquisition of the Kuantan Facility, for a cash consideration RM0.4 million, which was completed on 18 February 2025;
- (j) Sale and purchase agreement dated 12 September 2024 between Winning Strike Sdn Bhd (as vendor) and Liftech Penang (as purchaser) for the acquisition of our New Bukit Minyak Facility, for a cash consideration of RM8.5 million, which was completed on 28 November 2025;
- (k) Sale and purchase agreement dated 3 February 2025 between Tan Siew Eng (as the executrix of the estate of Chua Mo Wat, the deceased) and Tan Siew Eng (as vendor) and Liftech KL (as purchaser) for the acquisition of a double-storey shop office, bearing postal address 21, 21-1, Jalan TTC 15, Taman Teknologi Cheng, 75260 Melaka, for a cash consideration of RM0.4 million, which was completed on 10 March 2026;

6. INFORMATION ON OUR GROUP (Cont'd)

- (l) Sale and purchase agreement dated 14 July 2025 between Ng Chin Heng and Pang Fong Thau (as vendors) and Liftech Borneo (as purchaser), for the acquisition for our New Kota Kinabalu Facility, for a cash consideration of RM2.2 million, which was completed on 2 October 2025;
- (m) Sale and purchase agreement dated 20 January 2026, as well as letter of offer dated 28 August 2025, both entered into between Abdul Hafidz Bin Abdul Hamid and Nor Faezah Binti Zainal Abidin (as vendors) and Liftech JB (as purchaser), for the acquisition of a double-storey terrace house, bearing postal address 509, Jalan Scientex Jaya 12, Taman Scientex Senai, 81400 Senai, Johor, for a cash consideration of RM0.4 million, which is conditional upon the procurement of Bumiputera Consent, failing which the transaction will not materialise. The acquisition is pending completion as at LPD; and
- (n) Underwriting agreement dated 15 May 2026 entered into between our Company and M&A Securities for the underwriting of 23,036,000 Issue Shares for an underwriting commission of 3.0% of the IPO Price multiplied by the number of Issue Shares underwritten.

6.6 PUBLIC TAKE-OVERS

During the last financial year and the current financial year up to LPD, there were:

- (a) No public take-over offers by third parties in respect of our Shares; and
- (b) No public take-over offers by our Company in respect of other companies' shares.

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6.7 MAJOR APPROVALS AND LICENCES

No.	Licencee	Issuing authority	Date of issuance/ Date of expiry	Nature of approval/ Registration no.	Equity and/ or major conditions imposed	Status of compliance
(a)	Liftech KL	MITI	20 September 2024 (effective from 30 July 2024)/ Nil	<u>Nature of approval/ licences</u> Manufacturing licence for cranes, scissor lifts and dock leveller at our Taiping Factory <u>Registration no.</u> A 025989	1. MITI and MIDA shall be notified of any sales of shares; 2. The company shall train its Malaysian employees to ensure the technology and expertise may be transferred to all positions in the company; 3. The company must comply with the Capital Investment Per Employee ("CIPE") requirement of at least RM140,000; 4. The total full-time workforce of the company shall consist of at least 80% Malaysians. Employment of foreign workers including outsourced workers is subject to current policies. ⁽¹⁾	Complied Complied
(b)	Liftech KL	MITI	20 September 2024 (effective from 30 July 2024)/ Nil	<u>Nature of approval/ licences</u> Manufacturing licence for cranes, scissor lifts and dock leveller at our Puchong HQ <u>Registration no.</u> A 025990	1. MITI and MIDA shall be notified of any sales of shares; 2. The company shall train its Malaysian employees to ensure the technology and expertise may be transferred to all positions in the company;	Complied Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority	Date of issuance/ Date of expiry	Nature of approval/ licences/ Registration no.	Equity and/ or major conditions imposed	Status of compliance
					3. The company must comply with the CIPE requirement of at least RM140,000;	Complied
					4. The total full-time workforce of the company shall consist of at least 80% Malaysians. Employment of foreign workers including outsourced workers is subject to current policies. ⁽¹⁾	Complied
(c)	Liftech KL	MOF	15 December 2023/ 14 December 2026	<u>Nature of approval/ licences</u> Certificate of registration with the MOF for the provision of supply and service under the following field codes:	1. The company shall submit all information within the stipulated period when requested by the MOF. Failure to do so will result in action being taken by the MOF; 2. The company should ensure that the field registered in the certificate does not overlap with the field that has received approval by any companies that; (i) comprise the same owner or board of directors/director, management and employee; or (ii) operates in the same premise.	Noted Complied
				<u>Code No. Details</u> 130201 Engineering equipment and production machinery/ electric power generation and generator equipment/ spare parts and batteries/ power generation, equipment/ spare parts/ accessories (secondary)	3. Newly registered companies are not allowed to make any changes to the shareholder and director within 6 months from the date the company is registered;	Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority	Date of issuance/ Date of expiry	Nature of approval/ licences/ Registration no.		Equity and/ or major conditions imposed	Status of compliance
				Code No.	Details		
				140201	Electrical and electronic engineering equipment/ electric power stations and generator equipment/ spare parts and batteries/ power stations, equipment/ spare parts/ accessories (primary)	4. The company must submit the application for renewal within 3 months prior to the expiry date of the certificate; 5. The company must ensure that the registration with the MOF remains active throughout the enforcement period of the contract.	Noted Noted
(d)	Liftech KL	DOSH	20 March 2025 ⁽²⁾ / 6 May 2027	Registration no. K28544946483713847 Nature of approval/ licences Certificate of registration as Competent Person (Company) (Manufacturer of Lifting Machinery) Registration no. JKKP/2021/22/3		1. This department must be notified of any changes/ additions/ transfers to technical staff, health and safety personnel, work equipment, principal motor information, and existing premises. This department may cancel the registration if you fail to inform or update this information; 2. All manufacturing, installation and testing work procedures must be carried out in accordance with the Quality Control Manual and the Inspection Test Plan ("ITP") that has been reviewed and accepted by DOSH and any changes that will be made to the Quality Control Manual and the ITP must be approved by DOSH;	Noted Complied

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority	Date of issuance/ Date of expiry	Nature of approval/ licences/ Registration no.	Equity and/ or major conditions imposed	Status of compliance
					3. All welding work must be done by the company's welder in accordance with the Welding Procedure Specification approved by the Inspecting Authority recognised by DOSH. All welding work must also be carried out under close supervision and control by the company's QC team and all welding records must be kept in an orderly manner;	Complied
					4. All records must be kept in an orderly manner for DOSH's review from time to time. These records will also be inspected during the application for renewal in the future;	Complied
					5. All manufacturing, installation and testing works must be done at the registered premise or at the place of the owner of the machines;	Complied
					6. The company must submit the application for renewal of registration at least 3 months before the expiry date.	Noted

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority	Date of issuance/ Date of expiry	Nature of approval/ Registration no.	Equity and/ or major conditions imposed	Status of compliance												
(e)	Liftech KL	CIDB	28 February 2024/ 22 February 2027	<u>Nature of approval/ licences</u> Certificate of Registration in respect of Grade 5 with a maximum limit of RM5.0 million on tender/value of work for categories of: <table><tr><th>Grade</th><th>Category</th><th>Specialisation</th></tr><tr><td>G5</td><td>B⁽¹⁾</td><td>B04⁽⁴⁾</td></tr><tr><td>G5</td><td>CE⁽²⁾</td><td>CE21⁽⁵⁾</td></tr><tr><td>G5</td><td>ME⁽³⁾</td><td>M08⁽⁶⁾ M15⁽⁷⁾</td></tr></table> Notes: (1) Building (2) Civil engineering (3) Mechanical and electrical (4) General building construction works (5) Civil engineering construction (6) Boiler and fire pressure plant systems (7) Miscellaneous mechanical equipment <u>Registration no.</u> 0120110420-SL133790	Grade	Category	Specialisation	G5	B ⁽¹⁾	B04 ⁽⁴⁾	G5	CE ⁽²⁾	CE21 ⁽⁵⁾	G5	ME ⁽³⁾	M08 ⁽⁶⁾ M15 ⁽⁷⁾	1. The company shall comply with the provisions of the CIDB Act, the regulations made under it and any terms, conditions or restrictions imposed by CIDB from time to time; 2. The company may not participate in any tender or perform any construction work after the expiry of this certificate until it is renewed; 3. The company shall not undertake to build any construction project that exceeds the value of construction work specified under the registered grade and shall be prohibited from carrying out any construction project outside its registration category; 4. The company shall appoint skilled construction workers and site supervisors accredited and certified by CIDB; 5. All workers at the construction site must have a valid construction personnel card.	Complied <
Grade	Category	Specialisation																
G5	B ⁽¹⁾	B04 ⁽⁴⁾																
G5	CE ⁽²⁾	CE21 ⁽⁵⁾																
G5	ME ⁽³⁾	M08 ⁽⁶⁾ M15 ⁽⁷⁾																

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority	Date of issuance/ Date of expiry	Nature of approval/ licences/ Registration no.	Equity and/ or major conditions imposed	Status of compliance
(f)	Liftech KL	Subang Jaya City Council	24 September 2025/ 31 December 2026	<u>Nature of approval/ licences</u> Business and signboard licence in respect of the Puchong HQ <u>Registration no.</u> 2120061200010	To renew the business licence within 3 months before the expiration date.	Noted
(g)	Liftech KL	Kuantan Council	4 November 2025/ 31 December 2026	<u>Nature of approval/ licences</u> Business and signboard licence in respect of the Kuantan Facility <u>Registration no.</u> L0120160015	Nil	-
(h)	Liftech Ipoh	Ipoh Council	1 January 2026/ 31 December 2026	<u>Nature of approval/ licences</u> Business and signboard licence in respect of the Ipoh Facility <u>Registration no.</u> L0046121-01	Nil	-
(i)	Liftech KL	Taiping Municipal Council	7 May 2026/ 6 May 2027	<u>Nature of approval/ licences</u> Business and signboard licence in respect of the Taiping Factory <u>Registration no.</u> L0025837-01	Nil	-

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority	Date of issuance/ Date of expiry	Nature of approval/ licences/ Registration no.	Equity and/ or major conditions imposed	Status of compliance
(j)	Liftech Penang	Seberang Perai City Council	22 October 2025/ 31 December 2026	<u>Nature of approval/ licences</u> Business and signboard licence in respect of the Penang Facility <u>Registration no.</u> PRI/02/20250829/7419	Nil	-
(k)	Liftech Penang	Seberang Perai City Council	27 March 2026/ 31 December 2026	<u>Nature of approval/ licences</u> Business and signboard licence in respect of the New Bukit Minyak Facility <u>Registration no.</u> PRI/02/20260327/7947	Nil	-
(l)	Liftech JB	Kulai Municipal Council	23 October 2025/ 31 December 2026	<u>Nature of approval/ licences</u> Business and signboard licence in respect of the Johor Facility <u>Registration no.</u> LPP0210291403614	Nil	-
(m)	Liftech Borneo	Sarawak Government	2 September 2025/ 17 September 2026 ⁽³⁾	<u>Nature of approval/ licences</u> Trading licence in respect of the Bintulu Facility <u>Registration no.</u> 9326/25	Nil	-

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Licencee	Issuing authority	Date of issuance/ Date of expiry	Nature of approval/ licences/ Registration no.	Equity and/ or major conditions imposed	Status of compliance
(n)	Liftech Borneo	Bintulu Development Authority	11 June 2025/ 10 June 2026 ⁽⁴⁾	<u>Nature of approval/ licences</u> Signboard licence in respect of the Bintulu Facility <u>Registration no.</u> BDA/BNS/ADV/0282(1)2025	Nil	-
(o)	Liftech Borneo	Kota Kinabalu City Hall	28 October 2025/ 31 December 2026	<u>Nature of approval/ licences</u> Trading licence in respect of the New Kota Kinabalu Facility <u>Registration no.</u> 0000200049 T	Nil	-
(p)	Liftech Borneo	Kota Kinabalu City Hall	3 November 2025/ 31 December 2026	<u>Nature of approval/ licences</u> Signboard licence in respect of the New Kota Kinabalu Facility <u>Registration no.</u> A02504299	Nil	-

6. INFORMATION ON OUR GROUP (Cont'd)

Notes:

- (1) On 18 July 2022, MITI announced the deferment of the requirement for manufacturers to comply with the 80:20 employment ratio until 31 December 2024. On 16 December 2024, MITI further announced that the suspension of the said requirement will continue until the full implementation of the multi-tier levy mechanism.
- (2) Our Group was issued a Certificate of Registration as a Competent Firm (Manufacturer of Lifting Machinery) on 7 May 2024 under the Factories and Machinery Act 1967 (repealed with effect from 1 June 2024), valid from 7 May 2024 to 6 May 2027. Pursuant to the Guidelines for the Registration and Renewal of Competent Person 2024 issued by DOSH, this certificate remained valid under the Occupational Safety and Health Act 1994 and, on 20 March 2025, was re-issued as a Competent Person (Company) (Manufacturer of Lifting Machinery), retaining the same validity period from 7 May 2024 to 6 May 2027.
- (3) The application for renewal will be submitted 2 weeks before the date of expiry.
- (4) The renewed signboard licence for Bintulu Facility, valid from 11 June 2026 to 10 June 2027, has been obtained on 22 May 2026.

As at LPD, our Group has obtained all the requisite approvals, licences and permits for our business operations and our Group has not faced any issues in relation to renewal of our approvals, licences and permits.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.8 INTELLECTUAL PROPERTIES

As at LPD, our Group does not own and has not applied for the registration of any other intellectual properties other than those disclosed below:

Design	Registered owner/ Trademark no.	Approving authority/ Place of application or registration	Class/ Description	Status	Validity period
	Liftech KL/ 2013051669	MyIPO/ Malaysia	7/ Overhead cranes, gantry cranes, jib cranes and hoists, all included in class 7	Registered	27 February 2013 to 27 February 2033
	Liftech KL/ 2013051670	MyIPO/ Malaysia	37/ Servicing, repair and installation of cranes and hoists, all included in class 37	Registered	27 February 2013 to 27 February 2033
	Liftech KL/ TM2025040741	MyIPO/ Malaysia	7/ Overhead cranes, gantry cranes, jib cranes and hoists	Under Substantive Examination (1)	-

6. INFORMATION ON OUR GROUP (Cont'd)

Note:

- (1) The application, which was submitted on 20 November 2025, is under substantive examination, which involves MyIPO assessing whether the trademark meets the registration requirements under the Trademarks Act 2019, including distinctiveness and potential conflicts with existing trademarks. The estimated timeframe for the registration of the trademarks is between 12 to 24 months from the date of application, provided that no objections and/or objections are raised. The application for this trademark is intended to provide broader protection for the word 'LIFTECH' as a standalone work mark, independent of any specific logo, font type, stylisation or design in which it is presented. This enables us to protect and enforce our rights over the 'LIFTECH' brand name across various forms of usage.

Our Group's business and profitability are not dependent on the above trademarks as our Group has established a historically strong presence in the industry. As such, in the event that the abovementioned trademarks are not successfully renewed or registered, our business and profitability will not be materially affected. Notwithstanding the aforementioned, our Group is still entitled as the proprietor of the unregistered marks to continue using it in the ordinary course of our Group's business. Whilst our Group's rights to the mark will not be protected under the Trademarks Act 2019 in the absence of registration, our Group may still initiate legal action under common law against any third party for passing off or misrepresenting their goods and services as those of our Group and causing damage to the goodwill and reputation of our Group's business. Over the years, our Group has evolved from serving customers in the southern region in 1992 to serving customers throughout Malaysia as at LPD, and we will continue to deliver our industrial lifting and handling solutions under the 'Liftech' brand.

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6. INFORMATION ON OUR GROUP (Cont'd)

6.9 PROPERTY, PLANT AND EQUIPMENT

6.9.1 Properties owned by our Group

The summary of the material properties owned by our Group as at LPD is set out below:

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
(a)	Liftech KL/ 10 & 12, Jalan TPP 5/8, Taman Perindustrian Puchong, 47100 Puchong, Selangor/ PN79317, Lot 473, Daerah Petaling, Pekan Desa Puchong, Selangor and PN 79318, Lot 474, Daerah Petaling, Pekan Desa Puchong, Selangor	Double-storey semi-detached building/ Headquarters, manufacturing facility, maintenance and repair workshop as well as storage (Puchong HQ)/ 99 years, expiring on 28 October 2101 or approximately 76 years remaining as at LPD/ Industrial	22,852/ 12,358 (11,194 sq ft is allocated for manufacturing)	20 January 2006/ 23 December 2003 ⁽¹⁾	Industrial/ This land cannot be transferred, leased or mortgaged except with the consent of the State Authority/ Charged in favour of Public Bank Berhad registered on 15 January 2013	1,498

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
(b)	Liftech KL/ Lot 26908, Kamunting Raya, Industrial Estate Phase 3, Mukim Assam Kumbang, 34000 Taiping, Perak/ PN 275552, Lot 26908, Daerah Larut Matang, Mukim Asam Kumbang, Perak	Double-storey detached building and single-storey detached building/ Sales office, manufacturing facility, maintenance and repair workshop as well as storage (Taiping Factory)/ 99 years, expiring on 19 June 2102 or approximately 77 years remaining as at LPD/ Industrial	217,754/ 131,546 (127,100 sq ft is allocated for manufacturing)	6 January 2011/ 2 May 2014 and 13 June 2024	Factory for the manufacturing of lifting machinery and equipment/ This land cannot be transferred, leased or mortgaged except with the consent of the State Authority/ Charge in favour of Public Bank Berhad registered on 24 May 2011	12,660
(c)	Liftech KL/ 24, Jalan Sri Puchong 4A, Taman Sri Puchong, 47160 Puchong, Selangor/ HSD 117610, Lot 31914, Daerah Petaling, Pekan Desa Puchong, Selangor	Double-storey terrace building/ Workers' accommodation/ 99 years, expiring on 1 March 2097 or approximately 72 years remaining as at LPD/ Building	1,500/ 1,313	27 March 2014/ Nil ⁽²⁾	Residential building/ This alienated land cannot be transferred, leased or mortgaged except with the consent of the State Authority/ Charged in favour of Malayan Banking Berhad registered on 7 November 2014	350

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
(d)	Liftech KL/ 27, Jalan Sri Puchong 7C, Taman Sri Puchong, 47160 Puchong, Selangor/ HSD 117064, Lot 31368, Daerah Petaling, Pekan Desa Puchong, Selangor	Double-storey terrace building/ Workers' accommodation/ 99 years, expiring on 1 March 2097 or approximately 72 years remaining as at LPD/ Building	825/ 974	17 February 2014/ Nil ⁽²⁾	Residential building/ This alienated land cannot be transferred, leased or mortgaged except with the consent of the State Authority/ Nil	133
(e)	Liftech KL/ 28, Jalan Sri Puchong 4A, Taman Sri Puchong, 47160 Puchong, Selangor/ HSD 117569, Lot 31873, Daerah Petaling, Pekan Desa Puchong, Selangor	Double-storey terrace building/ Workers' accommodation/ 99 years, expiring on 1 March 2097 or approximately 72 years remaining as at LPD/ Building	1,500/ 1,822	6 December 2019/ Nil ⁽²⁾	Residential building/ This land cannot be transferred, leased or mortgaged except with the consent of the State Authority/ Nil	307

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
(f)	Liftech KL/ 29, Jalan IM 14/3, Kawasan Perindustrian Indera Mahkota, 25200 Kuantan, Pahang/ PN 6513, Lot 60367, Daerah Kuantan, Mukim Kuala Kuantan, Pahang	1½-storey terrace building/ Sales office, maintenance and repair workshop as well as storage (Kuantan Facility)/ 99 years, expiring on 29 March 2097 or approximately 72 years remaining as at LPD/ Industrial	2,336/ 2,886	21 June 2024/ Nil ⁽³⁾	This land shall only be used as an industrial site / This land cannot be transferred, leased or mortgaged except with the written consent of the State Authority/ Nil	392
(g)	Liftech Ipoh/ 17, Dataran Kledang 10, Kawasan Perindustrian Chandan Raya, 31450 Menglembu, Ipoh, Perak/ PN 143084, Lot 212911, Daerah Kinta, Mukim Hulu Kinta, Perak	1½-storey semi-detached building/ Sales office, maintenance and repair workshop as well as storage (Ipoh Facility)/ 90 years, expiring on 3 May 2084 or approximately 59 years remaining as at LPD/ Industrial	4,499/ 5,420	6 October 2018/ 8 September 2025	Industrial/ This land cannot be transferred or leased except with the consent of the Chief Minister of Perak. This land cannot be subdivided pursuant to Section 135 of the National Land Code without the consent of the Chief Minister of Perak/ Nil	189

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
(h)	Liftech Ipoh/ 19, Dataran Kledang 10, Kawasan Perindustrian Chandan Raya, 31450 Menglembu, Ipoh, Perak/ PN 143083, Lot 212910, Daerah Kinta, Mukim Hulu Kinta, Perak	1½-storey semi-detached building/ Sales office, maintenance and repair workshop as well as storage (Ipoh Facility)/ 90 years, expiring on 3 May 2084 or approximately 59 years remaining as at LPD/ Industrial	4,499/ 5,420	18 August 2003/ 8 September 2025	Industrial/ This land cannot be transferred, leased or mortgaged except with the consent of the Perak Chief Minister. The land cannot be alienated in accordance with Section 135 of the National Land Code without the consent of the Perak Chief Minister/ Nil	73
(i)	Liftech JB/ 679, Jalan Idaman 3/3, Senai Industrial Park, Taman Desa Idaman, 81400 Senai, Johor/ GRN 340444, Lot 53531, Daerah Kulai, Mukim Senai, Johor	1½-storey semi-detached building/ Sales office, maintenance and repair workshop as well as storage (Johor Facility)/ Freehold/ Industrial	22,400/ 9,930	17 July 2012/ 1 June 2012	(i) This land is to be used as a light industrial area for purposes of a 1½-storey semi- detached light industrial building and other related purposes, built in accordance with the plans approved by the relevant local authorities;	1,521

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
					(ii) All dirt and pollution arising from industrial activities shall be discharged at sites designated by the relevant authorities; and (iii) All policies and conditions imposed and enforced from time to time by the relevant authorities shall be complied with/ If this land is transferred to a Bumiputera individual/ company, it shall not thereafter be sold, leased, or transferred in any manner whatsoever to a non-Bumiputera individual/ company without the approval of the State Authority/	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
					Charged in favour of Maybank Islamic Berhad registered on 28 November 2012 and 6 May 2014	
(j)	Liftech JB/ 16, Jalan Selatan 3/3, Kawasan Perindustrian Ringan Pulau, 81300 Johor Bahru, Johor/ GM 2354, Lot 26086, Daerah Johor Bahru, Mukim Tebrau, Johor	1½-storey terrace building/ Tenant's business use (automotive workshop and storage) ⁽⁴⁾ / Freehold/ Industrial	2,852/ 3,289	7 April 2000/ 19 October 1999	Industrial/ (i) This land shall be used as a factory building for light industrial purposes and other related uses, built in accordance with plans approved by the relevant local authorities; (ii) All dirt and pollution arising from industrial activities shall be discharged/ disposed at sites designated by the relevant local authorities; and	261

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
					(iii) All policies and conditions imposed and enforced from time to time by the relevant authorities shall be complied with/ Nil	
(k)	Liftech JB/ 27, Jalan Besi, Taman Sri Putri, 81300 Skudai, Johor/ GRN 55592, Lot 23585, Daerah Johor Bahru, Mukim Pulai, Johor	Double-storey terrace building/ Tenant's business use (automotive car services) ⁽⁵⁾ / Freehold/ Building/	1,572/ 3,128	23 March 1995/ 10 November 1992	(i) This land is only to be used as a double-storey shophouse for business and residential purposes, built in accordance with the plans approved by the relevant local authorities; (ii) All dirt and pollution arising from the activities shall be channeled/disposed to places designated by the relevant authorities; and	160

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
					(iii) All policies and conditions imposed and enforced from time to time by the relevant authorities shall be complied with/ Nil/ Nil	
(I)	Liftech Penang/ 7, Lorong Perindustrian Bukit Minyak 1/2, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Penang/ PN 11565, Lot 20832, Daerah Seberang Perai Tengah, Mukim 13, Penang	Double-storey cluster building Sales office, maintenance and repair workshop as well as storage (Penang Facility)/ 60 years, expiring on 13 April 2075 or approximately 50 years remaining as at LPD/ Industrial	5,210/ 7,100	8 July 2015/ 24 September 2012, 22 November 2018 and 13 November 2025	This land shall only be used for industrial purposes only/ This land shall not be transferred, charged, leased, subleased, tenanted or otherwise dealt with in any manner whatsoever without the prior written consent of the State Authority/ Charged in favour of Public Islamic Bank Berhad registered on 26 November 2015 and 23 December 2015	236

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
(m)	Bumiwang Development Sdn Bhd (registered owner) and Liftech Borneo (beneficial owner) ⁽⁶⁾ / Lot 46, 31, Taman Perindustrian Bukit Emas (Golden Industrial Park), Phase 1A & 1B, Lorong Perindustrian Bukit Emas, Mile 7.5, Jalan Tuaran, 88450 Kota Kinabalu, Sabah/ Provisional Lease 016035493, District of Kota Kinabalu, Sabah (master title)	Double-storey semi-detached building/ Sales office, maintenance and repair workshop, as well as storage (New Kota Kinabalu Facility)/ 999 years, expiring on 31 December 2915 or approximately 890 years as at LPD/ For the purposes of erecting thereon for use as such light industrial buildings	4,400/ 3,601	14 July 2025/ 29 July 2016	(i) To complete the construction on the said land of a building before January 2026 in accordance with the terms and conditions contained herein and with the plans and specifications submitted to and approved by the Authority under the Local Government Ordinance 1961 as modified by the City of Kota Kinabalu Enactment 1996 and Town and Country Planning Ordinance Cap.141 having jurisdiction over the said land; and	1,550

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
					(ii) At all times to maintain and keep in tenantable conditions and good repair the building/s erected or to be erected on the said land to the satisfaction of the authority under the Local Government Ordinance (and Town and Country Planning Ordinance) having jurisdiction over the said land and that in the event of the total or partial destruction of the said building, to repair, reinstate and rebuild in accordance with the last plans and specifications submitted to and approved by the said authority/	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
					(i) Transfer or sublease of this title is prohibited before fulfilment of the covenant herein or without the written permission from the Director of Lands and Surveys who shall impose additional premium and enhanced rent while granting such permission; and	
					(ii) Subdivision of this title is prohibited without the written permission of the Director of Lands and Surveys Department who shall impose additional premium, enhanced rent and any other conditions thereof when granting such permission/	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025
						RM'000
					Several caveats lodged by purchasers, banks and financial institutions that have granted loans to purchasers. Such encumbrances are lodged on the master title	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
(n)	Liftech Penang/ 1062, Jalan Perindustrian Bukit Minyak 7, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Penang/ PN 12053, Lot 3821, Mukim 13, Daerah Seberang Perai Tengah, Penang	Double-storey detached building annexed with a single-storey detached building/ Vacant/ 60 years, expiring on 3 May 2058 or approximately 33 years remaining as at LPD/ Industrial	48,115/ 12,953	12 September 2024/ 25 August 2011	The registered proprietor after the Penang Development Corporation shall: (i) Within two (2) years from the date of registration of the first transfer, or within such extended period as may be approved by the State Authority, construct a factory building or factory buildings on the alienated land in accordance with plans approved by the Local Authority, and shall maintain such building(s) to the satisfaction of the Local Authority.	5,995

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
					(ii) Clean, dispose of, or cause to be cleaned or disposed of, all trade effluents in a manner and form satisfactory to the relevant authorities.	
					(iii) Pay and settle all taxes, rates, rents, and other charges assessed from time to time on the alienated land or any relevant part thereof as imposed by the Seberang Perai City Council/ Penang Island City Council.	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
					(iv) Ensure that thirty percent (30.0%) of employees at each level of management employed in the business operated on the alienated land shall consist of Bumiputera ⁽⁷⁾ .	
					(v) Comply with all terms and conditions contained in the Sale and Purchase Agreement entered into between the registered proprietor (after the Penang Development Corporation) and the Penang Development Corporation/	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
					(i) The alienated land shall not be transferred, charged, leased, sub-leased, tenanted, rented, or otherwise dealt with in any manner whatsoever without the prior written consent of the State Authority. (ii) The alienated land shall not be subdivided or partitioned. (iii) The alienated land or any building erected thereon shall not be used for any purpose other than that approved by the Penang Development Corporation and the State Authority/	

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Registered owner/ Postal address/ Title details	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Approximate land area/ Approximate built-up area sq ft	Date of purchase/ Date of CF, CCC or equivalent	Express Conditions/ Restriction-in- interest/ Encumbrance	Audited NBV as at 31 December 2025 RM'000
					Charged in favour of Maybank Islamic Berhad registered on 28 November 2025	
(o)	Liftech KL/ 21, 21-1, Jalan TTC 15, Taman Teknologi Cheng, 75260, Melaka/ PN 20223, Lot 4626 (previously known as H.S.(D) 35108, PT 4036), Mukim Cheng, Daerah Melaka Tengah, Melaka	Double-storey terrace building/ Vacant ⁽⁸⁾ / 99 years, expiring on 14 August 2096 or approximately 70 years remaining as at the LPD/ Building	1,647/ 2,779	22 June 1998	For commercial building purposes only/ This land shall not be transferred or charged without obtaining written consent from the State Authority. This restriction does not apply to the first transfer or charge/ Nil	N/A as the purchase was completed post FYE 2025

Notes:

- ⁽¹⁾ Refers to the existing CCC which does not include the extensions at our Puchong HQ. Our Group is in the process of obtaining the relevant approvals for the new CCC. Please refer to Section 6.10(b) for further details.

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

- (2) Our Group had on 16 April 2025 written to the Subang Jaya City Council to retrieve a copy of the CF or CCC of the properties. By letter dated 8 May 2025, the Subang Jaya City Council had informed that they are unable to locate a copy of the said certificate from their archives as the development was carried out more than 25 years ago and the records are no longer available in their system. Nonetheless, the Subang Jaya City Council has granted our Group an exemption from submitting the certificate for the purpose of obtaining approval for any proposed building extension and renovation works at the abovementioned premises.
- (3) Our Group had on 7 July 2025 written to the Kuantan City Council to retrieve a copy of the CCC of the Kuantan Facility. By letter of even date, the Kuantan City Council had informed that they are unable to provide a copy of the CCC. Nevertheless, the Kuantan City Council confirmed that a CCC had been issued for the said building.
- (4) Liftech JB (as landlord) and LF Auto Detailing Concept Enterprise (as tenant) entered into a tenancy agreement dated 17 March 2026, for the rental of property bearing postal address 16, Jalan Selatan 3/3, Kawasan Perindustrian Ringan Pulai, 81300 Johor Bahru, Johor, for a monthly rental of RM3,000. The tenancy is valid from 16 March 2026 to 15 March 2029. LF Auto Detailing Concept Enterprise is not related to our Group.
- (5) Liftech JB (as landlord) and Tay Song Wei (as tenant) entered into a tenancy agreement dated 2 January 2025, for the rental of property bearing postal address 27, Jalan Besi, Taman Sri Putri, 81300 Skudai, Johor, for a monthly rental of RM1,200. The tenancy is valid from 2 January 2025 to 1 January 2027. Tay Song Wei is not related to our Group.
- (6) Although this property was purchased from Ng Chin Heng and Pang Fong Thau (as vendors), the registered owner of the property is Bumiwang Development Sdn Bhd as the master title has yet to be subdivided into individual titles. The obligation to apply for and obtain the subdivided individual titles lies with Bumiwang Development Sdn Bhd, which had submitted its application for subdivision to the Lands and Surveys Department Sabah. Our Group is unable to ascertain the expected timeframe for the issuance of the subdivided title.
- (7) Our Group is in the process of seeking the approval of the land office to remove the express condition requiring that 30.0% of employees at each level of management employed in the business operated on the land to consist of Bumiputera. Our Group has submitted the application to the land office for the removal of the aforesaid condition on 30 April 2026 and the application is pending approval as at LPD. In the event that the approval is not granted, our Group will fulfil the 30.0% management personnel requirement prior to commencement of operation at the New Bukit Minyak Facility.
- (8) Our Group intends to utilise this property as our sales office and storage.

As at LPD, save for the Puchong HQ, the properties owned by our Group are not in breach of any land use conditions, statutory requirements, land rules or building regulations/ by-laws, which will have material adverse impact on our operations.

6. INFORMATION ON OUR GROUP (Cont'd)

6.9.2 Properties rented by our Group

The summary of the material properties rented by our Group as at LPD are set out below:

No.	Postal address	Landlord/ Tenant	Description/ Existing use	Approximate land area/ Approximate built-up area sq ft	Date of CF, CCC or equivalent	Period of tenancy/ Rental per annum
(a)	Lot 1359, Tanjung Batu Commercial Centre, Block 31, Jalan Durian Laut, Kemena Land District, 97000 Bintulu, Sarawak	Bintulu Synergy Sdn Bhd/ Liftech Borneo	Ground floor of a 3-storey terrace building/ Sales office, maintenance and repair workshop as well as storage (Bintulu Facility)	1,399/ 868	18 March 1987	1 July 2024 to 30 June 2026/ RM18,000
(b)	6, Lorong Maju 11, Taman Aulong Maju, 34000 Taiping, Perak	Ho An Nee/ Liftech KL	Single-storey terrace building/ Workers' accommodation	1,604/ 961	26 October 2009	1 November 2024 to 31 October 2026/ RM9,600
(c)	3, Lorong Asas Murni 5, Kawasan Perniagaan Asas Murni, 14100 Simpang Ampat, Penang	Koay Meng Chong/ Liftech Penang	First floor of a double-storey terrace building/ Workers' accommodation	1,647/ 1,132	2 June 1999	1 May 2025 to 30 April 2027/ RM17,400

Our properties are rented from non-related parties. As at LPD, the properties rented by our Group are not in breach of any land use conditions, statutory requirements, land rules or building regulations/ by-laws, which will have material adverse impact on our operations.

6. INFORMATION ON OUR GROUP (Cont'd)

6.9.3 Acquisition of properties

Save as disclosed below, our Group has not acquired nor entered into any agreements to acquire any properties during FYE 2022 to 2025 and up to LPD:

No.	Date of purchase ⁽¹⁾	Vendor/ Purchaser	Postal address/ Title No.	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Land area/ Built-up area sq ft	Date of CF, CCC or equivalent	Purchase value RM'000
(a)	20 January 2026	Abdul Hafidz bin Abdul Hamid and Nor Faezah Binti Zainal Abidin/ Liftech JB	509, Jalan Scientex Jaya 12, Taman Scientex Senai, 81400 Senai, Johor/ HSD 68040, Daerah Kulai, Mukim Senai, Johor	Double-storey terrace building/ Tenanted to third-party/ Freehold/ Building	1,076/ 1,392	19 October 2015	420
(b)	14 July 2025	Ng Chin Heng and Pang Fong Thau/ Liftech Borneo	Lot 46, 31, Taman Perindustrian Bukit Emas (Golden Industrial Park), Phase 1A & 1B, Lorong Perindustrian Bukit Emas, Mile 7.5, Jalan Tuaran, 88450 Kota Kinabalu, Sabah/ Provisional Lease 016035493, District of Kota Kinabalu, Sabah (master title) ⁽²⁾	Double-storey semi-detached building / Sales office, maintenance and repair workshop, as well as storage (New Kota Kinabalu Facility)/ 999 years, expiring on 31 December 2915 or approximately 890 years as at LPD/ For the purposes of erecting thereon for use as such light industrial buildings	4,400/ 3,601	29 July 2016	2,180

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Date of purchase⁽¹⁾	Vendor/ Purchaser	Postal address/ Title No.	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Land area/ Built-up area sq ft	Date of CF, CCC or equivalent	Purchase value RM'000
(c)	3 February 2025	Tan Siew Eng (as the executrix of the estate of Chua Mo Wat, the deceased) and Tan Siew Eng/ Liftech KL	21, 21-1, Jalan TTC 15, Taman Teknologi Cheng, 75260, Melaka/ PN 20223, Lot 4626 (previously known as H.S.(D) 35108, PT 4036), Mukim Cheng, Daerah Melaka Tengah, Melaka	Double-storey terrace building/ Vacant/ 99 years, expiring on 14 August 2096 or approximately 70 years remaining as at the LPD/ Building	1,647/ 2,779	22 June 1998	395
(d)	12 September 2024	Winning Strike Sdn Bhd/ Liftech Penang	1062, Jalan Perindustrian Bukit Minyak 7, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Penang/ PN 12053, Lot 3821, Mukim 13, Daerah Seberang Perai Tengah, Penang	Double-storey detached building annexed with a single- storey detached building / Vacant/ 60 years, expiring on 3 May 2058 or approximately 33 years remaining as at the LPD/ Industrial	48,115/ 12,953	25 August 2011	8,500

6. INFORMATION ON OUR GROUP (Cont'd)

No.	Date of purchase ⁽¹⁾	Vendor/ Purchaser	Postal address/ Title No.	Description of property/ Existing use/ Expiry of lease (if any)/ Category of land use (if any)	Land area/ Built-up area sq ft	Date of CF, CCC or equivalent	Purchase value RM'000
(e)	21 June 2024	Surelift Engineering/ Liftech KL	29, Jalan IM 14/3, Kawasan Perindustrian Indera Mahkota, 25200 Kuantan, Pahang (Kuantan Facility)/ PN 6513, Lot 60367, Mukim Kuala Kuantan, Daerah Kuantan, Pahang	1½-storey terrace building/ Sales office, maintenance and repair workshop as well as storage (Kuantan Facility)/ 99 years, expiring on 29 March 2097 or approximately 72 years remaining as at LPD/ Industrial	2,336/ 2,886	Nil ⁽³⁾	390

Notes:

- (1) Represents the date of the sale and purchase agreements which had been entered into between our Group and the respective vendors.
- (2) Represents the master title as the individual title in respect of the land has yet been issued.
- (3) Our Group had on 7 July 2025 written to the Kuantan City Council to retrieve a copy of the CCC of the Kuantan Facility. By letter of even date, the Kuantan City Council had informed that they are unable to provide a copy of the CCC. Nevertheless, the Kuantan City Council confirmed that a CCC had been issued for the said building.

Save for item (e) above, all the properties were purchased from non-related parties. Please refer to Section 10.1 for further details of the related party transaction with Surelift Engineering. The acquisitions of the properties in items (b), (c), (d) and (e) above have been completed, whilst the acquisition of the property in item (a) above has not been completed as at LPD. Further details of the properties in items (b), (c), (d) and (e) above are disclosed in Sections 6.9.1(m), 6.9.1(o), 6.9.1(n) and 6.9.1(f), respectively.

6. INFORMATION ON OUR GROUP (Cont'd)**6.9.4 Material capital expenditures and divestitures****(a) Material capital expenditures**

Save for the expenditures disclosed below, there were no other capital expenditures made by us for FYE 2022 to 2025 and up to LPD:

	At cost				1 January
	FYE 2022	FYE 2023	FYE 2024	FYE 2025	2026 up to
Capital expenditures	RM'000	RM'000	RM'000	RM'000	LPD
Buildings and renovation ⁽¹⁾	195	483	793	7,618	445
Computer and printer	108	108	122	92	89
Furniture and fittings	<1	111	14	18	-
Office equipment	3	2	15	14	2
Motor vehicles ⁽²⁾	164	52	373	142	-
Machineries	8	41	71	238	-
Factory equipment	-	38	34	-	18
Tools and equipment	9	-	-	17	-
Capital work-in-progress ⁽³⁾	241	7,399	1,124	92	-
Sub-total	728	8,234	2,546	8,231	554
Right-of-use assets comprising:					
Motor vehicles	290	640	1,161	606	363
Machineries	-	-	560	-	-
Leasehold land	-	-	133	⁽⁴⁾ 3,782	-
	1,018	8,874	4,400	12,619	363

Notes:

- (1) Mainly relates to the following:
- (a) acquisition of buildings i.e. Kuantan Facility as set out in Section 6.5(i) and renovation cost for Taiping Factory in FYE 2024;
 - (b) acquisitions of New Bukit Minyak Facility and New Kota Kinabalu Facility as set out in Sections 6.5(j) and 6.5(l) in FYE 2025; and
 - (c) acquisition of a double-storey shop office in Melaka in March 2026 as set out in Section 6.5(k).
- (2) Mainly relates to purchase of motor vehicles for our employees to travel to customer premises in the course of their work.
- (3) Mainly relates to capital work-in-progress of construction for Taiping Factory.
- (4) Relates to the acquisitions of the New Bukit Minyak Facility and the New Kota Kinabalu Facility.

The above capital expenditures were primarily financed by a combination of bank borrowings and internally generated funds. Our capital expenditures are mainly driven by our business growth as well as for replacement purposes.

6. INFORMATION ON OUR GROUP (Cont'd)**(b) Material capital divestitures**

Save for the divestitures disclosed below, there were no other capital divestitures made by us for FYE 2022 to 2025 and up to LPD:

	At cost				1 January
	FYE 2022	FYE 2023	FYE 2024	FYE 2025	2026 up to
Capital divestitures	RM'000	RM'000	RM'000	RM'000	LPD
Motor vehicles ⁽¹⁾	183	646	505	461	56
Computer and printer	-	-	-	-	4
	183	646	505	461	60

Note:

- (1) Mainly relates to disposal of motor vehicles and machineries that are no longer in good condition.

All our capital divestitures were carried out in the ordinary course of business as part of the periodic review of our fixed asset register to identify and eliminate those assets which have been fully depreciated or no longer in use or obsolete or surpassed their useful lives.

As at LPD, other than the proposed utilisation of proceeds from our Public Issue for our capital expenditure as disclosed in Section 4.9.1 and the capital commitments set out in Section 12.6, we do not have any material capital expenditures and divestitures currently in progress, within or outside Malaysia.

6.9.5 Material plans to construct, expand or improve our property, plant and equipment

Save for the proposed utilisation of proceeds from our Public Issue to finance the capital expenditure as set out in Section 4.9.1 and the capital commitments as set out in Section 12.6, our Group does not have any other immediate plans to construct, expand or improve our property, plant and equipment as at LPD.

6.10 RELEVANT LAWS, REGULATIONS, RULES OR REQUIREMENTS

Save as disclosed below, as at LPD, there are no other laws, regulations, rules or requirements governing the conduct of our business and environmental issues which may materially affect our Group's business or operations.

(a) Industrial Co-Ordination Act 1975 ("ICA 1975")

Pursuant to Section 3(1) of the ICA 1975, no person shall engage in any manufacturing activity unless he is issued a licence in respect of such manufacturing activity. Failure to comply is an offence and the person is liable on conviction to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding 6 months and to a further fine not exceeding RM1,000 for every day during which such default continues.

6. INFORMATION ON OUR GROUP (Cont'd)

The ICA 1975 defines “manufacturing activity” as the “making, altering, blending, ornamenting, finishing or otherwise treating or adapting any article or substance with a view to its use, sale, transport, delivery or disposal and includes the assembly of parts and ship repairing but shall not include any activity normally associated with retail or wholesale trade”.

Pursuant to the Guideline on Application for Manufacturing Licence issued by the MIDA, manufacturing companies with shareholders’ funds of RM2.5 million and above or engaging 75 or more full-time paid employees are required to apply to MITI for a manufacturing license.

Liftech KL has been engaged in the manufacturing of industrial cranes, and other lifting and handling equipment, at the Puchong HQ and Taiping Factory since 1996 and 2014 respectively. Liftech KL did not apply for the manufacturing licences upon having shareholders’ funds of RM2.5 million since FYE 2006, as we were then of the view that having a valid Certificate of Registration as Competent Firm (now known as Competent Person (Company)) which was first issued by DOSH to Liftech KL in 1999, for the manufacture of lifting machinery, was sufficient.

As at LPD, Liftech KL has obtained the manufacturing licences for the Puchong HQ and Taiping Factory, which were issued by MITI on 20 September 2024 (valid since 30 July 2024).

For FYE 2022 to 2025 and up to LPD, our Group has not experienced any material adverse impact on its business operations or financial condition arising from the non-compliances in respect of the ICA 1975, given that the relevant manufacturing licences have since been obtained, and our Group has not been imposed with any material notices, penalties or compounds in respect thereof.

(b) Street, Drainage and Building Act 1974 (“SDBA”)

The SDBA governs matters relating to streets, drainage and buildings in Peninsular Malaysia. It provides a requirement to have a CF or CCC to ensure that the building is safe and fit for occupation. Pursuant to Section 70(1) of the SDBA, no person shall erect any building without the prior written permission of the local authority. Any person who fails to comply with such provision commits an offence and shall upon conviction, be liable to a fine not exceeding RM50,000 or imprisonment for a term not exceeding three years or both and a further fine of RM1,000 for every day during which the offence is continued after conviction.

Further, Section 70(27) of the SDBA provides that no person shall occupy or permit to be occupied any building or any part thereof without a CCC. Any person who fails to comply with such provision commits an offence and shall upon conviction, be liable to a fine not exceeding RM250,000 or imprisonment for a term not exceeding 10 years or both.

Both the Puchong HQ and Penang Facility had valid CCCs in place at the time of occupation. Since 2014 and 2017 respectively, our Group erected extensions to the Puchong HQ and Penang Facility, prior to obtaining the relevant building plan approvals from the local authorities, and the new CCCs for those extensions.

6. INFORMATION ON OUR GROUP (Cont'd)

In regard to the extensions, as at LPD:

- (a) Our Group has obtained approvals from the Fire and Rescue Department of Malaysia and the Subang Jaya City Council for the revised building plan for the Puchong HQ on 6 May 2025 and 21 August 2025 respectively, and is pending issuance of the CCC which is expected to be obtained by mid-June 2026. For avoidance of doubt, the Puchong HQ has an existing CCC covering the main structures of the premise. There are additional extensions at the Puchong HQ that require a new CCC to be issued, namely erected roofings, internal structures which include partitioned rooms and staircases connected to the second floor of the Puchong HQ, measuring 1,447 sq ft which represent 11.7% of the total built-up area of the Puchong HQ of 12,358 sq ft. These extensions are primarily confined only to office areas, and do not affect the Group's manufacturing operations and storage activities, which are conducted within areas already permitted under the existing CCC. Accordingly, our Group's business operations are not expected to be materially adversely impacted in the event that the above regularisation process is affected and the additional extensions are being removed, manufacturing operations may continue notwithstanding the ongoing regularisation process whilst the affected office areas are not material to the overall business operations of Puchong HQ; and
- (b) Our Group has obtained approvals from the Fire and Rescue Department of Malaysia and the Seberang Perai City Council for the revised building plan for the Penang Facility on 15 May 2025 and 12 June 2025 respectively. Our Group obtained the CCC on 13 November 2025.

For FYE 2022 to 2025 and up to LPD, our Group has not and is not expected to experience any material adverse impact on its business operations or financial condition arising from the non-compliances as:

- (a) The Puchong HQ and the Penang Facility already had existing CCCs for the main structures. The Group also obtained the CCC for the additional extensions at the Penang Facility. The additional extensions at the Puchong HQ is in the midst of rectification, and our Group has not been imposed with any material notices, penalties or compounds in respect thereof as at LPD;
- (b) The total potential maximum penalty of RM300,000 in regard to the non-compliances by the Puchong HQ, represents approximately 4.4% of our Group's PAT for FYE 2025. Notwithstanding this, the likelihood of such penalty being imposed is low as our Group has already obtained the approvals from the Fire and Rescue Department of Malaysia and the relevant local councils. The local authorities may also at their discretion grant a rectification period before imposing any penalties in the event of enforcement. In the unlikely event that our Group is unable to obtain the new CCC for our Puchong HQ due to unforeseen circumstances, our Group will identify alternative locations for the affected parts of the office operations of our Puchong HQ.

(c) National Land Code (Revised 2020) ("NLC")

The NLC governs land matters within Peninsular Malaysia and the Federal Territory of Labuan, where our Group's properties are situated.

Pursuant to the NLC, the State Authority may alienate land subject to such express conditions and restrictions in interest which shall be determined by the state authority at the time when the land is approved for alienation and every condition or restriction in interest imposed under this section shall be endorsed on or referred to in the document of title to the land.

6. INFORMATION ON OUR GROUP (Cont'd)

In the event of breach of conditions, the Land Administrator has the right to either (1) impose a fine under Section 127 of the NLC after serving a notice on and requesting the proprietor to attend a hearing to show cause to the satisfaction of the land administrator, the reason that a fine should not be imposed in respect of such breach, failing which, the proprietor may be liable to pay a fine of not less than RM500 (and in the case of a continuing breach, a further fine of not less than RM100 for each day of the continuing breach); (2) request the proprietor to remedy the breach within the time stipulated in the notice served by the land administrator under Section 128 of the NLC, failing which, the land administrator may take action to enforce forfeiture of the land under Section 129 of NLC; or (3) hold an enquiry to forfeit the land under Section 129 of the NLC.

Our Group's land on which the Taiping Factory is located is subject to the express condition of 'Light Industrial'. As the Taiping Factory's operations, which commenced in 2014, involved the manufacturing and installation of industrial lifting and handling equipment, such activities are categorised as "Heavy Industrial".

On 15 April 2025, our Group submitted an application to change the express condition of the said land from "Light Industrial" to "Heavy Industrial – Factory for the Manufacturing of Lifting Machinery and Equipment". The Taiping Municipal Council issued a letter of no objection on 29 May 2025, and the Larut Matang and Selama Land District Office approved the application on 13 August 2025. On 8 October 2025, our Group had obtained the endorsed land title with the amended express condition from the Larut Matang and Selama Land District Office.

For FYE 2022 to 2025 and up to LPD, our Group has not experienced any material adverse impact on its business operations or financial condition arising from the non-compliance, as it has been rectified and our Group has not been imposed with any material notices, penalties or compounds in respect thereof.

(d) Employees' Minimum Standards of Housing, Accommodation and Amenities Act 1990 ("EMSA 1990")

The EMSA 1990, as amended by the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019, establishes the minimum housing, nurseries and accommodation criteria for employees (and their dependents, if applicable) as well as health, hospital, medical and social amenities to be provided by the employers to their employees.

Pursuant to Section 24D of the EMSA 1990, no accommodation shall be provided to an employee unless certified with a CFA. An application for a CFA shall be made by an employer or a centralised accommodation provider to the Director General of Labour in the form and manner as may be determined by the Director General of Labour and shall be accompanied by the prescribed processing fee. An employer who contravenes this commits an offence and shall, on conviction, be liable to a fine not exceeding RM50,000.

During FYE 2022 to 2025, our Group provided workers' accommodation at certain premises (further details of which are as set out in Sections 6.9.1 and 6.9.2), prior to obtaining the relevant CFAs. As at LPD, our Group has obtained all required CFAs for the workers' accommodation provided to our employees and the conditions therein have been duly complied with.

For FYE 2022 to 2025 and up to LPD, our Group did not have any non-compliances and has not experienced any material adverse impact on our business operations as the relevant CFAs have been obtained, nor has our Group been imposed with any material notices, penalties or compounds by the relevant authorities in respect thereof.

6. INFORMATION ON OUR GROUP (Cont'd)**(e) Occupational Safety and Health Act 1994 (as amended by the Occupational Safety and Health (Amendment) Act 2022) ("OSHA 1994") and its regulations**

The OSHA 1994 regulates the safety, health and welfare of persons at work, protecting others against the risks of safety or health in connection with the activities of persons at work.

Pursuant to the OSHA 1994, no person shall operate, or cause or permit to be operated, any prescribed plant, unless it has a certificate of fitness. The Occupational Safety and Health (Plant Requiring Certificate of Fitness) Regulations 2024 ("**OSHR 2024**") prescribed steam boilers, pressure vessels, and lifting machinery as plant requiring a certificate of fitness ("**Prescribed Plant**"). Any person who contravenes with the aforesaid shall be guilty of an offence and shall, on conviction be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 1 year or to both.

The OSHA 1994 also provides that only a registered competent person shall carry out activities specified in the Fifth Schedule of the OSHA 1994, which includes amongst others, fabricating, installing, erecting, operating or handling of any Prescribed Plant. Any person who contravenes this provision shall on conviction, be liable to a fine not exceeding RM100,000. Pursuant to the Guidelines for the Registration and Renewal of Competent Person 2024 issued by DOSH ("**Competent Person Guidelines**"), the term 'competent person' refers to individuals or companies who possesses qualifications, knowledge and experience to carry out activities listed under the Fifth Schedule of the OSHA 1994.

Section 29A of the OSHA 1994 also stipulates an employer whose place of work is not included in any prescribed class or description of place of work under subsection 29(1) of the OSHA 1994, shall appoint one of his employees to act as an occupational safety and health coordinator if he employs five or more employees at his place of work. An occupier who contravenes the provisions of this section shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding six months or to both.

Section 32 of the OSHA 1994 provides that an employee shall notify the nearest occupational safety and health office of any accident, dangerous occurrence, occupational poisoning or occupational disease which has occurred or is likely to occur at the place of work. The Occupational Safety and Health (Notification of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease) Regulations 2004 sets out the requirements and obligations of the employer to notify and report to DOSH on accidents occurred at places of work, and that any person who contravenes the aforesaid shall, on conviction be liable to a fine not exceeding RM10,000 or to imprisonment for a term not exceeding one year or to both.

For FYE 2022 to 2025 and up to LPD, our Group did not have any non-compliances and has not been imposed with any material notices, penalties or compounds by the relevant authorities pursuant to the OSHA 1994 and any regulations made thereunder. We have also not been held liable for any work related accidents resulting in injury of our employees. As at LPD, our Group holds and maintains a valid certificate of registration as a Competent Person (Company) issued by DOSH, and will ensure continued compliance with the applicable OSHA provisions.

6. INFORMATION ON OUR GROUP (Cont'd)

(f) CIDB Act 1994 ("CIDB Act") and its regulations

The CIDB Act and regulations made thereunder, governing the registration of construction personnel as well as skills and competency certification.

The CIDB Act prescribes that no person shall undertake any construction works unless he is registered with the CIDB and holds a valid certificate of registration issued by the CIDB under the CIDB Act. Every contractor, whether registered under the CIDB Act or not, shall be subject to the provisions of CIDB Act in order to carry out or complete, undertake to carry out or complete any construction works or hold himself as a contractor. Pursuant to Section 2 of the CIDB Act, construction works includes, among others, construction, extension, installation, renovation or dismantling of any building or erection above or below ground level and includes any works that are an integral part of or preparatory to the same. Section 25 of the CIDB Act provides that a contractor shall register with the CIDB and hold a valid certificate of registration issued by the CIDB under the CIDB Act to carry out or complete, undertake to carry out or complete any construction works or hold himself as a contractor.

Section 29 of the CIDB Act provides that any person who contravenes Section 25(1) of the CIDB Act shall be guilty of an offence and shall, on conviction, be liable to a fine of not less than RM10,000 but not more than RM100,000.

As at LPD, our subsidiary, Liftech KL, holds and maintains valid CIDB Certificate of Registration issued by CIDB. Our other subsidiaries perform maintenance and repair services only and do not undertake "construction works" within the meaning prescribed under Section 2 of the CIDB Act; thus, they are not required to register with the CIDB. For FYE 2022 to 2025 and up to LPD, our Group did not have any non-compliances and has not been imposed with any material notices, penalties or compounds by the relevant authorities pursuant to the CIDB Act and regulations made thereunder.

(g) Local Government Act 1976 ("LGA 1976")

The LGA 1976 empowers every local authority to grant licence or permit for any trade, occupation or premise through by-laws. Every licence or permit granted shall be subject to such conditions and restrictions as the local authority may think fit and shall be revocable by the local authority at any time without assigning any reason therefor. The LGA 1976 is applicable only in Peninsular Malaysia.

As our Group is running its business in various states in Peninsular Malaysia, our Group is subject to the by-laws of the respective districts and fall under the purview of the Subang Jaya City Council, Taiping Municipal Council, Seberang Perai Municipal Council, Ipoh Municipal Council and Kulai Municipal Council.

Pursuant to these by-laws, a person who fails to obtain a business licence for a business operation premise or display any advertisement without a signboard licence, shall be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or to both. A person who fails to exhibit or produce his licences on the licenced premises shall be liable to a fine not exceeding RM500 or imprisonment for a term not exceeding 6 months or to both.

For FYE 2022 to 2025 and up to LPD, our Group has not been imposed with any material notices, penalties or compounds by the relevant authorities pursuant to the LGA 1976 and the relevant by-laws. As at LPD, our Group also holds and maintains valid business and signboard licences issued by the respective local authorities, for our premises operating in Peninsular Malaysia.

6. INFORMATION ON OUR GROUP (Cont'd)**(h) Business, Professions and Trades Licensing Ordinance of Sarawak ("Sarawak Ordinance") and Local Authorities (Advertisement) By-Laws 2012 of Sarawak ("Sarawak Advertisement By-Laws")**

Pursuant to Section 3(1) of the Sarawak Ordinance, any person who carries on any business in Sarawak or carries on such business in any premises or place, or by means of any vessel or vehicle or other means or thing whatsoever without a trading licence shall be guilty of an offence that carries the penalty of RM1,000 fine. Section 3(2) further provides that a separate trading licence is required for each of the businesses in the First Schedule which may be carried on and, if such Schedule so provides, for every premises at which a business to which the Sarawak Ordinance applies is being carried on or, as the case may be, for every vessel or vehicle or other means of thing by which such business is carried on.

Pursuant to By-Law 4 of the Sarawak Advertisement By-Laws, no person shall erect or exhibit, or cause to be erected or exhibited within the areas under the jurisdiction of any local authority any advertisement, including business name signboards, without a licence issued by the local authority. Breach of the Sarawak Advertisement By-Laws or any licence condition is an offence, punishable to a fine not exceeding RM5,000 and imprisonment not exceeding 6 months, and, in the case of continuing offences, a further fine not exceeding RM200 for each day which the offence continues.

Liftech Borneo had commenced operations at the Bintulu Facility without a signboard licence since 2024. Upon being made aware of the requirements under the relevant laws and regulations, our Group subsequently obtained a signboard licence for the Bintulu Facility on 11 June 2025, which is valid till 10 June 2026.

For FYE 2022 to 2025 and up to LPD, our Group has not experienced any material adverse impact on our business operations as the signboard licence has been obtained, nor has our Group been imposed with any material notices, penalties or compounds by the relevant authorities in respect thereof. As at LPD, our Group holds a valid trading and signboard licence for our Bintulu Facility.

(i) Local Government Ordinance 1961 ("LGO"), Trades Licensing Ordinance 1949 of Sabah ("Trades Licensing Ordinance") and the by-laws of the respective local councils and authorities

The LGO empowers the local authority to grant licence or permit for any trade, occupation or premise through by-laws. Every licence or permit granted shall be subject to such conditions and restrictions as the local authority may think fit and shall be revocable by the local authority at any time without assigning any reason thereof.

The Trades Licensing Ordinance stipulates 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 or first lands in Sabah. Any person who contravenes the above shall be liable for each offence to a fine of four times the amount of the licence 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.

As we operate in Kota Kinabalu, we are subject to the by-laws under the purview of the Kota Kinabalu City Hall.

6. INFORMATION ON OUR GROUP (Cont'd)

The Kota Kinabalu Municipal Council (Advertisement) By-Laws 1983 ("**KK Advertisement By-Laws**") (presently enforced by the Kota Kinabalu City Hall), provides that no person shall exhibit or cause to be exhibited any advertisement without a licence issued by the Council. Any person who contravenes any of the provisions of the KK Advertisement By-Laws or any condition in a licence shall be guilty of an offence and shall be liable to a fine not exceeding RM5,000 and in the case of a continuing offence, a fine not exceeding RM200 for everyday during which such offence is continued.

Liftech Borneo had previously commenced operations at the Inanam (Kota Kinabalu) Facility without a signboard licence since 2024. Upon being made aware of the requirements under the relevant laws and regulations, our Group has subsequently obtained a signboard licence for the Inanam (Kota Kinabalu) Facility on 9 June 2025, which is valid till 31 December 2025.

For FYE 2022 to 2025 and up to LPD, our Group has not experienced any material adverse impact on our business operations as the signboard licence has been obtained, nor has our Group been imposed with any material notices, penalties or compounds by the relevant authorities in respect thereof. We have also relocated from the Inanam (Kota Kinabalu) Facility to the New Kota Kinabalu Facility in December 2025. As at LPD, our Group holds valid trading and signboard licences for our New Kota Kinabalu Facility.

(j) Immigration Act 1959 ("IA 1959"), Employment (Restriction) Act 1968 ("ERA 1968"), and all regulations made thereunder

The IA 1959 and ERA 1968 regulates matters relating to immigration and employment of non-citizens in Malaysia respectively.

Section 5(1) of the ERA 1968 states that no person not being a citizen of Malaysia shall be employed in any business in Malaysia or accept employment in any business in Malaysia unless there has been issued in respect of such person a valid employment permit. In addition, no person shall employ in Malaysia any non-citizen of Malaysia unless there has been issued in respect of that non-citizen a valid employment permit. Failure to comply with the abovementioned provision is an offence and shall, on conviction, be liable to a fine not exceeding RM5,000 or imprisonment for a term not exceeding 1 year or both.

Section 55B(1) of the IA 1959 provides that any person who employs one or more persons, other than a citizen or a holder of an entry permit, who is not in possession of a valid pass 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 RM50,000 or to a term of imprisonment not exceeding 12 months or to both for each such employee. Further, where it is proved to the satisfaction of the court that the person has at the same time employed more than 5 such employees, that person shall, on conviction be liable to imprisonment for a term of not less than 6 months but not more than 5 years and shall also be liable to whipping of not more than 6 strokes.

For FYE 2022 to 2025 and up to LPD, our Group has not been imposed with any material notices, penalties or compounds by the relevant authorities. As at LPD, all our foreign workers hold valid entry and work permits.

6. INFORMATION ON OUR GROUP (Cont'd)**(k) Employment Act 1955 ("EA 1955"), Labour Ordinance 1958 of Sarawak (as amended by the Labour Ordinance of Sarawak (Amendment) Act 2025) ("Sarawak Labour Ordinance") and Labour Ordinance 1950 of Sabah (as amended by the Labour Ordinance of Sabah (Amendment) Act 2025) ("Sabah Labour Ordinance")**

The EA 1955 and its regulations made thereunder govern employment in Peninsular Malaysia and the Federal Territory of Labuan, whilst the Sarawak Labour Ordinance and Sabah Labour Ordinance govern employment in Sarawak and Sabah respectively.

Any person who commits an offence under, or contravenes any provisions of the EA 1955, or any regulations made thereunder, in respect of which no penalty is provided, shall be liable, on conviction, to a fine not exceeding RM50,000. Likewise, any person who contravenes any provisions of the Sarawak Labour Ordinance or the Sabah Labour Ordinance, or any subsidiary legislations made thereunder, commits an offence, in respect of which no penalty is provided, shall be liable, on conviction to a fine not exceeding RM50,000.

In the event that an employee's contract does not adhere to the minimum standards prescribed by the EA 1955, Sarawak Labour Ordinance or Sabah Labour Ordinance, the affected employee may lodge a complaint of non-compliance with the Director General of Labour (in Peninsular Malaysia and the Federal Territory of Labuan) or the Director of Labour (in Sarawak and Sabah).

For FYE 2022 to 2025 and up to LPD, our Group did not have any non-compliances, and has not been imposed with any material notices, penalties or compounds by the relevant authorities pursuant to the EA 1955, Sarawak Labour Ordinance or Sabah Labour Ordinance.

Our Group has observed and will continue to ensure that we comply with the minimum standards prescribed by the EA 1955, Sarawak Labour Ordinance or Sabah Labour Ordinance.

6.11 ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") PRACTICES

Our primary goal is to promote sustainable development among our stakeholders, the promotion of innovation, and the empowerment of our employees and the community. As a responsible public governance entity, we are fully devoted towards achieving sustainable development goals. Our Group has implemented, and are in the midst of implementing, the following practices and measures.

(a) Environmental

Our Group believes in preserving and caring for the environment by adopting sustainable practices in our business activities. In managing environmental matters, we will focus on, amongst others, the following:

- (i) to minimise energy consumption and reduce our carbon footprint by investing in renewable energy sources and enhancing our energy efficiency measures;
- (ii) to reduce our overall water consumption by promoting water conservation practices;
- (iii) to adhere to all relevant environmental regulatory and legal requirements; and
- (iv) to ensure responsible waste management and disposal.

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

Our Group is committed to act responsibly to all our stakeholders in our business operations as well as to the community in which we operate in. We recognise that our employees are valuable assets and as such, we strive to retain and nurture skilled talent through the following practices:

- (i) to cultivate a diverse and inclusive culture that recognises and values individuality;
- (ii) to respect and uphold the fundamental workers' rights through the elimination of child labour and forced labour of all forms;
- (iii) to cultivate a secure, healthy and supportive workplace environment for our employees;
- (iv) to eliminate improper conduct and practices, including but not limited to workplace bullying, discrimination against individual differences, discriminatory and sexual harassment, intimidation and victimisation;
- (v) to ensure equal access to opportunities regardless of one's age, gender, ethnicity, religion, national origin, sexual orientation, disability or any other relevant characteristics; and
- (vi) to empower our workforce by supporting their personal and professional growth.

(c) Governance

Our Group recognises the importance of promoting good corporate governance to ensure long term sustainability of our business. Accordingly, we are committed to conduct our business ethically and in compliance with all relevant laws, regulations, rules and requirements. In maintaining high standards of corporate governance, our Board has progressively adopted all the applicable principles and practices as promulgated in the MCCG, particularly on embracing board gender diversity.

In addition, our Group has adopted the Anti-Bribery and Anti-Corruption policy towards bribery where we have put in place the policies and procedures to ensure strict compliance with the Malaysian Anti-Corruption Commission Act 2009. In relation to our Group's risk management, our Group has put in place a risk management framework to monitor closely on the risk associated with our Group's business as well as the Whistleblowing Policy and Personal Data Protection Policy to ensure and promote fairness in business dealings.

6.12 EMPLOYEES

As at LPD, we have a total workforce of 218 employees, of which 186 are local employees and 32 are foreign employees, comprising 153 permanent employees and 65 contractual employees. The local contractual employees are contracted for 1 year, whilst the foreign contractual employees are contracted for 2 to 3 years, subject to annual renewal of their work permits.

6. INFORMATION ON OUR GROUP (Cont'd)

The breakdown of our employees as at 31 December 2025 and LPD are as follows:

(a) Group level

Category	No. of employees		
	Permanent	Contractual	
	Local	Local	Foreigner
As at 31 December 2025			
Executive Directors	3	-	-
Key senior management	4	-	-
Finance and accounting	7	3	-
HR and administration	20	2	-
Sales	12	1	-
Service ⁽¹⁾	57	12	19
Business development and marketing	1	1	-
Technical and production ⁽²⁾	44	16	12
	148	35	31

Category	No. of employees		
	Permanent	Contractual	
	Local	Local	Foreigner
As at LPD			
Executive Directors	3	-	-
Key senior management	4	-	-
Finance and accounting	7	4	-
HR and administration	20	2	-
Sales	11	1	-
Service ⁽¹⁾	61	9	20
Business development and marketing	1	1	-
Technical and production ⁽²⁾	46	16	12
	153	33	32

(b) Geographical location

	No. of employees		
	Permanent	Contractual	
	Local	Local	Foreigner
As at 31 December 2025			
Northern region ⁽³⁾	67	7	9
Central region ⁽⁴⁾	44	20	22
East Malaysia	14	5	-
Southern region	14	1	-
East coast region	9	2	-
	148	35	31

	No. of employees		
	Permanent	Contractual	
	Local	Local	Foreigner
As at LPD			
Northern region ⁽³⁾	66	10	9
Central region ⁽⁴⁾	45	21	23
East Malaysia	19	-	-
Southern region	14	1	-
East coast region	9	1	-
	153	33	32

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

- (1) Includes 2 service coordinators as at 31 December 2025 and as at LPD who are responsible for scheduling and coordination of service workers, and 86 and 88 service workers as at 31 December 2025 and as at LPD respectively who are involved in the installation, commissioning, maintenance and repair works.
- (2) Includes 10 engineers and 16 welders as at 31 December 2025, and 9 engineers and 14 welders as at LPD for engineering design works and welding works respectively. Among the 9 engineers, 8 are local permanent employees and 1 is a foreign contractual employee, while among the 14 welders, 12 are local permanent employees and 2 are local contractual employees. The remaining are workers involved in manufacturing activities.
- (3) The number of employees from Taiping Factory, Penang Facility and Ipoh Facility respectively are as follows:

	No. of employees		
	Permanent	Contractual	
	Local	Local	Foreigner
Northern Region			
As at 31 December 2025			
Taiping Factory	23	5	9
Penang Facility	32	1	-
Ipoh Facility	12	1	-
	67	7	9
As at LPD			
Taiping Factory	23	5	9
Penang Facility	32	1	-
Ipoh Facility	11	4	-
	66	10	9

- (4) Comprising 86 employees as at 31 December 2025, of which 44 are local permanent employees, 20 are local contractual employees and 22 are foreign contractual employees, and 89 employees as at LPD, of which 45 are local permanent employees, 21 are local contractual employees and 23 are foreign contractual employees from our Puchong HQ.

There were no significant changes in the number of employees of our Group from 31 December 2025 up to LPD.

None of our employees, whether permanent or contractual, belong to any labour union and there has been no labour dispute between our management and our employees. Additionally, over FYE 2022 to 2025 and up to LPD, there has not been any incident of work stoppage that has materially affected our operations.

7. BUSINESS OVERVIEW

7.1 HISTORY AND MILESTONES OF OUR GROUP

The table below sets out the key milestones on the expansion of our business since our incorporation in 1992:

1990s: Foundation and initial expansion

Year	Key milestones
1992	- The history of our Group can be traced back to the incorporation of Liftech JB on 8 August 1992 by our Executive Director, Eng Peng Hong and Ng Suan Chiok (the late sister of Ng Sea Kai, our Managing Director). Ng Suan Chiok subsequently disposed all her shares to Ng Sea Kai and Eng Peng Hong, and ceased to be director on 5 January 1999. - We commenced operations with the provision of maintenance and repair services for cranes from a rented premise in Skudai, Johor. - Ng Sea Kai joined us when he was appointed as director of Liftech JB on 17 November 1992. He subsequently became a shareholder of Liftech JB on 28 April 1994 through allotment of new shares. He was appointed as Managing Director of our Group on 27 January 2023.
1995	We purchased a double-storey shophouse in Skudai, Johor, and relocated our operations to this new premise. Upon relocation, we ceased the rental and operations at our previous location.
1996	- We rented a 1½-storey light industrial factory in Puchong, Selangor, to provide maintenance and repair services for cranes. - Through our experience gained over the years, we also expanded our business offering to include the manufacturing of industrial lifting cranes. As a start, we were involved in designing the cranes, and we outsourced the manufacturing of cranes to a third-party subcontractor. This was due to space limitation at our premise as cranes are large and bulky which require large space to fabricate and assemble.
1997	- As our business continued to expand, more space was required for maintenance and repair works as well as inventory storage. With that, we rented 2 additional light industrial factory units, located adjacent to our light industrial factory in Puchong, Selangor. - We rented a 1½-storey semi-detached factory in Menglembu, Ipoh, Perak as our Ipoh Facility, which remains as our operating facility to-date, to provide maintenance and repair services for cranes. Our Ipoh Facility has a land and built-up area of approximately 4,499 sq ft and 3,560 sq ft respectively. We subsequently acquired our Ipoh Facility in 2003. Our Ipoh Facility was later extended to the existing 5,420 sq ft. - We also rented a terrace shoplot in Prai, Penang, which we later acquired in 2003, to provide maintenance and repair services for cranes as our management foresaw the potential for business growth in Penang as well as other states in the northern region.

7. BUSINESS OVERVIEW (Cont'd)

Year	Key milestones
1999	We were first registered with the DOSH on 26 January 1999 for the engineering design of industrial lifting cranes in Malaysia (i.e. as at LPD, this registration is known as Competent Person (Company)). Over the years, we gradually expanded our certified scope of work as Competent Person (Company), in which further details are as set out in Section 7.13. Such registration certifies that we are qualified by DOSH to legally carry out the manufacturing of industrial lifting cranes and other industrial lifting and handling equipment.

2000s: Establishment of first in-house manufacturing capability and distribution arrangements

Year	Key milestones
2000	We relocated our operations from our premise in Skudai, Johor to a 1½-storey terrace factory in Tebrau, Johor which we purchased. Upon relocation, we ceased our operations at Skudai, Johor.
2002	- We further expanded our operations when we rented 2 units of a 1½-storey semi-detached factory in another location in Puchong, Selangor as our Puchong HQ. We subsequently acquired in 2006 and extended the 1½-storey units to double-storey units. Our Puchong HQ has a land area of approximately 22,852 sq ft (inclusive of approximately 11,194 sq ft for manufacturing area and 11,266 sq ft for storage area) and a built-up area of 12,358 sq ft for our office as well as the maintenance and repair workshop. - We relocated our operations from the light industrial factory in Puchong to our Puchong HQ, which remains as our headquarters to-date. Upon relocation, we ceased the operations and rental of the light industrial factory in Puchong, Selangor. - With larger space available in our Puchong HQ, we were able to begin undertaking in-house manufacturing of industrial lifting cranes. This is our first manufacturing facility. - We were appointed as a non-exclusive authorised distributor of LIFTKET Hoffmann GmbH ("LIFTKET"), a company based in Germany, whereby we are authorised to resell, repair and maintain LIFTKET electrical chain hoist and its relevant spare parts in Malaysia. With that, we are able to distribute as well as use LIFTKET's electrical chain hoist in our manufacturing of industrial lifting cranes. The authorised distributorship is non-exclusive and is valid for 18 months. The distributorship is renewable upon mutual agreement between the parties. Either party may discontinue or choose not to renew the distributorship upon expiry of the term by giving reasonable written notice. To-date, we are still the non-exclusive authorised distributor of LIFKET.

7. BUSINESS OVERVIEW (Cont'd)

Year	Key milestones
2005	We were appointed as an exclusive distributor of Zhejiang Shuangniao Lifting Equipment Co., Ltd, a company based in China, to sell, install and provide after sales service for all range of SH/ SHA model electric wire rope hoist and SHK model electric chain hoist under its TBM brand in Malaysia. With that, we are able to distribute and use TBM electric wire rope hoist and electrical chain hoist in our manufacturing of industrial lifting cranes. The agreement is exclusive for the Malaysian territory, effective for a period of 3 years from the date of signing and is automatically renewable for successive 3-year terms unless terminated by either party with 1 month's written notice prior to expiry. Either party may terminate the agreement earlier by giving 30 days' written notice in the event of a breach of terms. To-date, we are still the exclusive distributor for Zhejiang Shuangniao Lifting Equipment Co., Ltd.
2008	We expanded our product offerings to include goods hoists.

2010s: Strengthen market presence throughout Peninsular Malaysia, establishment of new manufacturing facility, and expansion to East Malaysia

Year	Key milestones
2011	- We were appointed as a non-exclusive authorised distributor of Talleres Jaso Industrial, S.L. ("JASO"), a company based in Spain, whereby we are authorised to supply, repair and maintain JASO's electric wire rope hoist in Malaysia and Thailand. We are also able to use JASO's electric wire rope hoist in our manufacturing of industrial lifting cranes. The authorised distributorship is non-exclusive and continuing in nature, without fixed term or expiry. Either party may discontinue the distributorship at any time by mutual agreement or by giving reasonable notice. To-date, we are still the non-exclusive distributor of JASO. - We were first registered as a Grade 5 (G5) contractor in the building (B), civil engineering (CE), and mechanical and electrical engineering (ME) categories with the CIDB. As a G5 registered contractor, we are eligible to participate in a tender or carry out any construction work with a value not exceeding RM 5 million as well as to meet certain customer requirements.
2012	- As our business continued to grow, we require larger space to carry out our maintenance and repair operations. With that, we purchased a 1½-storey semi-detached factory in Senai, Johor as our Johor Facility. Our Johor Facility has a land and built-up area of approximately 22,400 sq ft and 9,930 sq ft respectively. - Pursuant to the acquisition, we relocated our operations from the terrace factory in Tebrau, Johor to our Johor Facility, which remains as our operating facility to-date. Upon relocation, we ceased the operations at the terrace factory in Tebrau, Johor.

7. BUSINESS OVERVIEW (Cont'd)

Year	Key milestones
2014	- We expanded our manufacturing activities when we commenced the operations of our new factory in Taiping, Perak as our Taiping Factory (i.e. the land was acquired in 2011 and phase 1 construction of the factory was completed in 2014), our second manufacturing facility. - Our Taiping Factory has a total land area of approximately 217,754 sq ft. The phase 1 construction of our Taiping Factory encompasses a double-storey office building and factory which has a built-up area of approximately 50,946 sq ft, whereby approximately 46,500 sq ft is allocated for manufacturing. This new manufacturing facility increased our in-house manufacturing capacity, allowing us to secure more projects as we continue to grow our business. - We also provide maintenance and repair services for cranes through our Taiping Factory. - We expanded our product offerings to include hydraulic scissor lifts and dock levellers.
2015	- As our business continued to grow, we require larger space to carry out our maintenance and repair operations. With that, we purchased a double-storey cluster factory in Simpang Ampat, Penang as our Penang Facility. Our Penang Facility has a land and built-up area of approximately 5,210 sq ft and 7,100 sq ft respectively. - Pursuant to the acquisition, we relocated our operations from the facility in Prai, Penang to our Penang Facility in 2017, which remains as our operating facility to-date. Upon relocation, we ceased the operations at our facility in Prai, Penang and we subsequently sold the terrace shophot in 2018.
2017	We expanded our presence into East Malaysia when we rented a shophouse in Bintulu, Sarawak to provide maintenance and repair services for cranes.
2018	To cater to the continued expansion of our business, we purchased a 1½-storey semi-detached factory located adjacent to our Ipoh Facility. With that, our Ipoh Facility has larger space of approximately 8,998 sq ft and 10,840 sq ft of total land and built-up area respectively, which allows us to undertake more maintenance and repair works.

2020s: Product expansion and preparation for future growth

Year	Key milestones
2021	We expanded our product offerings to include lifters to complement our range of industrial lifting and handling equipment offered.
2022	We expanded our product offerings to include aerial work platforms to complement our range of industrial lifting and handling equipment offered.

7. BUSINESS OVERVIEW (Cont'd)

Year	Key milestones
2024	• We completed the second phase expansion of our Taiping Factory which encompasses the expansion of our manufacturing area (including storage). With that, the total manufacturing area of our Taiping Factory increased to approximately 127,100 sq ft, thus further increased our manufacturing capacity. • We purchased a 1½-storey industrial terrace factory in Kuantan, Pahang as our Kuantan Facility with a land and built-up area of approximately 2,336 sq ft and 2,886 sq ft respectively, which remains as our operating facility to-date, to provide maintenance and repair services for cranes, targeting customers in the east coast region. • We further expanded our presence in East Malaysia when we rented a double-storey light industrial shophouse in Inanam, Sabah as our Inanam (Kota Kinabalu) Facility. Our Inanam (Kota Kinabalu) Facility has a land area and built-up area of approximately 1,199 sq ft and 3,090 sq ft respectively, and it remains as our operating facility to-date. • We relocated our operations in Bintulu, Sarawak to a rented shophouse as our Bintulu Facility with a built-up area of approximately 868 sq ft, and it remains as our operating facility to-date.
2025	• As our business in East Malaysia continued to grow, we require larger space to carry out our maintenance and repair operations. With that, we purchased a double-storey semi-detached building in Kota Kinabalu, Sabah as our New Kota Kinabalu Facility. Our New Kota Kinabalu Facility has a land area and built-up area of approximately 4,400 sq ft and 3,601 sq ft respectively. • We expanded our product offerings to include mechanical and automated car park systems to complement our range of industrial lifting and handling equipment offered. • Pursuant to the acquisition of our New Kota Kinabalu Facility, we relocated our operations from the Inanam (Kota Kinabalu) Facility to our New Kota Kinabalu Facility, which remains as our operating facility to-date. Upon relocation, we ceased the rental and operations at the Inanam (Kota Kinabalu) Facility. We commenced operations in our New Kota Kinabalu Facility in 2026.

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7. BUSINESS OVERVIEW (Cont'd)

7.2 PRINCIPAL BUSINESS ACTIVITIES, PRODUCTS AND SERVICES

7.2.1 Our business activities

We are an industrial lifting and handling equipment specialist, principally involved in the provision of customised industrial lifting and handling equipment, under our 'Liftech' brand.

Our comprehensive capabilities span the entire lifecycle of the industrial lifting and handling equipment, from design, manufacturing, installation, commissioning, as well as maintenance, repair and other related services. This allows us to be a one-stop centre for our customers to source industrial lifting and handling equipment and receive continuous support and maintenance to optimise the equipment performance and lifespan.

Our business model is summarised below:

Our principal activity	We are an industrial lifting and handling equipment specialist, principally involved in the provision of customised industrial lifting and handling equipment, under our 'Liftech' brand		
Our business segments	Design, manufacturing, installation and commissioning of industrial lifting and handling equipment	Provision of maintenance, repair and other related services	Trading of components, accessories and other industrial lifting and handling equipment
Our products and services	(a) Industrial lifting cranes - Overhead crane - Gantry/semi-gantry crane - Jib crane - Monorail crane (b) Industrial lifts - Goods hoist - Lifter - Hydraulic scissor lift (c) Dock leveller	(a) Maintenance and repair services ⁽¹⁾ : - Preventive maintenance - Troubleshooting and repair - Refurbishment - Relocation (b) Other related services: - Industrial lifting crane training - Renewal service for DOSH certificate of fitness - Renting loads for load tests	(a) Components: - Hoist unit - Electrical components - Travel wheel and travel motor - Wire rope and chain (b) Accessories: - Wire rope sling - Crane weighing scale - Magnetic lifter (c) Aerial work platform ⁽²⁾
Our customers	Direct end users from various industries (e.g. steel works and steel foundry, construction, public utilities, semiconductor, machinery, pre-cast concrete, palm oil, plastic products, automotive components and raw metals) Indirect end users: Main contractors (i.e., companies that construct buildings, factories, industrial plants and infrastructures) on behalf of their customers		

Notes:

- (1) Our maintenance and repair services also include the sale of components which are subject to wear and tear during operation.
- (2) The aerial work platform is sourced from our supplier in China and we provide DOSH application submittal services to obtain certificates of fitness for the aerial work platform.
- (3) The mechanical and automated car park systems are sourced from our supplier in China. We undertake in-house installation and commissioning works for the mechanical and automated car park systems. We also provide DOSH application submittal service to obtain certificate of fitness for the mechanical car park system. As at LPD, the OSHR 2024 is not applicable for automated car park systems, hence we do not provide DOSH application submittal service to obtain certificate of fitness for automated car park system. We secured our first order for the mechanical carpark system in November 2024 and commenced work in November 2025 following the readiness of the customer's project site for installation and commissioning works. This project for our mechanical carpark system remains on track for completion in the third quarter of 2026. On the other hand, for our automated carpark system, we are in the midst of finalising the commercial terms for our first order of automated carpark system as at LPD. Commencement of work on our automated carpark system is expected to be in 2027.

7. BUSINESS OVERVIEW (*Cont'd*)

Lifting machinery (also referred to as industrial lifting and handling equipment), as defined by the OSHR 2024, refers to any equipment used for lifting, raising, transporting or lowering loads. Our industrial lifting and handling equipment mainly comprise industrial lifting cranes, industrial lifts, dock levellers, aerial work platforms as well as mechanical and automated car park systems. Please refer to Section 7.2.2 for further information on our products.

According to the OSHR 2024, all industrial lifting machinery requires a valid certificate of fitness for use before it can be operated, save for automated car park systems. The certificate of fitness is mandatory to certify that the design, substance, construction, performance quality, inspection and testing of industrial lifting and handling equipment comply with the standards recognised by the OSHR 2024, and that the industrial lifting and handling equipment is manufactured by a Competent Person (Company). For that purpose, relevant approvals must be obtained from DOSH prior to manufacturing and use.

Automated car park systems are typically installed as part of, or in connection with building and development projects. Accordingly, they are subject to approvals from the relevant local authorities under the SDBA and its subsidiary legislation, namely the Uniform Building By-Laws 1984 ("**UBBL**"). Such approvals form part of the building plan approval process and are required prior to the implementation and operation of automated car park systems within the project. Our customers, such as main contractors engaged by property developers, are responsible for obtaining the requisite approvals from the relevant local authorities for projects incorporating the automated carpark systems. In support of this process, we provide the necessary technical drawings, specifications and engineering calculations for our automated car park systems, as required.

The details of our business activities are as described below:

(a) **Design, manufacturing, installation and commissioning of industrial lifting and handling equipment**

We design and manufacture industrial lifting and handling equipment comprising industrial lifting cranes, industrial lifts and dock levellers, which are customised according to our customer's requirements (e.g. operational requirements and safety standards). Our design process encompasses 3 stages as follows:

- (i) **Design conceptualisation** - This is the first step of our design process in proposing suitable types of equipment and creating preliminary design drawings upon understanding our customer's requirements such as manufacturing or operational needs, speed of movement required, factory layout and available space, budget and safety standards. We provide several options of preliminary designs for our customer's selection;
- (ii) **Detailed engineering design** – This involves in-depth assessing of customer's site layout through actual site visits and carrying out on-site measurements, taking into consideration factors such as the working range of the equipment, type and maximum weight of the load, direction and speed of movement, operating conditions, space availability and height of ceiling, site condition, and safety and control features. Detailed site measurements are necessary as the calculations will be incorporated in our design drawings to ensure the industrial lifting and handling equipment we manufacture operates efficiently and safely; and
- (iii) **DOSH application and approval (design verification)** - Upon receiving customer's approval of the final proposed design, we will assist our customers to apply for design verification and approval from DOSH's Head Office in Putrajaya. Such approval is necessary prior to manufacturing to ensure that our design complies with DOSH's safety regulation.

7. BUSINESS OVERVIEW (Cont'd)

Our industrial lifting and handling equipment are manufactured in-house, at our Puchong HQ and Taiping Factory, according to our DOSH-approved detailed engineering design. Our manufacturing process encompasses fabrication and assembly of industrial lifting and handling equipment.

We source steel materials such as plates, pipes, beams, columns and bar rails, to be fabricated into the required dimensions and welded to form the structure of the industrial lifting and handling equipment; as well as components such as hoist units, electrical components, travel wheels and travel motors, to be assembled together with the fabricated structures to form the respective parts of the industrial lifting and handling equipment. Upon customer's request, we may also source accessories such as wire rope slings, crane weighing scales and magnetic lifters, to be equipped onto the industrial lifting and handling equipment. These accessories are optional items. Our steel materials, components and accessories are sourced from local and overseas suppliers.

Particularly for hoist units, we are authorised to distribute several brands namely TBM, JASO and LIFTKET which we source from our brand principals in China, Spain and Germany respectively. Under the distribution arrangement with our brand principals, we are authorised to distribute the hoist units of these brands as well as to use the hoist units in our manufacturing of industrial lifting cranes. We carry multiple brands of hoist units to provide wider selection for our customers based on their required specifications and budgets. This enables our Group to be competitive in securing projects from customers. Revenue for hoist units that are used in our manufacturing activities are recognised under our design, manufacturing, installation and commissioning of industrial lifting and handling equipment business segment, whereas revenue for hoist units that are sold as standalone products are recognised under our trading of components, accessories and other industrial lifting and handling equipment business segment.

We have our in-house team to undertake the installation and commissioning of industrial lifting cranes, industrial lifts and dock levellers at customer's premise or designated location. As and when required, we may outsource the installation and commissioning works to third-party subcontractors when we face shortages of in-house manpower. After installation and commissioning, we also assist our customers to apply for the certificate of fitness from state-level DOSH office for these industrial lifting and handling equipment based on the location in which the equipment is installed and commissioned.

Please refer to Section 7.3 for further details on our design, manufacturing, installation and commissioning process flow.

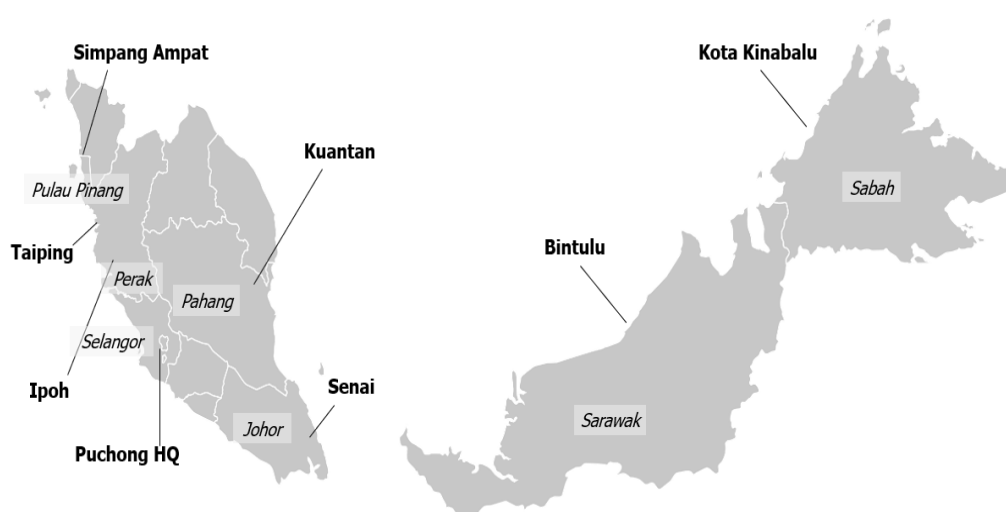
For FYE 2022 to 2025, we also receive orders directly from end users in Thailand and Indonesia. For orders from foreign customers, we design the industrial lifting and handling equipment based on the customers' requirements and primarily engage local subcontractors (in the respective foreign countries) to carry out the manufacturing, installation and commissioning works based on our design. For such international orders, we are not involved in the application to regulatory certification bodies for the operation of industrial lifting and handling equipment in the respective countries. Notwithstanding, our engineering designs are prepared in accordance with ISO 9001:2015 Quality Management Systems which are internationally recognised. In the event where local regulations of our foreign customers apply, we will work closely with our customers to ensure the compliance of our designs with such local regulations. In addition to Thailand and Indonesia, our other foreign customers for FYE 2022 to 2025 are also end users.

7. BUSINESS OVERVIEW (Cont'd)

(b) Provision of maintenance, repair and other related services

We provide maintenance and repair services for industrial lifting and handling equipment in which our services include routine inspections and servicing for preventive maintenance purposes, troubleshooting and repair services, refurbishment services (i.e. for customers who wish to modify their existing industrial lifting cranes to accommodate their prevalent operational needs) and relocation services (i.e. for customers relocating to new premises). Our maintenance and repair services also include the sale of components which are subject to wear and tear during operation.

As at LPD, we have 8 maintenance and repair teams strategically based across Malaysia, which is in Puchong HQ (Selangor), Taiping (Perak), Ipoh (Perak), Simpang Ampat (Penang), Senai (Johor), Kuantan (Pahang), Bintulu (Sarawak) and Kota Kinabalu (Sabah).



This enables us to serve customers across the northern, central, southern and east coast region, as well as in East Malaysia. With our maintenance and repair team located at closer proximity to our customers' sites, it allows us to provide prompt technical support and 24/7 on-call breakdown response services to our customers. Please refer to Section 7.2.5 for further details on our operational facilities.

For customers who purchased industrial lifting and handling equipment from us, we provide warranty on a back-to-back basis for components which are under warranty by our suppliers or brand principles. Nonetheless, during this period of warranty or thereafter, our clients may engage us for maintenance or repair services at their own cost should they require such maintenance or repair services. We also provide maintenance and repair services to customers who purchased industrial lifting and handling equipment from other suppliers.

7. BUSINESS OVERVIEW (Cont'd)

In addition, we also provide other related services which comprise the following:

Services	Description
(a) Industrial lifting crane training	: We provide trainings to our customers' crane operators on the proper operations of industrial lifting cranes to prevent workplace accidents.
(b) Renewal service for DOSH certificate of fitness for industrial lifting and handling equipment	: We assist our customers in applying for the renewal of their certificate of fitness with DOSH for the continued legal operation of their industrial lifting and handling equipment. The certificate of fitness issued for each industrial lifting and handling equipment is valid for a period of 15 months from the date of inspection and must be renewed for continued operation.
(c) Renting loads for load tests	: For the purpose of an inspection by DOSH to obtain or renew the certificate of fitness for industrial lifting and handling equipment, a load test at the position of the load specified in the design verification and a functional test on all safety devices of the industrial lifting and handling equipment is required to be carried out. We provide the rental of loads to customers for the purpose of the load test inspection.

Our maintenance and repair services as well as other related services are provided as and when required by our customers, in which fees are charged per each service provided.

(c) Trading of components, accessories and other industrial lifting and handling equipment

To complement our offerings, we trade components and accessories for our industrial lifting and handling equipment. We trade components such as hoist units, electrical components, travel wheels and travel motors as well as accessories such as wire rope slings, crane weighing scales and magnetic lifters. The components and accessories that we trade are commonly requested items and are sold as standalone products to customers. We source the components and accessories from third-party suppliers, locally and overseas.

In addition, we trade other industrial lifting and handling equipment comprising aerial work platforms as well as mechanical and automated car park systems to increase our range of industrial lifting and handling equipment offered. We will source the aerial work platform as well as mechanical and automated car park systems from third-party suppliers in China based on customer's requirement. Further, we provide installation and commissioning services for mechanical and automated car park systems, as well as provide certificate of fitness application services in Malaysia to our customers for aerial work platforms and mechanical car park systems. As at LPD, the OSHR 2024 is not applicable for automated car park systems, hence we do not provide DOSH application submittal service to obtain certificate of fitness for automated car park system.

7. BUSINESS OVERVIEW (Cont'd)

7.2.2 Our products

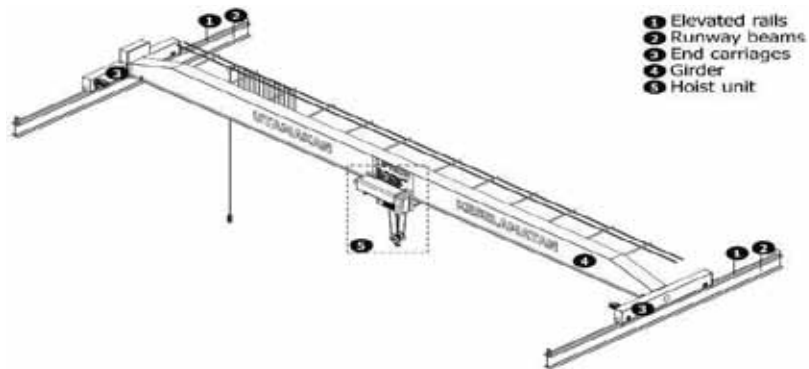
Industrial lifting and handling equipment are used to aid manual lifting and handling tasks, particularly in lifting and handling heavy and large-size loads. This increases operational efficiency (i.e. ease of moving heavy and large-size loads) and safety (i.e. reduces risk of injury to workers by reducing risk of dropped or unbalanced loads), as well as reduces the need for manual labour as the equipment is able to carry and move loads that are of multiple times heavier than that could be done by a worker.

We market and sell our in-house designed and manufactured industrial lifting cranes, industrial lifts and dock levellers under our 'Liftech' brand, which are further detailed below:

(a) Industrial lifting cranes

We undertake in-house designing and manufacturing of a variety of industrial lifting cranes to meet various industrial needs. The industrial lifting cranes that we offer comprise overhead cranes, gantry cranes/ semi-gantry cranes, jib cranes and monorail cranes, which are customised according to customer's requirements. Further details of the respective industrial lifting cranes are as detailed below:

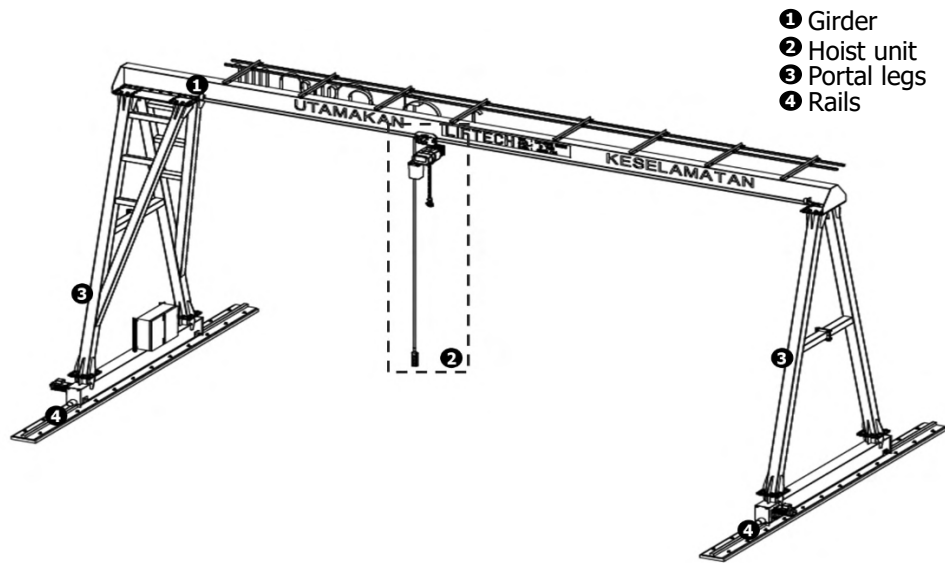
(i) Overhead crane



Overhead cranes run on elevated rails that allows the cranes to move heavy loads horizontally along the rails. Overhead cranes comprise a girder that spans across two or more supports and end carriages that travel along the runway beam. The end carriages run along the runway beam and the girder carries the hoist unit that lifts and lowers the load. The runway beam of the overhead crane is fixed to its position and cannot be moved. Overhead cranes are used in factories and warehouses to handle heavy materials, equipment or machinery.

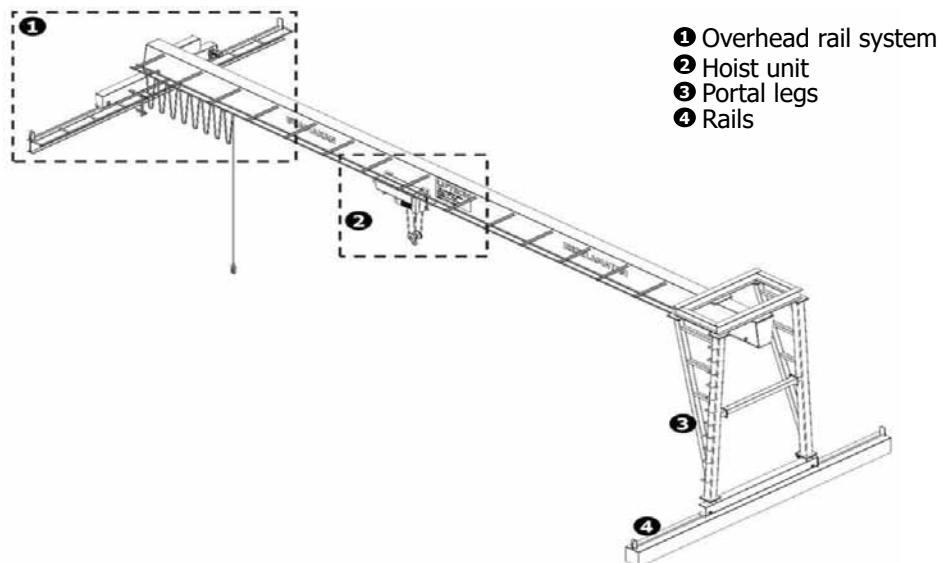
7. BUSINESS OVERVIEW (Cont'd)

(ii) Gantry crane/ semi-gantry crane



Gantry crane

Gantry cranes comprise a girder (including the hoist unit) that is supported by portal legs on both ends that move along rails on the ground. Gantry cranes are suitable for outdoor, open spaces such as in shipping yards, ports, rail yards, construction sites, outdoor warehouses and large factories.

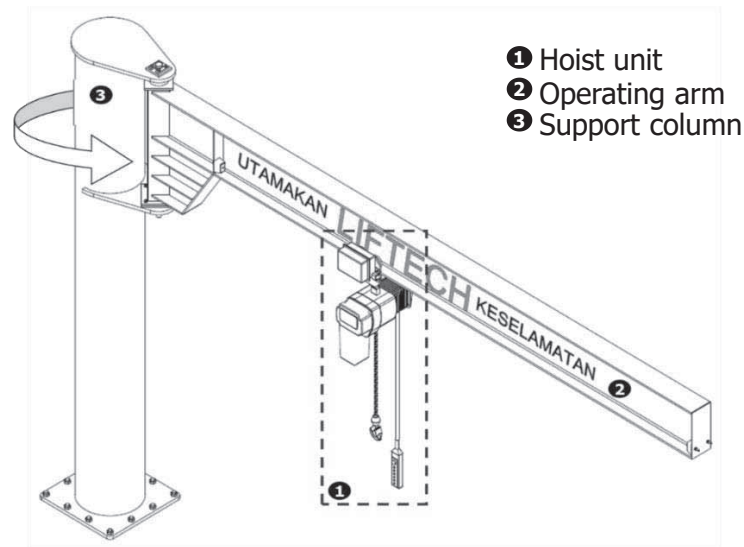


Semi-gantry crane

Semi-gantry cranes are supported by portal legs at 1 end of the girder that move along rails on the ground. The other end of the girder is mounted on an overhead rail system (similar to an overhead crane) which is fixed to its position. Semi-gantry cranes are suitable for areas where space constraints require part of the crane to be overhead and part of it to be supported on the ground. It is commonly used indoor between production lines where operations are of smaller scale.

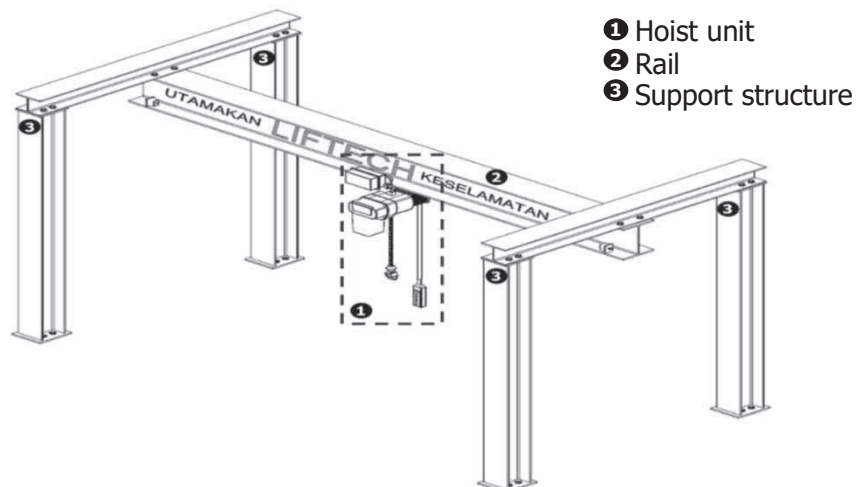
7. BUSINESS OVERVIEW (Cont'd)

(iii) Jib cranes



Jib cranes have an operating arm that extends horizontally from the crane. The horizontal arm supports a hoist unit that can move along the arm. Jib cranes can be designed with a rotating mechanism which allows the arm to rotate horizontally, up to 360 degrees, around the support column. Jib cranes are typically mounted on the floor and are suitable for workshops, factories or storage facilities that have limited working space.

(iv) Monorail crane



Monorail cranes operate on a single, wall-mounted or ceiling-mounted rail that allows the hoist to carry loads along a set path. The rail is typically continuous and supports a more confined path of movement. Monorail cranes are ideal for smaller or confined space where materials are moved within a simple, dedicated path. As monorail crane operates on a single rail and has simpler design, it generally handles lighter loads and less complex lifting tasks.

7. BUSINESS OVERVIEW (Cont'd)

(b) Industrial lifts

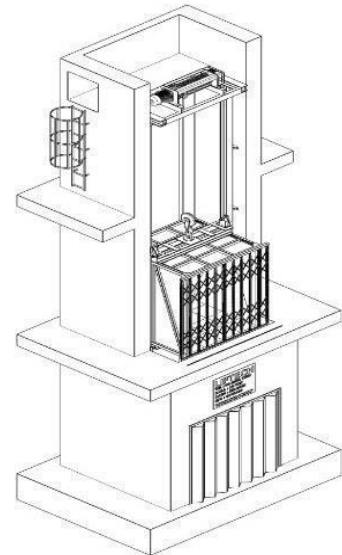
The industrial lifts that we design and manufacture comprise goods hoist, lifters and hydraulic scissor lifts which are further detailed below:

(i) Goods hoist

Goods hoists are used to carry heavy loads, rather than passengers, between different levels. Goods hoists increase productivity by reducing the time and effort required to move goods between floors, lower labour costs by minimising the number of personnel needed to transport goods manually and create a smoother operation flow by reducing bottlenecks commonly associated with the manual movement of goods. Goods hoists are commonly used in factories, warehouses, or any manufacturing industries. Goods hoists may also be used in commercial settings to carry trolleys and large products.

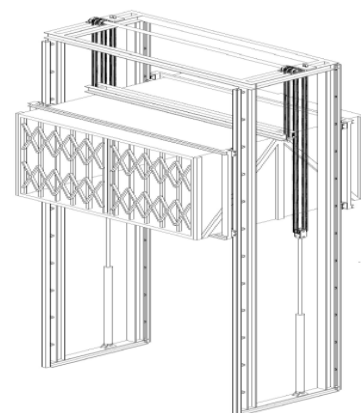
Goods hoist is a customised product that we design according to customer's requirement. For orders received from customers in the northern region, we carry out in-house manufacturing in our Taiping Factory. For orders received from all other regions in Malaysia, we fully outsource the manufacturing, installation and commissioning works for our goods hoists to a third-party subcontractor, due to the need for manpower with the required skills to carry out installation and commissioning works post-manufacturing.

To uphold the quality of our goods hoists, we will inspect the measurements and quality of work prior to and after installation by our subcontractors to ensure that the goods hoists are in accordance with our DOSH-approved design, which will also facilitate the application for the certificate of fitness from DOSH.



(ii) Lifter

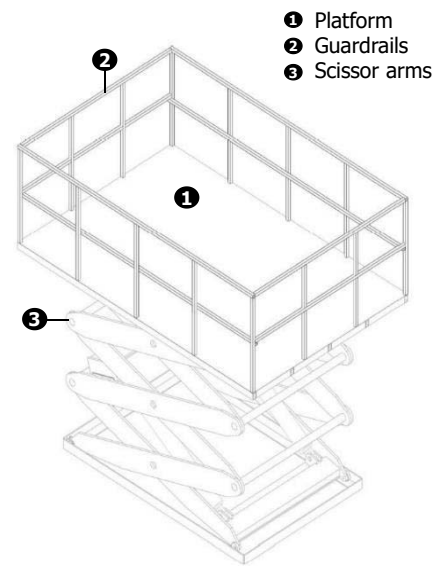
Lifters are similar to goods hoists as it is used to carry heavy loads and cargo rather than passengers. Lifters use a hydraulic system rather than electric motor-and-pulley systems to move upwards and downwards (vertical movement). Lifters generally have powerful lifting capacity and are able to carry heavier loads, albeit at a slower pace, compared to goods hoists. Where speed is not a critical factor, lifters are ideal for industrial and commercial applications in medium-rise buildings. Lifter is a customised product that we design according to customer's requirement.



7. BUSINESS OVERVIEW (Cont'd)

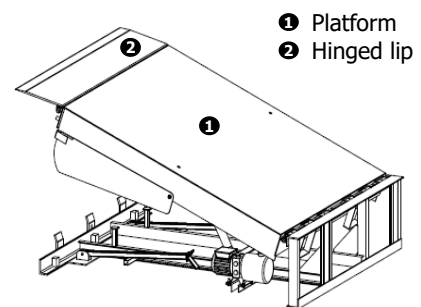
(iii) Hydraulic scissor lift

Hydraulic scissor lifts are a type of lifting platform that are used to lift heavy loads vertically. The platform has a flat, stable surface that can be raised to different heights through the extension of the crisscrossing scissor arms. It is suitable for tasks where access is situated directly above and does not require horizontal reach. Hydraulic scissor lifts improve safety by providing a secure platform with guardrails to reduce the risk of goods falling when it is transported between different floor levels, and reduces overall loading and unloading times by enabling quicker movement of goods to and from high places. It is typically used in automotive and manufacturing industries as well as for warehouse use. Hydraulic scissor lift is a customised product that we design according to customer's requirement.



(c) Dock leveller

Dock levellers are mainly comprised of a platform and hinged lip to bridge the gap between the height of a loading dock and a delivery vehicle (e.g. truck and trailer). It provides a transition area for material handling equipment such as forklifts to move loads into and out of the delivery vehicle. Dock levellers are suitable for a wide range of industries and loading dock configurations.



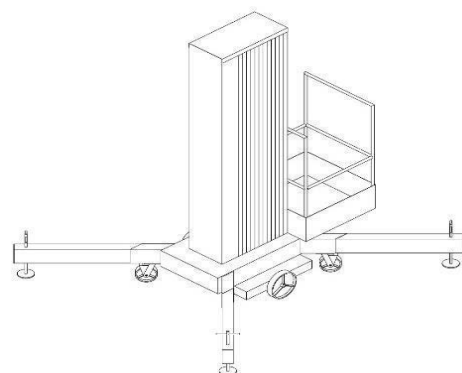
Our dock leveller is a standard design product.

In addition, we trade other industrial lifting and handling equipment comprising aerial work platforms as well as mechanical and automated car park systems, which are further detailed below:

(a) Aerial work platform

Aerial work platforms are mobile elevated work platforms that can be raised vertically to a maximum height of 12 metres. It provides easier access to otherwise difficult to reach areas using ladders or other manual methods. It is typically used in maintenance works (e.g. painting, electrical, equipment maintenance and utility repair) that is required to work at height.

The aerial work platform is a standard design product that we source from a third-party supplier in China.

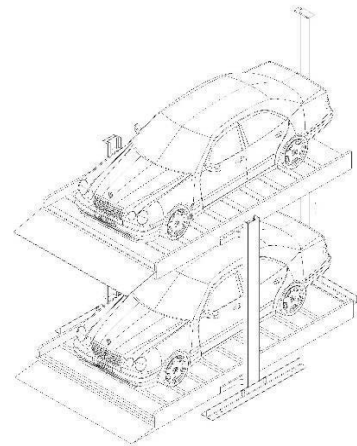


7. BUSINESS OVERVIEW (Cont'd)

(b) Mechanical car park system

A mechanical car park system is a semi-automated system that consists of multi-level parking spaces which are stacked vertically to increase the parking capacity within a parking bay. The system requires a manual operator for vehicle positioning and system activation to activate the vertical or horizontal movements to park or retrieve the cars.

A mechanical car park system is useful in commercial buildings, hospitals, hotels and residential buildings where space constraint limits the number of parking bays that can be made available.



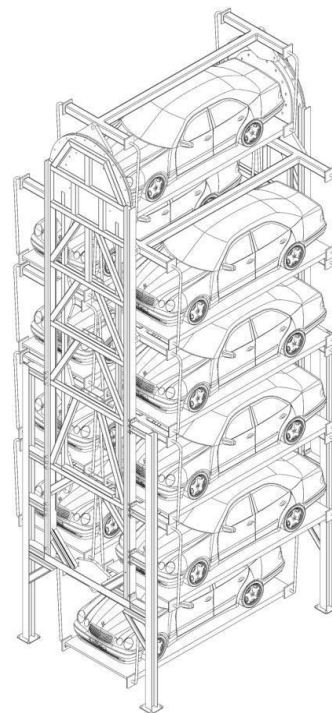
The mechanical car park system is a customised product that we source from a third-party supplier in China. We provide installation and commissioning services, as well as certificate of fitness application services in Malaysia to our customers for the mechanical car park system.

(c) Automated car park system

An automated car park system is similar in design to a mechanical car park system (i.e. consists of multi-level parking spaces which are stacked vertically). However, it is a fully automated system that uses computerised control systems, robotics and conveyance mechanisms for vehicle positioning, parking and retrieval without a manual operator.

An automated car park system is useful in developments with space constraints. It can achieve higher capacity as it can park vehicles more closely and eliminate the need for ramps, aisles and human access space while offering greater convenience to drivers through fully automated operation.

The automated car park system is a customised product that we source from a third-party supplier in China. We provide installation and commissioning services to our customers for the automated car park system.



Upon request, we may also manufacture other types of industrial lifting and handling equipment for customers to meet their manufacturing or operational needs. For FYE 2022 to 2025, we have manufactured and delivered 3 other types of industrial lifting and handling equipment, as follows:

7. BUSINESS OVERVIEW (Cont'd)

- (i) **First-in-first-out (FIFO) rollers:** A one-directional racking system where goods are stored, moved and retrieved forward on a conveyor in the order they arrived;
- (ii) **Hydraulic tilting platforms:** A type of lifting platform that vertically lifts and tilts heavy loads up to a 90-degree angle in a controlled manner to allow access to heavy loads from various angles. It improves worker safety by preventing accidents from manual handling of heavy loads; and
- (iii) **Transfer cars:** A ground-operated motorised system used to transport heavy or bulky loads on rails or wheels. It is typically used to move loads between different bays in a facility.

7.2.3 Our customers

Our customers primarily comprise direct end-users from various industries such as steel works and steel foundry, construction, public utilities, semiconductor, machinery, pre-cast concrete, palm oil, plastic products, automotive components and raw metals. We also sell our industrial lifting and handling equipment to main contractors (i.e. companies that construct buildings, factories, industrial plants and infrastructures) who source industrial lifting and handling equipment on behalf of their customers who are the end-users.

The revenue contribution, by customer type, for FYE 2022 to 2025 are as follows:

Revenue customer type	by	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
		RM'000	%	RM'000	%	RM'000	%	RM'000	%
End-users (Direct)		37,474	71.3	45,241	92.1	49,528	85.9	55,837	96.5
Main contractors (Indirect)		15,112	28.7	3,859	7.9	8,127	14.1	2,021	3.5
		52,586	100.0	49,100	100.0	57,655	100.0	57,858	100.0

7.2.4 Warranty

We provide warranty to our customers for the hoist unit (i.e. 1 year to 2 years depending on brand) for our industrial cranes and good hoists; power pack (i.e. 2 years) for our dock levellers; battery (i.e. 3 months) for our aerial work platforms; mechanical structure (i.e. 5 years) and electrical system (i.e. 1 year) for our mechanical car park systems; and mechanical structure (i.e. 2 years) and electrical system (i.e. 1 year) for our automated car park systems. We have back-to-back agreements with our brand principals for the warranty of hoist units, as well as with our third-party suppliers for the warranty of power packs, batteries, mechanical structure and electrical system. As such, the cost of replacement and/ or defect rectification of defective hoist units, batteries, power packs, mechanical structure and electrical system will be borne by our brand principals and third-party suppliers respectively for their products.

The warranty that we provide to customers encompasses manufacturer's defect and is exclusive of, amongst others, improper use, external force or force majeure, wilful damage, negligence, unauthorised disassembly, repairs or modifications, as well as normal wear and tear of components. For FYE 2022 to 2025, we have not incurred any cost in relation to warranty claims made by our customers.

7. BUSINESS OVERVIEW (Cont'd)**7.2.5 Our operational facilities**

Our business operations are based in Malaysia at the following locations:

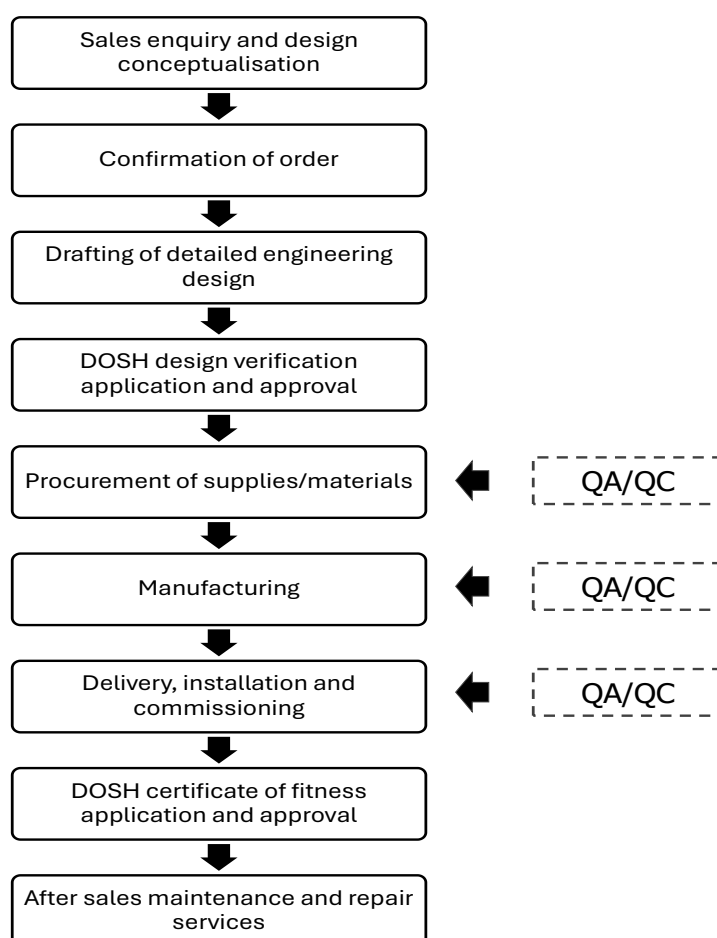
No.	Facilities	Location	Main function	Land area	Built-up area
				(sq ft)	
1.	Puchong HQ	10 & 12, Jalan TPP 5/8, Taman Perindustrian Puchong, 47100 Puchong, Selangor	Headquarters, manufacturing facility, maintenance and repair workshop as well as storage	22,852	12,358
				11,194 sq ft is allocated for manufacturing	
2.	Taiping Factory	Lot 26908, Kamunting Raya Industrial Estate Phase 3, Mukim Assam Kumbang, 34000 Taiping, Perak	Sales office, manufacturing facility, maintenance and repair workshop as well as storage	217,754	131,546
				127,100 sq ft is allocated for manufacturing	
3.	Johor Facility	679, Jalan Idaman 3/3, Senai Industrial Park, Taman Desa Idaman, 81400 Senai, Johor	Sales office, maintenance and repair workshop as well as storage	22,400	9,930
4.	Ipoh Facility	17 & 19, Dataran Kledang 10, Kawasan Perindustrian Chandan Raya, 31450 Menglembu Ipoh, Perak	Sales office, maintenance and repair workshop as well as storage	8,998	10,840
5.	Penang Facility	7, Lorong Perindustrian Bukit Minyak ½, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Penang	Sales office, maintenance and repair workshop as well as storage	5,210	7,100
6.	Bintulu Facility	Lot 1359 Ground Floor, Tanjung Batu Commercial Centre, Block 31, Jalan Durian Laut, Kemena Land District, 97000 Bintulu, Sarawak	Sales office, maintenance and repair workshop as well as storage	1,399	868
7.	New Kota Kinabalu Facility	Lot 46, 31, Taman Perindustrian Bukit Emas (Golden Hill Industrial Park), Phase 1A & 1B, Lorong Perindustrian Bukit Emas, Mile 7.5, Jalan Tuaran, 88450 Inanam, Kota Kinabalu, Sabah	Sales office, maintenance and repair workshop as well as storage	4,400	3,601

7. BUSINESS OVERVIEW (Cont'd)

No.	Facilities	Location	Main function	Land area	Built-up area
				(sq ft)	
8.	Kuantan Facility	29, Jalan IM 14/3, Kawasan Perindustrian Indera Mahkota, 25200 Kuantan, Pahang	Sales office, maintenance and repair workshop as well as storage	2,336	2,886

7.3 BUSINESS AND OPERATIONAL PROCESS

The process flow for our Group's business operations is as depicted below. As we manufacture a variety of industrial lifting and handling equipment, the process flow set out below generally applies to all our in-house manufactured industrial lifting and handling equipment.

**(a) Sales enquiry and design conceptualisation**

When we receive a sales enquiry, we will conduct an initial assessment to determine the feasibility of the project based on the information provided, including the product type, technical requirements, budget and delivery schedule.

7. BUSINESS OVERVIEW (Cont'd)

We will then arrange a preliminary consultation with the customer to gather more information about their requirement such as manufacturing or operational needs, speed of movement required, factory layout and available space, budget and safety standards. Following that, several options of preliminary designs will be provided for customer's selection.

Further, we will prepare a costing sheet and quotation considering, amongst others, the costs of materials and labour, scope of work, product specifications, and delivery and payment terms.

(b) Confirmation of order

Once the customer accepts the quotation, we will receive a purchase order that will serve as a formal agreement to commence work on the project. Subsequently, we will collect the first milestone payment from customers, and prepare and distribute a work order outlining the project's details, timeline and specific instructions to commence work.

(c) Drafting of detailed engineering design

Site visit is first carried out to undertake detailed site measurement and to better understand the site layout plan and physical environment where the industrial lifting and handling equipment will be installed and commissioned. This is necessary to prepare the detailed engineering design which encompasses the drafting of technical details in a master drawing based on the measurements and calculations.

In drafting our detailed engineering design, we take into consideration the following:

- (i) the required working range of the equipment (e.g. lifting height, girder span and runway length);
- (ii) type and maximum weight of the load to be handled;
- (iii) direction and speed of movement required (i.e. vertical, horizontal or lateral);
- (iv) operating conditions (e.g. enclosed with roof and full height walls, covered with roof and partial walls, covered with roof and without partial walls, and outdoor environment);
- (v) space availability and height of ceiling (if applicable);
- (vi) site condition (e.g. maximum floor load bearing weight); and
- (vii) safety and control features (e.g. devices to detect overloading of loads, anti-collision cutoff sensors, mechanical limit switches to prevent over-travel of hoist unit, emergency button to prevent accidents and safety latches to prevent accidental disengagement of the load from the hoist).

(d) DOSH design verification application and approval

Upon obtaining customer's approval of the final proposed design, our Professional Engineer will endorse the design drawings. Subsequently, we will submit the design drawings to DOSH's Head Office in Putrajaya for design verification approval prior to manufacturing. Generally, it takes approximately 3 to 4 weeks to obtain the design verification approval from DOSH. Upon obtaining DOSH's approval, a certificate of design approval will be issued by DOSH and we will begin the manufacturing process.

7. BUSINESS OVERVIEW (Cont'd)

(e) Procurement of supplies/ materials

Our steel materials such as plates, pipes, beams, columns and bar rails are generally purchased on a project-to-project basis. We will identify the type and quantity of steel materials required and place order with our suppliers based on project needs.

For components and accessories, such as hoist units, electrical components, travel wheels, travel motors, wire rope slings, crane weighing scales, magnetic lifters, bearings, oil seals, end bumpers, bolts and nuts, which are commonly used items, we keep an inventory of stock for these supplies. We will assess the stock level of these components and accessories on a monthly basis for replenishment based on project orders received.

We will procure the required steel materials, components and accessories from our list of approved suppliers locally and overseas. Upon receipt of steel materials, components and accessories, we will perform QC inspection to ensure that supplies received are in good condition and in accordance with the delivery and purchase orders.

(f) Manufacturing

Our manufacturing process involves fabrication and assembly:

(i) Fabrication

We begin the fabrication process of our industrial lifting and handling equipment by cutting steel materials according to the measurements in the approved design drawing. Particularly for dock levellers, an additional process of bending steel materials is required whereby as at LPD, we engage a third-party subcontractor to carry out bending works to create the hinged lip as we do not have bending machines in our factories. As at LPD, our Group does not have any plans to purchase bending machines as bending works required for dock levellers are minimal. Our Group is not dependent on this third-party subcontractor for bending works as we can easily source similar service from a wide pool of subcontractors in the market.

Once the cutting and bending works (where required) are completed, the steel materials are aligned and positioned as specified in the design drawing and subsequently, welded together to form the structure of the industrial lifting and handling equipment. The welded structure is then painted according to the specified colour code.

(ii) Assembly

We will assemble the components and optional accessories together with the fabricated structures to form the respective parts of the industrial lifting and handling equipment. After assembly, we will carry out testing on the key movement mechanism of the industrial lifting cranes, hydraulic scissor lifts, lifters, and dock levellers to ensure that they function correctly. Particularly for industrial lifting cranes, labels consisting of the wordings "UTAMAKAN KESELAMATAN" and "SAFETY FIRST", will be affixed to the structure of the industrial lifting crane.

The QA/ QC procedures undertaken for our manufacturing process are as set out in Section 7.13.

7. BUSINESS OVERVIEW (Cont'd)

(g) Delivery, installation and commissioning

The completed parts are then packed for delivery to our customers' project sites for installation and commissioning. We engage third-party logistics services to deliver the completed parts to our customers' project sites. We do not enter into any agreements with third-party logistics providers for the purchase of their services. Such services are engaged on an ad hoc basis through purchase orders, as and when required for the delivery of products to customer.

For the installation of industrial lifting cranes, industrial lifts and dock levellers, we will schedule another site visit prior to installation to ensure that the project site is ready for us to carry out our installation works. For installation works, we will assemble the respective parts together and connect the wirings according to the approved design drawings, to form the final functional unit of the industrial lifting and handling equipment. As and when required, we may outsource the installation and commissioning works to third-party subcontractors when we face shortages of in-house manpower.

Upon completion of installation, we conduct functional test, final alignment check and safety check to ensure that our industrial lifting and handling equipment are functioning properly for commissioning. Further details on our QA/ QC procedures are as set out in Section 7.13. Then, we will collect the second milestone payment from our customer.

(h) DOSH certificate of fitness application and approval

We may assist our customers in applying for the certificate of fitness from state-level DOSH office (i.e. based on the location where the industrial lifting and handling equipment is installed and commissioned) for the legal operation of their industrial lifting and handling equipment (i.e. industrial lifting cranes, industrial lifts and aerial work platforms). Certificate of fitness is required for all industrial lifting and handling equipment that we offer except for dock levellers. As part of the procedure to obtain the certificate of fitness, load test is required to be carried out whereby we will carry out the test in the presence of DOSH officers and our customers. Upon passing the load test, the certificate of fitness will be issued for our industrial lifting and handling equipment. The certificate of fitness is valid for a period of 15 months from the date of inspection and needs to be renewed for continued operation, for which we also provide services to our customers to renew their certificate of fitness. We then prepare a label with the certificate of fitness number to be affixed onto the industrial lifting and handling equipment.

We will prepare a delivery order and request for acknowledgement of completion from customers upon obtaining the certificate of fitness for the industrial lifting and handling equipment. We then collect the final milestone payment from our customers.

The duration required for design, manufacturing, installation and commissioning of industrial lifting and handling equipment typically takes approximately 1 to 3 months depending on the size of the project.

(i) After sales maintenance and repair services

Upon the receipt of request for after sales maintenance and repair services, we will dispatch our maintenance and repair team to provide the services required by customers, comprising routine inspections and servicing for preventive maintenance purposes, troubleshooting and repair services, refurbishment services and/ or relocation services. Our after sales maintenance and repair services are provided as and when requested by customers.

7. BUSINESS OVERVIEW (Cont'd)**7.4 BUSINESS SEGMENTS AND PRINCIPAL MARKETS**

The breakdown of our Group's revenue by business segments is as follows:

Business segments	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Design, manufacturing, installation and commissioning of industrial lifting and handling equipment	37,516	71.3	31,428	64.0	37,911	65.7	38,467	66.5
Provision of maintenance, repair and other related services	8,707	16.6	10,986	22.4	10,658	18.5	11,159	19.3
Trading of components, accessories and other industrial lifting and handling equipment	6,363	12.1	6,686	13.6	9,086	15.8	8,232	14.2
	52,586	100.0	49,100	100.0	57,655	100.0	57,858	100.0

The breakdown of our Group's revenue by principal markets is as follows:

Principal markets	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	51,707	98.3	48,505	98.8	55,804	96.8	57,183	98.8
- Northern region ⁽¹⁾	22,115	42.1	28,131	57.3	23,809	41.3	20,204	34.9
- Central region ⁽²⁾	8,966	17.1	12,025	24.5	14,193	24.6	23,226	40.1
- East Malaysia ⁽³⁾	15,219	28.9	2,525	5.1	9,205	16.0	5,299	9.2
- Southern region ⁽⁴⁾	4,470	8.5	4,741	9.7	6,352	11.0	7,390	12.8
- East coast region ⁽⁵⁾	937	1.7	1,083	2.2	2,245	3.9	1,064	1.8
Overseas	879	1.7	595	1.2	1,851	3.2	675	1.2
- Thailand	76	0.2	397	0.8	1,386	2.4	463	0.8
- Indonesia	803	1.5	152	0.3	262	0.5	63	0.1
- China	-	-	-	-	196	0.3	149	0.3
- Singapore	-	-	-	-	-	-	<1	<0.1
- Luxembourg	-	-	-	-	7	<0.1	-	-
- Saudi Arabia	-	-	39	0.1	-	-	-	-
- Australia	-	-	7	<0.1	-	-	-	-
	52,586	100.0	49,100	100.0	57,655	100.0	57,858	100.0

Notes:

(1) Comprising Perak, Penang, Kedah and Perlis.

(2) Comprising Kuala Lumpur, Selangor and Negeri Sembilan.

(3) Comprising Sabah and Sarawak.

(4) Comprising Melaka and Johor.

(5) Comprising Pahang, Terengganu and Kelantan.

7. BUSINESS OVERVIEW (Cont'd)

For FYE 2022 to 2025, revenue from our design, manufacturing, installation and commissioning of industrial lifting and handling equipment segment was the largest contributor to our Group's total revenue at 71.3%, 64.0%, 65.7% and 66.5% respectively. We also derive a majority of our sales locally which contributed 98.3%, 98.8%, 96.8% and 98.8% respectively to our Group's total revenue for FYE 2022 to 2025.

7.5 SALES AND MARKETING

We actively engage in the following sales and marketing strategies:

(a) Referrals

We secure new customers through referrals from our existing customers, which is a testament to the quality of our products and services. These referrals are a reflection of the confidence and satisfactions towards the quality of products and services rendered by our Group, which are able to aid us in expanding our customer base by tapping into new networks and opportunities in the industry.

(b) Network of main contractors

Our Group adopts the strategy of working with main contractors to expand our Group's customer base and extend our market reach. By working closely with main contractors, we are able to leverage on their extensive customer base to market and sell our products and services. We believe that our technical capabilities and business relationships that we have established with main contractors provide us the opportunity to secure repeat orders from these customers, ensuring a mutually beneficial business relationship that supports the continued growth of our business.

(c) Corporate website

We have established our corporate website at <https://liftech.com.my/>, as a medium for introducing our Group and our products and services to potential customers. The current widespread use of the internet as a source of information facilitates access to our corporate website from any part of Malaysia as well as overseas, thereby enabling us to cross geographical boundaries and enhancing our potential market reach and exposure.

(d) Digital marketing

We leverage on digital marketing to increase our market visibility on the internet. We promote our brand presence and offerings through various social media platforms such as Facebook and LinkedIn. Further, we also utilise search engine optimisation to increase the visibility and traffic count of our corporate website. Through these digital marketing efforts, we are able to present to potential customers our products and technologies, and enhance our online presence, which aids in attracting potential customers and supporting the continued growth of our business.

7. BUSINESS OVERVIEW (Cont'd)**(e) Trade fairs, exhibitions and associations**

We participate in trade fairs and exhibitions where we are able to introduce our manufacturing expertise, capabilities and products to potential customers. Through our participation in trade fairs and exhibitions, we are able to promote our market presence, identify potential customers, build business relationships, as well as gain industry insights and keep abreast with new technologies in the industry.

During FYE 2022 to 2025 and up to LPD, we have participated in the following trade fairs and exhibitions:

Year	Events	Organiser	Location
2023	Metaltech	Informa Markets Malaysia Sdn Bhd	Kuala Lumpur, Malaysia
2024	Metaltech	Informa Markets Malaysia Sdn Bhd	Kuala Lumpur, Malaysia

In addition, we have been a life company member of the Chinese Chamber of Commerce and Industry of Kuala Lumpur and Selangor ("**KLSCCCI**") since 2011 and a permanent member of the Selangor and Kuala Lumpur Foundry and Engineering Industries Association ("**SFEIA**") since 2014.

KLSCCCI is a private organisation based in Kuala Lumpur and Selangor for the Chinese business community in the region. Being a member of the KLSCCCI allows us to enhance our market presence through the various activities held by KLSCCCI and keep abreast with the latest market trends and demands.

SFEIA is a private organisation based in Kuala Lumpur and Selangor to promote the understanding, relationship and well-being of the foundry and engineering industries. Being a member of the SFEIA allows us to exchange industry-specific knowledge with our industry peers as well as to promote upgrading and technological development in the foundry and engineering industries.

(f) Direct approach

Upon securing leads from the abovementioned sales and marketing channels, we will follow up with potential customers through direct approach to introduce our capabilities as well as products and services offerings. We also follow up closely with our existing customers to identify opportunities to secure more sales.

In addition, we will identify potential projects and customers through news channels, in which we will reach out to the consultants and main contractors of the projects to promote our capabilities as well as products and services offerings.

7. BUSINESS OVERVIEW (Cont'd)

7.6 TECHNOLOGY USED

Our Group adopts the following technologies for our business:

Technology	Description
2D design software	To draft 2D design drawings for the structural and electrical diagrams for our industrial lifting and handling equipment
3D design software	To automate the generation of 3D design drawings for our industrial lifting and handling equipment
Nesting software	To determine the optimal arrangement of shapes and dimensions on steel plate based on our 2D and 3D design software to minimise wastage and reduce material costs
Plasma and laser cutting machines	A machine that performs precise cutting of steel plates according to the arrangement generated by the nesting software
Submerged arc welding machine	An automated machine that uses heat generated by an electric arc to deeply penetrate and weld steel plates for a stronger and cleaner welding finish. It can operate with minimal human intervention for enhanced operator safety as well as improved efficiencies, quality and productivity in the welding process

7.7 INTERRUPTIONS TO BUSINESS AND OPERATIONS

Our Group has not experienced any interruption in business which had a significant effect on our operations during the 12 months period prior to the date of this Prospectus.

7.8 SEASONALITY

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 or cyclical variations.

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7. BUSINESS OVERVIEW (Cont'd)

7.9 MAJOR CUSTOMERS

Our top 5 major customers by revenue for FYE 2022 to 2025 are as follows:

FYE 2022

Major customers	Main products/ services provided	Revenue contribution		⁽¹⁾ Length of relationship Years
		RM'000	%	
Hyundai Engineering Malaysia Sdn Bhd	Industrial lifting crane	12,647	24.1	<1
SIBS Sdn Bhd	Industrial lifting crane, components, maintenance and repair service	2,566	4.9	5
Choo Bee Group ⁽²⁾	Industrial lifting crane, components, maintenance and repair service	2,090	4.0	12
Kawan Engineering Sdn Bhd	Industrial lifting crane, components, maintenance and repair service	1,637	3.1	6
Perodua Group ⁽³⁾	Components, maintenance and repair service	1,325	2.5	5
Subtotal		20,265	38.6	
Total revenue		52,586	100.00	

FYE 2023

Major customers	Main products/ services provided	Revenue contribution		⁽¹⁾ Length of relationship Years
		RM'000	%	
SIBS Sdn Bhd	Industrial lifting crane, components and accessories, maintenance and repair service	4,850	9.9	6
Choo Bee Group ⁽²⁾	Industrial lifting crane, components, maintenance and repair service	2,426	4.9	13
Actmax Sdn Bhd	Industrial lifting crane, industrial lift, components and accessories	1,875	3.8	<1
Hyundai Engineering Malaysia Sdn Bhd	Industrial lifting crane	1,549	3.2	1
Yoonsteel (Malaysia) Sdn Bhd	Industrial lifting crane, components, maintenance and repair service	1,481	3.0	13
Subtotal		12,181	24.8	
Total revenue		49,100	100.00	

7. BUSINESS OVERVIEW (Cont'd)

FYE 2024

Major customers	Main products/ services provided	Revenue contribution		(1)Length of relationship
		RM'000	%	Years
Hyundai Engineering Malaysia Sdn Bhd	Industrial lifting crane	5,697	9.9	2
Southern Cable Sdn Bhd	Industrial lifting crane, components, maintenance and repair service	1,615	2.8	3
SIBS Sdn Bhd	Industrial lifting crane, components and accessories, maintenance and repair service	1,515	2.6	7
Celestica Electronics (M) Sdn Bhd	Industrial lifting crane, components, maintenance and repair service	1,072	1.9	10
MSM Prai Berhad	Components and accessories, maintenance and repair service	932	1.6	7
	Subtotal	10,831	18.8	
	Total revenue	57,655	100.0	

FYE 2025

Major customers	Main products/ services provided	Revenue contribution		(1)Length of relationship
		RM'000	%	Years
GE Engine Services Malaysia Sdn Bhd	Industrial lifting crane, components, maintenance and repair service	6,246	10.8	1
Southern Cable Sdn Bhd	Industrial lifting crane, components, maintenance and repair service	1,797	3.1	4
YTL Group ⁽⁴⁾	Industrial lifting crane, components, maintenance and repair service	1,379	2.4	<1
Vestland Resources Sdn Bhd	Industrial lifting crane, components, maintenance and repair service	1,349	2.3	1
UWC Group ⁽⁵⁾	Industrial lifting crane, components, maintenance and repair service	1,193	2.1	9
	Subtotal	11,964	20.7	
	Total revenue	57,858	100.0	

7. BUSINESS OVERVIEW *(Cont'd)*

Notes:

- (1) Length of business relationship as at the respective FYE.
- (2) Choo Bee Group comprises Choo Bee Metal Industries Berhad and Choo Bee Hardwares Sdn Bhd. Choo Bee Group was our major customer for FYE 2022 and 2023 as they purchased our industrial lifting crane to support their factory expansion exercise. Further, Choo Bee Group has been our recurring customer for the purchase of components as well as maintenance and repair services. Choo Bee Group was our major supplier for FYE 2022 to 2025 as we purchased steel materials from Choo Bee Group (a supplier of steel materials).
- (3) Perodua Group comprises Perodua Manufacturing Sdn Bhd and Perodua Global Manufacturing Sdn Bhd.
- (4) YTL Group comprises Eastern Pretech (Malaysia) Sdn Bhd, Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd, Kedah Cement Sdn Bhd, H Cement (Malaysia) Sdn Bhd, Slag Cement (Southern) Sdn Bhd, Eastech Steel Mill Services (M) Sdn Bhd and Sentul Raya City Sdn Bhd.
- (5) UWC Group comprises UWC Industrial Sdn Bhd, UWC Holdings Sdn Bhd, USurface Technology Sdn Bhd and C Max Manufacturing Sdn Bhd.

For FYE 2022 to 2025, our Group's top 5 major customers collectively contributed 38.6%, 24.8%, 18.8% and 20.7% to our Group's total revenue respectively. Our sales to customers are primarily transacted based on purchase orders. From time to time, we may enter into agreements with customers such as multinational companies, based on their business practices, to supply them our industrial lifting and handling equipment. During FYE 2022 to 2025, we had entered into 2 subcontract agreements with our major customers who are multinational companies, namely Hyundai Engineering Malaysia Sdn Bhd and Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd, for the design, manufacturing, installation and commissioning of industrial lifting cranes.

We are not dependent on any of our major customers and we do not face concentration risk due to the nature of our business that is primarily transacted on a project basis. As such, the revenue contribution of our major customers may vary from year to year subject to end user's business expansion needs. Given that our Group serves customers from a diverse range of industries, our revenue will not be adversely impacted by the downturn of any specific industry or in the event that we do not secure recurring projects from any one major customer.

7. BUSINESS OVERVIEW (Cont'd)

7.10 MAJOR SUPPLIERS AND SUBCONTRACTORS

Our top 5 major suppliers and subcontractors by purchases for FYE 2022 to 2025 are as follows:

FYE 2022

Major suppliers/ subcontractors	Country	Supplier/ Subcontractor	Main products/ services procured	Value of purchases		⁽¹⁾ Length of relationship Years
				RM'000	%	
Zhejiang Shuangniao Lifting Equipment Co., Ltd	China	Supplier	TBM branded hoists and related components	5,462	16.8	14
Choo Bee Group ⁽²⁾	Malaysia	Supplier	Square pipes, H-beams, U-beams, U-columns, I-beams, square bars, angle bars, and mild steel angle bars, flat bars, channels and plates	4,664	14.4	12
Apex Era Sdn Bhd	Malaysia	Supplier	Various components	2,559	7.9	18
Korea Hoist Co., Ltd	Korea	Supplier	Rails and related components ⁽³⁾	2,215	6.8	<1
KT Hong Engineering Services Sdn Bhd	Malaysia	Subcontractor	Subcontracted services for goods hoists ⁽⁴⁾	1,426	4.4	14
Subtotal				16,326	50.3	
Total purchases				32,424	100.0	

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7. BUSINESS OVERVIEW (Cont'd)
FYE 2023

Major suppliers/ subcontractors	Country	Supplier/ Subcontractor	Main products/ services procured	Value of purchases		⁽¹⁾ Length of relationship Years
				RM'000	%	
Zhejiang Shuangniao Lifting Equipment Co., Ltd	China	Supplier	TBM branded hoists and related components	4,601	20.5	15
Choo Bee Group ⁽²⁾	Malaysia	Supplier	Round, square and rectangular pipes, H-beams, U-beams, U-columns, angle irons, steel hollow sections, I-beam, C-channel, and mild steel angle bars, flat bars, square bars, channels and plates	3,627	16.2	13
Lifting Solutions	Malaysia	Subcontractor	Subcontracted services for industrial cranes ⁽⁵⁾	942	4.2	4
HYBERTECH Sales & Services Sdn Bhd	Malaysia	Subcontractor	Subcontracted services for lifters, hydraulic scissor lifts and dock levellers ⁽⁶⁾	806	3.6	8
KT Hong Engineering Services Sdn Bhd	Malaysia	Subcontractor	Subcontracted services for goods hoists ⁽⁴⁾	757	3.4	15
Subtotal				10,733	47.9	
Total purchases				22,390	100.0	

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7. BUSINESS OVERVIEW (Cont'd)
FYE 2024

Major suppliers/ subcontractors	Country	Supplier/ Subcontractor	Main products/ services procured	Value of purchases		⁽¹⁾ Length of relationship Years
				RM'000	%	
Zhejiang Shuangniao Lifting Equipment Co., Ltd	China	Supplier	TBM branded hoists and related components	4,347	17.8	16
Choo Bee Group ⁽²⁾	Malaysia	Supplier	Round and square pipes, steel plates, square bars, U-beams, U-columns and mild steel angle bars, channels and plates	4,125	16.9	14
KT Hong Engineering Services Sdn Bhd	Malaysia	Subcontractor	Subcontracted services for goods hoists ⁽⁴⁾	1,144	4.7	16
Hefei Kiwi Heavy Machinery Co., Ltd	China	Supplier	Crane wheel, gear motor	927	3.8	6
Talleres Jaso Industrial SL	Spain	Supplier	JASO branded hoists	824	3.4	14
Subtotal				11,367	46.6	
Total purchases				24,396	100.0	

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7. BUSINESS OVERVIEW (Cont'd)

FYE 2025

Major suppliers/ subcontractors	Country	Supplier/ Subcontractor	Main products/ services procured	Value of purchases		⁽¹⁾ Length of relationship Years
				RM'000	%	
CTI Systems S.à r.l.	Luxembourg	Supplier	CTI branded hoists and related components	3,834	15.7	1
Zhejiang Shuangniao Lifting Equipment Co., Ltd	China	Supplier	TBM branded hoists and related components	3,536	14.4	17
Choo Bee Group ⁽²⁾	Malaysia	Supplier	Round and square pipes, steel plates, square bars, U-beams, U-columns and mild steel angle bars, channels and plates	2,586	10.6	15
Vickma Hardware Sdn Bhd	Malaysia	Supplier	Round and square pipes, steel plates, square bars, U-beams, U-columns, channels and plates	916	3.7	2
Golden United Global (M) Sdn Bhd	Malaysia	Subcontractor	Subcontracted services for industrial cranes ⁽⁷⁾	780	3.2	1
Subtotal				11,652	47.6	
Total purchases				24,470	100.0	

Notes:

- (1) Length of business relationship as at the respective FYE.
- (2) Choo Bee Group comprises Choo Bee Hardwares Sdn Bhd and Choo Bee Hardware (Sabah) Sdn Bhd. Choo Bee Group was our major supplier for steel materials for FYE 2022 to 2025. Choo Bee Group was also our major customer for FYE 2022 and 2023 as they purchased our industrial lifting crane to support their factory expansion exercise. Further, Choo Bee Group has been our recurring customer for the purchase of components as well as maintenance and repair services.
- (3) A one-off purchase of rails and related components at the request of our customer, Hyundai Engineering Malaysia Sdn Bhd, for its project where we supplied industrial lifting cranes.

7. BUSINESS OVERVIEW (Cont'd)

- (4) Subcontracted services for the manufacturing, installation and commissioning of goods hoists.
- (5) A related party transaction which comprise the purchase of installation and commissioning services for industrial lifting cranes for projects in Sabah.
- (6) Subcontracted services for the manufacturing, installation, commissioning and repair of lifters, hydraulic scissor lifts and dock levellers which we did not manufacture in-house prior to FYE 2024.
- (7) Subcontracted services for the specialised installation and commissioning of industrial lifting cranes for an aerospace project.

For FYE 2022 to 2025, our Group's top 5 major suppliers collectively contributed 50.3%, 47.9%, 46.6% and 47.6% to our Group's total purchases respectively. Despite the relatively higher purchase contribution from Zhejiang Shuangniao Lifting Equipment Co., Ltd and Choo Bee Group, we are not dependent on these suppliers for the purchase of TBM branded hoists and steel materials respectively, as similar products can be easily sourced from other suppliers locally and overseas. Notwithstanding that, we choose to continue purchasing our supplies mainly from Zhejiang Shuangniao Lifting Equipment Co., Ltd and Choo Bee Group due to the long-standing business relationship that we have established with these suppliers, and at the same time allowing our Group to ensure the consistency of quality of our supplies.

For FYE 2025, CTI Systems S.à r.l. contributed 15.7% to our Group's total purchases, comprising the purchase of CTI branded hoists and related components for a one-off aerospace project. We are not an appointed distributor of CTI branded hoists and we are not dependent on CTI Systems S.à r.l. In the event that we secure new aerospace projects in the future, we are able to source similar products from other suppliers.

Further, we are not dependent on any of our other major suppliers and subcontractors and we do not face concentration risks as the products and services can be easily sourced from other suppliers or subcontractors locally and overseas. Our Group has established a long-standing relationship with our major suppliers and subcontractors, and we believe that the relationships forged will allow our Group to continuously receive our supplies in a timely manner. We do not have any long-term contracts with our suppliers and subcontractors, which gives our Group the flexibility to source for products and services at competitive prices. Particularly for hoist units for which we are an appointed distributor for the brands TBM (exclusive), JASO and LIFKET, we are not dependent on our brand principals for the supply of hoist units as we are able to source alternative brands of hoist units from other suppliers in the market in the event of disruption to the supply of hoist units from our existing brand principals.

7. BUSINESS OVERVIEW (Cont'd)**7.11 TYPES, SOURCES AND AVAILABILITY OF SUPPLIES**

Our purchases primarily comprise steel materials, components and accessories, subcontracted services as well as consumables and tools. The table below sets out our purchases for FYE 2022 to 2025:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Steel materials⁽¹⁾	9,309	28.7	4,788	21.4	5,728	23.5	5,190	21.2
Components and accessories	16,704	51.5	11,884	53.1	12,581	51.6	13,494	55.1
- Hoist units	10,732	33.1	6,138	27.4	6,587	27.0	7,672	31.3
- Electrical components ⁽²⁾	3,397	10.5	3,076	13.8	2,417	9.9	1,877	7.7
- Travel wheel and travel motor	1,473	4.6	991	4.4	1,187	4.9	907	3.7
- Wire ropes, chains and slings ⁽³⁾	470	1.4	424	1.9	629	2.6	909	3.7
- Others ⁽⁴⁾	632	1.9	1,255	5.6	1,761	7.2	2,129	8.7
Subcontracted services⁽⁵⁾	5,963	18.4	5,485	24.5	5,472	22.4	5,403	22.1
Consumables and tools⁽⁶⁾	448	1.4	233	1.0	615	2.5	384	1.6
	32,424	100.0	22,390	100.0	24,396	100.0	24,470	100.0

Notes:

- (1) Comprises steel plates, black pipes, round pipes, square pipes, rectangular pipes, H-beams, U-beams, U-columns, square bar rails, rectangular bar rails, and mild steel plates, angle bars, flat bars, square bars and channels.
- (2) Comprises terminal blocks, cable ducting, relays, contactors, transformers, inverters, flat/ round cables, cable glands, panel boxes, junction boxes, photo sensors, revolving lights, miniature circuit breakers, moulded case circuit breakers, tele pendant controls, busbars and power conductors.
- (3) Comprises wire ropes, wire rope slings, chain slings and slings.
- (4) Comprises crane weighing scales, magnetic lifters, bearings, oil seals, end bumpers, bolts and nuts.
- (5) Comprises subcontracted services for the manufacturing, installation, commissioning, maintenance and repair of industrial lifting and handling equipment as well as rental of equipment, such as mobile cranes, scissor lifts and sky lifts.
- (6) Comprises gloves, personal protection equipment, welding gas and parts for in-house equipment.

7. BUSINESS OVERVIEW (Cont'd)

Our purchases of steel materials accounted for 28.7%, 21.4%, 23.5% and 21.2% of our total purchases for FYE 2022, 2023, 2024 and 2025 respectively. The prices of our steel materials are subject to price fluctuations as a result of global demand and supply conditions as steel is a global commodity. Nevertheless, we are generally able to pass on any change in cost of steel materials to our customers as the prices of our industrial lifting and handling equipment are quoted to our customers based on the prevailing market prices quoted by our suppliers. For FYE 2022, 2023 and 2025, our financial performance was impacted by the fluctuations in global steel prices as detailed in Section 12.2.3(b).

Our supplies are generally readily available and can be sourced from local and overseas suppliers. For FYE 2022 to 2025 and up to LPD, we have not encountered any material disruptions to our supplies which had adversely affected our business operations and financial performance.

7.12 OPERATING CAPACITIES, OUTPUT AND UTILISATION RATES

Our manufacturing activities are carried out at our Puchong HQ and Taiping Factory which has an allocated manufacturing area of 11,194 sq ft and 127,100 sq ft respectively. The nature of our business is project-based and the duration required to complete the manufacturing of our industrial lifting and handling equipment varies depending on the type, size and technical specification of the product.

Our key machinery and equipment for our Puchong HQ and Taiping Factory are as follows:

Key machinery and equipment	Audited			
	No. of units	NBV as at	No. of units	NBV as at
		31 December 2024		31 December 2025
		RM'000		RM'000
Lorries	1	*	1	*
Welding machines	9	27	11	253
Cranes ⁽¹⁾	18	*	18	*
Forklifts	3	51	3	40
Others ⁽²⁾	35	197	37	160
	66	275	70	453

Notes:

* Less than RM1,000.

⁽¹⁾ The 18 units of cranes were fully depreciated and there were no new cranes addition during FYE 2025.

⁽²⁾ Includes cutting machine, drilling machine and grinding machine.

For FYE 2024 and 2025, the estimated annual capacity of our Taiping Factory is derived based on the following estimations:

- (a) We manufacture overhead crane, gantry crane, semi-gantry crane, jib crane, monorail crane, goods hoists, lifter, hydraulic scissor lift and dock leveller in our Taiping Factory. Each product has different complexity and takes different duration to complete.
- (b) We operate 8 working hours per day, 5.5 working days per week, 4 working weeks per month and 12 working months per year, and excludes public holidays.

7. BUSINESS OVERVIEW (Cont'd)

- (c) Based on our management's estimates, assuming our Taiping Factory focuses on the production of a single type of industrial lifting and handling equipment we are able to produce the following number of units of industrial lifting and handling equipment. A comparison taking into consideration the number of workers available in FYE 2024 and 2025, against the total manufacturing space available in our Taiping Factory are as follows:

	FYE 2024		FYE 2025	
	(1)Existing capacity	(2)Potential capacity	(1)Existing capacity	(2)Potential capacity
Number of units per month				
- Overhead crane	30 units	75 units	30 units	75 units
- Gantry crane	15 units	38 units	15 units	38 units
- Semi-gantry crane	15 units	38 units	15 units	38 units
- Jib crane	20 units	60 units	20 units	60 units
- Monorail crane	25 units	75 units	25 units	75 units
- Goods hoists	15 units	45 units	15 units	45 units
- Lifter	5 units	13 units	5 units	13 units
- Hydraulic scissor lift	10 units	30 units	10 units	30 units
- Dock leveller	30 units	90 units	30 units	90 units
(3)Average per month	(4)18 units	(5)51 units	(4)18 units	(5)51 units
Average per year	(4)216 units	(5)612 units	(4)216 units	(5)612 units

Notes:

- (1) An estimation based on the actual number of workers available in FYE 2024 and 2025. The number of workers employed is in line with the volume of our sales order.
- (2) An estimation based on the total manufacturing space available, with the assumption that we are able to employ sufficient number of workers to meet the potential capacity of our factory.
- (3) Due to the different mix of industrial lifting and handling equipment manufactured each month (which is based on sales order received), the average number of products manufactured per month is computed using a simple average basis.
- (4) Based on the number of workers available in FYE 2024 and 2025, we are able to manufacture approximately 18 units of industrial lifting and handling equipment per month and 216 units per year.
- (5) Based on the total manufacturing space available, we are able to manufacture approximately 51 units of industrial lifting and handling equipment per month and 612 units per year.

For FYE 2024 and 2025, the estimated annual capacity of our Puchong HQ is derived based on the following estimations:

- (a) We manufacture overhead crane, gantry crane, semi-gantry crane, jib crane, monorail crane and hydraulic scissor lift, in our Puchong HQ. Each product has different complexity and takes different duration to complete.
- (b) We operate 8 working hours per day, 5.5 working days per week, 4 working weeks per month and 12 working months per year, and excludes public holidays.

7. BUSINESS OVERVIEW (Cont'd)

- (c) Based on our management's estimates, assuming our Puchong HQ focuses on the production of a single type of industrial lifting and handling equipment we are able to produce the following number of units of industrial lifting and handling equipment:

	FYE 2024	FYE 2025
	(2)Existing capacity	
Number of units per month		
- Overhead crane	5 units	5 units
- Gantry crane	1 units	1 units
- Semi-gantry crane	1 units	1 units
- Jib crane	5 units	5 units
- Monorail crane	10 units	10 units
- Hydraulic scissor lift	5 units	5 units
(1)Average per month	4 units	4 units
Average per year	48 units	48 units

Notes:

- (1) Due to the different mix of industrial lifting and handling equipment manufactured each month (which is based on sales order received), the average number of products manufactured per month is computed using a simple average basis. We do not produce goods hoists, lifter and dock leveller in our Puchong HQ.
- (2) Contrary to the calculation of potential capacity for Taiping Factory, we do not have any excess manufacturing space in Puchong HQ.

For FYE 2024 and 2025, the estimated annual capacity, actual production and utilisation rate of our Taiping Factory and Puchong HQ are as set out below:

	FYE 2024		
	Estimated annual capacity	(1)Actual annual output	(2)Utilisation rate
Taiping Factory			
- Existing capacity	216 units	158 units	73.1%
- Potential capacity	612 units	158 units	25.8%
Puchong HQ	48 units	46 units	95.8%
	FYE 2025		
	Estimated annual capacity	(1)Actual annual output	(2)Utilisation rate
Taiping Factory			
- Existing capacity	216 units	189 units	87.5%
- Potential capacity	612 units	189 units	30.9%
Puchong HQ	48 units	48 units	100.0%

Notes:

- (1) Derived based on actual sales order received and the total units of industrial lifting and handling equipment manufactured in FYE 2024 and 2025.
- (2) Computed by dividing actual annual output with estimated annual capacity.

7. BUSINESS OVERVIEW (Cont'd)

For FYE 2024 and 2025, based on the number of workers available, our Taiping Factory achieved a utilisation rate of 73.1% and 87.5%, respectively. To ensure the optimisation of our operational cost, we maintain a headcount of workers that is sufficient to meet the volume of our sales order received. However, based on the overall manufacturing space available in our Taiping Factory, we are able to manufacture more units of industrial lifting and handling equipment. Comparing against the total number of industrial lifting and handling equipment that we can manufacture based on the availability of space, the utilisation rate of our Taiping Factory is recorded at 25.8% and 30.9% for FYE 2024 and 2025, respectively. As we continue to grow our business and secure more orders, we will need to employ additional workers to increase our manufacturing capacity as well as purchase new machinery and equipment to enhance our manufacturing efficiency. Please refer to Section 7.16.2 for further details on the machinery and equipment we intend to purchase for our Taiping Factory.

For FYE 2024 and 2025, our Puchong HQ achieved a utilisation rate of 95.8% and 100.0% respectively, demonstrating full utilisation of allocated manufacturing area due to our Puchong HQ having a significantly smaller manufacturing area compared to our Taiping Factory. Given the high utilisation rate of our Puchong HQ, we will closely monitor and plan our manufacturing activities in Puchong HQ based on available capacity and delivery schedule. Orders that cannot be manufactured in our Puchong HQ will be diverted to our Taiping Factory.

7.13 QA AND QC

We place strong emphasis on the safety and quality of all our industrial lifting and handling equipment. We are committed to ensure that our quality management system is in accordance with internationally recognised standards. We have adopted a stringent internal quality management assurance policy to ensure that the industrial lifting and handling equipment we manufacture adhere to both local, international, and our Group's standards.

In order to ensure that the quality and safety of our products are upheld, QC procedures are undertaken during the manufacturing stage. We have 2 dedicated personnel in our QC department to undertake QA/ QC activities as detailed below:

Stage of processes		QA/ QC procedures
<u>Manufacturing process</u>		
Incoming supplies inspection		Perform visual inspection on steel materials, components and accessories received to ensure that it is in accordance with the delivery order and purchase order.
Fabrication inspection	process	- Welding joint on the steel materials are inspected to ensure that the thickness of the welding meets the required specification and that there is no welding defect. - Painting of the fabricated parts are inspected to ensure uniform coating and that it meets the required thickness of coating.

7. BUSINESS OVERVIEW (Cont'd)

Stage of processes	QA/ QC procedures
Assembly process inspection	- Testing will be carried out on the key movement mechanism to ensure that they function correctly. If abnormal sound is detected during the movement testing of the industrial lifting and handling equipment, we will inspect and identify the cause of the abnormality to rectify the issue. - Labels are inspected to ensure that they are of the appropriate size for the industrial lifting and handling equipment, aligned in a straight line and affixed securely to ensure that the labels do not peel off.
Delivery inspection	Final physical inspections, according to the design drawings and delivery packing list, will be performed on the respective parts of the industrial lifting and handling equipment before delivery.

Installation and commissioning process

Functional test	To test the movement and operation of the final functioning unit of the industrial lifting and handling equipment, such as motor rotation, brake engagement, control pendant and limit switch functionality.
Final alignment check	To inspect and ensure that the final alignment of the installed industrial lifting and handling equipment are in the correct position.
Safety check	To inspect the structure of the industrial lifting and handling equipment for safety hazards and ensuring compliance with safety regulations by DOSH.

Our Group's commitment towards product quality and safety is further attested by our compliance with local and international quality standards, and we were awarded the certifications as follows:

Standard	Certification body (Country)	Date first awarded	Current validity period	Scope of certification
Manufacturing of industrial lifting and handling equipment	DOSH (Malaysia)	26 January 1999	7 May 2024 – 6 May 2027	Registered as Competent Person (Company) for the manufacturing of industrial lifting cranes and industrial lifts

7. BUSINESS OVERVIEW (Cont'd)

Standard	Certification body (Country)	Date first awarded	Current validity period	Scope of certification
ISO 9001:2015 Quality Management System	Intertek (United Kingdom)	22 January 2010	24 January 2025 – 21 January 2028	Fulfilling the requirement for quality management system for design, fabrication, installation, testing and commissioning and servicing of crane structures and supply of installation, testing, commissioning and servicing of cranes and hoists

7.14 RESEARCH AND DEVELOPMENT

Due to the nature of our business, we do not undertake any research and development activities for our existing business in providing industrial lifting and handling equipment. However, upon customer request, we may carry out design and development activities for industrial lifting and handling equipment that are specially designed to meet our customer's manufacturing or operational needs.

7.15 COMPETITIVE STRENGTHS**7.15.1 We have a well-established history and proven track record of 34 years in the industrial lifting and handling equipment industry**

We have an established history of 34 years in the industrial lifting and handling equipment industry with a proven track record as an industrial lifting and handling equipment specialist. With 34 years of experience in the industrial lifting and handling equipment industry in Malaysia, our Group has developed in-depth understanding and knowledge of local business requirements, industry standards and regulations. This experience has been crucial in supporting our business expansion and the continued growth of our Group.

With 34 years of track record in the industry, our Group has successfully established the brand reputation of 'Liftech'. This is evidenced by the successful growth of our operations over the years, from the operations of a premise in Skudai, Johor in 1992, to the current operations of 2 manufacturing facilities (i.e. Puchong HQ and Taiping Factory) and 6 facilities (i.e. Johor Facility, Ipoh Facility, Penang Facility, Bintulu Facility, New Kota Kinabalu Facility and Kuantan Facility) as at LPD.

7. BUSINESS OVERVIEW (Cont'd)

Further, for FYE 2022 to 2025, we have delivered a total of 1,745 industrial lifting and handling equipment and completed 37,988 maintenance and repair services works, which is a testament to the demand for our products and services. According to the IMR Report, we captured a market share of 3.53%, signifying ample growth opportunities for our Group in Malaysia. Our Group's believes that the industry reputation that we have established over the years will continue to support the growth of our business moving forward.

7.15.2 We have in-house capabilities to customise and provide end-to-end services catering to customer's engineering and technical needs and requirements

Our comprehensive capabilities span the entire lifecycle of the industrial lifting and handling equipment, from design, manufacturing, installation and commissioning, to maintenance, repair and other related services. This allows us to be a one-stop centre for our customers to source industrial lifting and handling equipment and receive continuous support and maintenance to optimise the equipment performance and lifespan.

We have the capabilities to understand our customer's operational processes as well as engineering and technical needs to design customised industrial lifting and handling equipment that are suitable for our customer's operations. We offer 4 types of industrial lifting cranes comprising overhead cranes, gantry/ semi-gantry cranes, jib cranes and monorail cranes, and 3 types of industrial lifts comprising goods hoists, lifters and hydraulic scissor lifts, that can be customised to meet businesses' manufacturing or operational needs while taking into consideration various factors such as required working range of the equipment, type and maximum weight of the load to be handled, direction and speed of movement required, operating conditions, factory layout and available space, site condition, safety and control features and budget.

We have our in-house team to carry out design, manufacturing, installation and commissioning works, thus allowing our Group to have full control over all aspects of work and product quality until the industrial lifting and handling equipment is handed over to our customers. This also allows us to better estimate manufacturing lead time and provide faster turnaround times on projects. Our technical capabilities also extend to providing maintenance and repair services for industrial lifting and handling equipment which include routine inspections and servicing for preventive maintenance purposes, troubleshooting and repair services, refurbishment services and relocation services.

As at LPD, we employ a total of 74 technical and production workers, which is inclusive of 9 engineers to carry out engineering design works and 14 welders to carry out welding works, as well as 88 service workers to carry out installation, commissioning, maintenance and repair works. We believe that with our in-house capabilities, we are well-positioned to capture business opportunities arising from the demand for industrial lifting and handling equipment from various industries.

7. BUSINESS OVERVIEW (Cont'd)

7.15.3 We have a strategic network of operational facilities throughout Malaysia to provide prompt maintenance and repair services to our customers

We have established our maintenance and repair teams in each of our operational facilities (i.e. Puchong HQ, Taiping Factory, Johor Facility, Ipoh Facility, Penang Facility, Bintulu Facility, New Kota Kinabalu Facility and Kuantan Facility) that are strategically based across Malaysia. This enables our Group to better serve customers in the central, northern, southern and east coast regions as well as in East Malaysia.

Having dedicated teams in closer proximity to our customers' sites allows us to provide prompt maintenance and repair services to our customers that are located throughout Malaysia, which are crucial to businesses to minimise operational interruptions that may cause delays to their deliveries. This also provides better confidence to customers on our after-sales services, thus driving customer loyalty and repeat order for our industrial lifting and handling equipment as well as our Group's competitiveness in securing new customers.

Our Group believes that the industry reputation that we have established over the years will continue to aid our Group in attracting new customers and retaining business relationships with existing customers.

7.15.4 We offer a wide range of industrial lifting and handling equipment

We offer a wide range of industrial lifting and handling equipment comprising industrial lifting cranes (i.e. overhead cranes, gantry/ semi-gantry cranes, jib cranes and monorail cranes), industrial lifts (i.e. goods hoists, lifters and hydraulic scissor lifts), dock levellers, aerial work platforms as well as mechanical and automated car park systems. Save for dock levellers and aerial work platforms which are standard design products, all our industrial lifting and handling equipment are customised to suit our customer's operations and needs.

In addition, we may, upon request, manufacture other types of industrial lifting and handling equipment for customers to meet their manufacturing or operational needs such as FIFO rollers, hydraulic tilting platforms and transfer cars, in which we had delivered these industrial lifting and handling equipment during FYE 2022 to 2025.

Given that industrial lifting and handling equipment are primarily used to carry heavy and large-size loads, our products can be catered to a diverse array of industries. Further, we also offer a comprehensive range of services comprising design, manufacturing, installation and commissioning of industrial lifting and handling equipment, and maintenance and repair services. This allows us to attend to various customer requests, thus providing our Group the competitiveness to secure more sales from existing and new customers.

7.15.5 We serve a diversified portfolio of customer industries

We have, since the commencement of our business, been serving direct end-users from various industries such as steel works and steel foundry, construction, public utilities, semiconductor, machinery, pre-cast concrete, palm oil, plastic products, automotive components and raw metals. We also sell our industrial lifting and handling equipment to main contractors (i.e. companies that construct buildings, factories, industrial plants and infrastructures) who source industrial lifting and handling equipment on behalf of their customers who are the end-users.

7. BUSINESS OVERVIEW (Cont'd)

We primarily market and sell our products and services to direct end-users which offers us several advantages such as better control over our marketing, sales and pricing processes; improved communication and understanding of customers' operational environments and technical requirements; reduced risks of conflicts or misunderstanding with intermediaries; faster response time to changes in requirements; increased awareness of our market presence; and ability to build brand loyalty and trust with our customers. This provides our Group the platform to build our reputation in the industry and thus, the opportunity to secure repeat sales from existing customers, as well as enhanced competitiveness to secure sales from new customers.

In addition, our sales to main contractors provides our Group extended reach to the main contractors' pool of customers. By fostering continued business relationships with main contractors, our Group may also benefit from the opportunity to secure repeat sales as these main contractors continue to secure additional business themselves. Given the diversified portfolio of customers that our Group serves, we are not dependent on the performance and growth of any one particular industry segment.

7.15.6 We have an experienced and hands-on management team

Our Group is led by our management team that has accumulated years of experience in their respective field and key expertise, industry experience and/ or in-depth knowledge of business operations.

Our Managing Director, Ng Sea Kai, has 40 years of experience in the industrial lifting and handling equipment industry. His vast industry experience, drive and passion for our business has been instrumental in steering overall strategic direction and business development of our Group. Further, his experience and knowledge have guided our Group in implementing various business and marketing strategies to solidify our position and reputation in industrial lifting and handling equipment industry.

He is supported by a team of Executive Directors and key senior management, as follows:

Name	Designation	Total number of years of relevant experience
Eng Peng Hong	Executive Director	35
Ng Say Lim	Executive Director	36
Low Wei Keat	Chief Financial Officer	30
Ho Kee Meng	Head of Sales	27
Ooi Poh Keong	Head of Project Planning	14
Ng Peng Choong	Head of Business Development	9

Our Executive Directors and key senior management team have strong industry and functional expertise as a result of years of experience in their respective fields. Further, they take an active, hands-on role in spearheading their respective departments to support the growth of our Group. As a result, there is a transference of skills and knowledge to employees at all levels in our organisational structure. Their hands-on involvement in our Group demonstrates their strong commitment to our growth as we continue to expand. Please refer to Sections 5.1.2 and 5.3.3 respectively for the profiles of our Executive Directors and key senior management.

7. BUSINESS OVERVIEW (Cont'd)

7.16 BUSINESS STRATEGIES AND FUTURE PLANS

7.16.1 Expansion of our maintenance and repair business in the regions of Penang and Sabah through the purchase of new facilities

(a) New facility in Bukit Minyak, Penang

As at LPD, we have a maintenance and repair team based in our Penang Facility which is a double-storey cluster factory located in Simpang Ampat, Penang. Our Penang Facility has a total land and built-up area of 5,210 sq ft and 7,100 sq ft respectively, of which approximately 5,210 sq ft is allocated area for maintenance and repair works. We are experiencing space constraint at our current Penang Facility which limits our ability to undertake more maintenance and repair orders to further grow our business. Hence, as we continue to secure more orders to grow our business, it necessitates the need for larger work area to undertake more maintenance and repair works as well as the space to store our inventories and machinery.

With that, we intend to acquire and relocate to a larger facility in Bukit Minyak, Penang. On 12 September 2024, we entered into a sale and purchase agreement to acquire the New Bukit Minyak Facility. The New Bukit Minyak Facility has a total land area of 48,115 sq ft, with an existing double-storey detached office building (i.e. built-up area of 5,960 sq ft) and a single-storey work area (i.e. built-up area of 6,993 sq ft). We intend to use the work area to carry out our maintenance and repair works, as well as to store our inventories and machineries. The work area in the New Bukit Minyak Facility is approximately 34.2% larger than the existing allocated area for maintenance and repair works in our Penang Facility, which we anticipate will be able to cater to our initial expansion needs. As we continue to grow our business, the New Bukit Minyak Facility has ample land area that can be utilised to further expand our work area when the need arises. The sale and purchase agreement for the New Bukit Minyak Facility was completed on 28 November 2025. We will undertake minor renovation works to set up our office space as well as maintenance and repair work areas.

We will continue leveraging on the industry reputation that we have established over the years as well as our existing network of main contractors to secure more orders to effectively utilise the expanded space. Further, we also intend to participate in trade fairs and exhibitions to identify potential customers to continue growing our business.

We do not anticipate the need for increase in headcount and investment in machinery and equipment in conjunction with the relocation of our business operations from our Penang Facility to the New Bukit Minyak Facility. Any future increase in headcount and investment in machinery and equipment to cater to the growth of our business operations, should the need arise, will be funded via internally generated funds and/or bank borrowings.

The indicative timeline to set up our New Bukit Minyak Facility is as detailed below:

Timeline	Details
November 2025	• Completion of acquisition of our New Bukit Minyak Facility
June 2026	• Completion of renovation works and relocation of machinery
	• Relocation from Penang Facility to New Bukit Minyak Facility
July 2026	• Commencement of operations

7. BUSINESS OVERVIEW (Cont'd)

The total estimated cost (excluding deposit paid) for the establishment of our New Bukit Minyak Facility is RM8.5 million, of which RM8.2 million of the gross proceeds from our Public Issue will be utilised to pare down our New Bukit Minyak Facility Loan (RM7.75 million) and renovation costs (RM0.57 million) of the New Bukit Minyak Facility. The purchase consideration of RM8.5 million was arrived at on a "willing-buyer willing-seller" basis, with reference to recent transacted values of other similar properties. Further details on the utilisation of proceeds are as set out in Sections 4.9.1(a) and 4.9.1(c). Upon relocating to the New Bukit Minyak Facility, we intend to sell our existing Penang Facility.

(b) New facility in Kota Kinabalu, Sabah

In 2024, we expanded our presence into Sabah through our rented Inanam (Kota Kinabalu) Facility for the provision of maintenance and repair works. Following our expansion into Sabah in 2024, it is necessary for us to further strengthen and establish our market presence in East Malaysia in order to enhance our credibility and instil confidence among potential customers towards our products and services. To support this objective, we acquired a dedicated facility in Kota Kinabalu, Sabah, to demonstrate our long-term commitment to the market and serve as a base to further develop customer relationships in East Malaysia.

On 14 July 2025, we entered into a sale and purchase agreement to acquire the New Kota Kinabalu Facility. The New Kota Kinabalu Facility has a total land area of 4,400 sq ft, with an existing double-storey semi-detached building (i.e. built-up area of approximately 3,601 sq ft) whereby the ground floor (i.e. approximately 2,401 sq ft) will be utilised for our maintenance and repair works and the second floor (i.e. approximately 1,200 sq ft) as office. The sale and purchase agreement for the New Kota Kinabalu Facility was completed on 2 October 2025. We incurred renovation cost of RM0.14 million for minor renovation works undertaken to set up our office space as well as maintenance and repair work areas. Pursuant to the acquisition of the New Kota Kinabalu Facility, we relocated our operations from the Inanam (Kota Kinabalu) Facility to the New Kota Kinabalu Facility and commenced operations in January 2026.

The larger land and built-up area available as compared to our Inanam (Kota Kinabalu) Facility will provide us with expanded space to carry out more maintenance and repair activities as we continue to secure more orders to grow our business. Further, the semi-detached configuration of the New Kota Kinabalu Facility provides a more conducive environment for a well organised placement of machineries and equipment, thus optimising accessibility and driving a more efficient movement of inventories as well as manufactured industrial lifting and handling equipment in and out of the facility, as compared to the terraced configuration of our Inanam (Kota Kinabalu) Facility. This is expected to enhance the overall efficiency of our maintenance and repair operations.

We do not anticipate the need for increase in headcount and investment in machinery and equipment in conjunction with the relocation of our business operations from our Inanam (Kota Kinabalu) Facility to the New Kota Kinabalu Facility. Any future increase in headcount and investment in machinery and equipment to cater to the growth of our business operations, should the need arise, will be funded via internally generated funds and/ or bank borrowings.

7. BUSINESS OVERVIEW (Cont'd)

The indicative timeline to set up our New Kota Kinabalu Facility is as detailed below:

Timeline	Details
October 2025	• Completion of acquisition of our New Kota Kinabalu Facility
December 2025	• Completion of renovation works and relocation of machinery
	• Relocation from Inanam (Kota Kinabalu) Facility to New Kota Kinabalu Facility
January 2026	• Commencement of operations

The total estimated cost (excluding deposit paid) for the establishment of our New Kota Kinabalu Facility is RM2.2 million, of which RM1.8 million of the gross proceeds from the Public Issue will be utilised to pare down our New Kota Kinabalu Facility Loan (RM1.50 million) and renovation costs (RM0.25 million) of the New Kota Kinabalu Facility. As at LPD, our Group has completed the renovation works for our New Kota Kinabalu Facility at a total renovation cost of RM0.14 million. Upon receipt of gross proceeds from the Public Issue, our Group plans to utilise such proceeds to replenish our internally generated funds which were used to finance the said renovation. The purchase consideration of RM2.2 million was arrived at on a "willing-buyer willing-seller" basis, with reference to recent transacted values of other similar properties. Further details on the utilisation of proceeds are as set out in Sections 4.9.1(a) and 4.9.1(c).

Pending the deployment of the proceeds from our Public Issue as aforementioned, the funds will be placed in short-term deposits with financial institutions. The interest, income and/ or profit distribution to be received from placement of the proceeds in short-term deposits with financial institutions shall be utilised for our Group's working capital requirements as set out in Section 4.9.1(d).

7.16.2 Enhancement of manufacturing efficiency through the purchase of new machinery and equipment for our Taiping Factory

In line with the recent completion of second phase expansion of our Taiping Factory in 2024, we have increased our total manufacturing area to approximately 127,100 sq ft from 46,500 sq ft. To support the continued growth of our business, we intend to enhance the efficiency of our manufacturing activities through the purchase of new machinery and equipment, as follows:

Machinery and equipment	Description
Manufacturing⁽¹⁾	
Laser machine	A machine that performs precise cutting of steel plates of different thickness. This will add on to our existing machinery that is used in our manufacturing process to increase our capacity for cutting steel materials. We intend to distribute our cutting activities according to material thickness between our existing and new machines to reduce downtime from the reconfiguration of setting, thus increasing work efficiency. Further, this additional machine will allow for staggered maintenance of our machinery to ensure continuous operations of our manufacturing process during maintenance downtime, thus improving manufacturing efficiency.

7. BUSINESS OVERVIEW (Cont'd)

Machinery and equipment	Description
Gantry auto-welding machine ⁽²⁾	An automated welding machine that uses a gantry frame, which is a bridge-like overhead structure, to move the welding parts along a set of rails to weld large and complex structures with minimal human intervention. This is a new machinery that will further enhance our welding activities by increasing welding efficiency through automation, as well as reduce our dependency on manual labour
Metal inert gas and arc welding machines	A welding machine that requires worker to manually move the machine along the sections to be welded. This will add on to our existing machinery that are used in our manufacturing process to increase our welding capacity
CNC machine	A computer-controlled machine that is able to perform precise cutting, drilling and milling of steel materials to form customised components for our industrial lifting and handling equipment. This is a new machinery that will be introduced into our manufacturing process to allow us to produce customised components in-house, in which such components are sourced from third-party suppliers as at LPD. Consequently, it will help reduce our reliance on third-party suppliers and allow us to have better control over our production schedule
Supporting machinery and equipment⁽³⁾	
Lorry	To deliver individual parts of our industrial lifting and handling equipment, as well as test loads to customer's premise, thus reducing our reliance on third-party logistics services
Overhead crane	To lift and transport heavy and large-size loads, such as steel materials, semi-finished products and completed products within the same manufacturing bay
Remote transfer car	To transfer steel materials, semi-finished products and completed products between manufacturing bays
Forklift	To transport inventories for loading and unloading purposes
Road sweeper	A manned machine to clear dust and debris that are produced at our manufacturing area during manufacturing
Industrial fan	To promote air circulation, regulate air temperature and improve air quality at our manufacturing area

Notes:

- (1) Machinery and equipment that are used directly in our manufacturing activities.
- (2) As at LPD, our Group has purchased the abovementioned gantry auto-welding machine via internally generated funds and intends to replenish our internally generated funds upon receipt of gross proceeds from the Public Issue.
- (3) Machinery and equipment that are used to support our manufacturing activities.

7. BUSINESS OVERVIEW (Cont'd)

The purchase of abovementioned machinery and equipment is in anticipation of the increase in sales order as we continue to grow our business, whereby the machinery and equipment are expected to enhance our manufacturing efficiency as well as reduce our dependency on manual labour and third-party suppliers for certain processes. Currently, we maintain headcount that is sufficient to meet the volume of sales order received. We intend to upskill and train our existing headcount to operate these new machinery and equipment, and we do not presently anticipate the need to hire additional headcount to operate these new machinery and equipment

Notwithstanding the above, as we continue to grow our business and secure more orders, we will gradually require a tandem increase in our headcount to realise our Taiping Factory's potential capacity as set out in Section 7.12, which would be funded via internally generated funds and/ or bank borrowings.

We intend to allocate RM1.7 million of our gross proceeds from the Public Issue, to fully fund and/ or replenish the purchase of these machinery and equipment which is to be utilised over a period of 12 months from our Listing, in which further details are as set out in Section 4.9.1(b).

To cater to the anticipated increase in headcount, we will require more office space for the new employees that we plan to hire. With that, we intend to renovate an office space with a built-up area of approximately 1,200 sq ft, in the expanded manufacturing area of our Taiping Factory. The cost of renovating the office space is estimated at RM0.30 million which will be fully funded via our gross proceeds from our Public Issue. We plan to complete the office space renovation within 12 months from our Listing.

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8. IMR REPORT

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SMITH ZANDER

Date: 18 May 2026

The Board of Directors

Liftech Group Berhad
10 & 12, Jalan TPP 5/8
Taman Perindustrian Puchong
47100 Puchong
Selangor

Dear Sirs/ Madams,

Independent Market Research Report on the Industrial Lifting and Handling Equipment 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 Liftech Group Berhad on the ACE Market of Bursa Malaysia Securities Berhad.

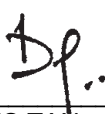
The objective of this IMR Report is to provide an independent view of the industry in which Liftech Group Berhad and its subsidiaries ("Liftech Group") operate and to offer a clear understanding of the industry dynamics. As Liftech Group is an industrial lifting and handling equipment specialist, principally involved in the provision of customised industrial lifting and handling equipment in Malaysia, the scope of work for this IMR Report will thus address the following areas:

- (i) The industrial lifting and handling equipment industry in Malaysia;
- (ii) Key demand drivers, risk and challenges of the industrial lifting and handling equipment industry in Malaysia; and
- (iii) Competitive landscape of the industrial lifting and handling equipment 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:



DENNIS TAN
MANAGING PARTNER

8. IMR REPORT (*Cont'd*)

SMITH ZANDER

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The research for this IMR Report was completed on 18 May 2026.

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About SMITH ZANDER INTERNATIONAL SDN BHD

SMITH ZANDER is a professional independent market research company based in Kuala Lumpur, Malaysia, offering market research, industry intelligence and strategy consulting solutions. SMITH ZANDER is involved in the preparation of independent market research reports for capital market exercises, including initial public offerings, reverse takeovers, mergers and acquisitions, and other fund-raising and corporate exercises.

Profile of the signing partner, Dennis Tan Tze Wen

Dennis Tan is the Managing Partner of SMITH ZANDER. Dennis Tan has 28 years of experience in market research and strategy consulting, including over 23 years in independent market research and due diligence studies for capital markets throughout the Asia Pacific region. Dennis Tan has a Bachelor of Science (major in Computer Science and minor in Business Administration) from Memorial University of Newfoundland, Canada.

8. IMR REPORT (Cont'd)

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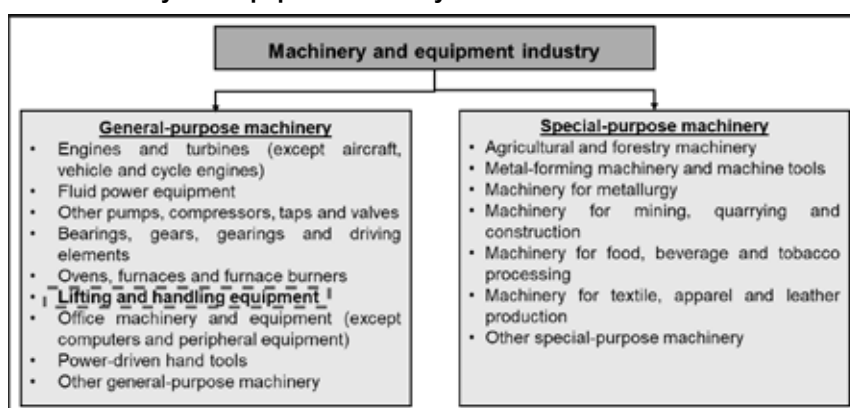
1 THE INDUSTRIAL LIFTING AND HANDLING EQUIPMENT INDUSTRY IN MALAYSIA

Overview

Lifting machinery (also referred to as industrial lifting and handling equipment), as defined by the Occupational Safety and Health (Plant Requiring Certificate of Fitness) Regulations 2024 ("OSHR 2024"), refers to any equipment used for lifting, raising, transporting or lowering loads.

Industrial lifting and handling equipment play a vital role in facilitating economic activities across various industries, ensuring smooth operations, driving efficiency, sustainability, and scalability. By aiding manual lifting and handling tasks, particularly with heavy and large-size loads, industrial lifting and handling equipment increase operational efficiency, reduce risk of injury to workers and minimise the need for manual labour.

The machinery and equipment industry



Industrial lifting and handling equipment is a type of general-purpose machinery, which belongs to the wider machinery and equipment industry. General-purpose machinery can be used in a wide range of industries while special-purpose machinery is designed for specific applications and industries. Industrial lifting and handling equipment are crucial in many industries, particularly in manufacturing, construction and warehousing.

Note: [] denotes the segment of the machinery and equipment industry in which Liftech Group is involved.

There are 4 categories of lifting machinery as defined by the Department of Occupational Safety and Health ("DOSH"), which comprises the following:

Category	Description	Examples of products
A	Lifting machinery designed and built according to user requirements and specifications (i.e. customisation)	<u>Overhead crane, gantry crane, goods hoist lifter, hydraulic scissor lift,</u> table lifter, gondola, quay crane, launcher crane, maintenance cage, rubber tyred gantry crane, <u>jib crane</u> and false car
B	Mass-produced lifting machinery	Crawler crane, mobile crane, truck mounted crane, boring rig/piling crane, mobile elevating work platform/skylift, <u>aerial work platform</u> and wharf crane
C	Theme park lifting machinery and other types of lifting machinery not listed under categories A, B and D	Amusement park rides and <u>other types of lifting machinery not listed under categories A, B and D</u> (e.g. <u>monorail crane</u>)
D	Lifting machinery for offshore and construction use	Passenger hoist, skip hoist/material hoist, pedestal crane/offshore crane, tower crane and mass climbing working platform

Note: Products in **bold, italicised and underlined font** denote the industrial lifting and handling equipment for which Liftech Group is registered to manufacture (i.e. selected products in Category A and Category C) and the industrial lifting and handling equipment that Liftech Group trades (i.e. selected product in Category B).

Source: DOSH

8. IMR REPORT (Cont'd)**SMITH ZANDER**

The following table describes the functions and applications industrial lifting and handling equipment offered by Liftech Group:

Industrial lifting and handling equipment	Description	Examples	Examples of application
Industrial lifting cranes	- Industrial lifting cranes are tall mechanical lifting equipment used to lift and move heavy loads up, down and sideways. - Hoists are the mechanical lifting devices that are equipped onto industrial lifting cranes to lift and lower loads vertically, by means of a rope, chain or wire rope wound around a drum or lifted by a pulley system.	Overhead crane, gantry crane, semi-gantry crane, jib crane, monorail crane	- Manufacturing (e.g. automotive, aerospace, metal fabrication and building materials) – moving heavy equipment and goods in factories - Construction (e.g. building and infrastructure) – lifting steel, concrete and building materials - Transportation and storage / warehousing – loading and unloading cargo; moving goods in storage and warehousing facilities - Oil and gas – handling flammable and explosive materials - Oil palm plantation – moving heavy machinery and bulk raw materials
Industrial lifts	Vertical handling systems designed to move goods between different levels in a building. Lifts are permanent installations in buildings.	Goods hoist, lifter, hydraulic scissor lift	Industrial lifts have applications across various industries and settings such as manufacturing, warehousing, commercial centres, office buildings, hospitals and residential buildings, amongst others.
Elevated work platforms	Platforms that lift goods or workers to perform tasks at elevated areas. Elevated work platforms move vertically and sometimes horizontally.	Aerial work platform	- Construction (e.g. building and infrastructure) – installation, maintenance, painting and cleaning works for high-rise buildings; installation and maintenance of telecommunication structures; bridge construction and maintenance - Transportation and storage / warehousing – loading and unloading cargo; stocking and retrieving items; inventory management
Material handling equipment	Equipment used to move, store and control goods.	Dock leveller	Manufacturing and warehousing (e.g. food and beverage, electrical and electronics and medical equipment) – utilisation of dock levellers to bridge the gap between the height of a loading dock and a delivery vehicle (e.g. truck and trailer)

Maintenance and repair services are a critical part of the industrial lifting and handling equipment industry value chain as these services are vital to ensure the longevity and safety of the industrial lifting and handling equipment. These equipment play a crucial role in the value chain by facilitating the safe and timely transportation of goods and materials. Without proper maintenance and repair, equipment failures can lead to costly delays, production disruptions and workplace accidents. Furthermore, regular preventive maintenance helps prevent unexpected breakdowns and downtime, ensuring that operations run without disruption and that deliverables are met, ultimately improving overall business efficiency and productivity. As such, maintenance and repair services are a necessity throughout the entire lifecycle of industrial lifting and handling equipment to support the safety, reliability and lifespan of the equipment.

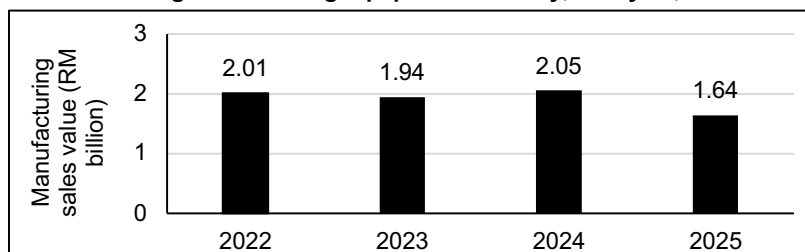
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8. IMR REPORT (Cont'd)

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Industry performance, size and growth

The performance of the industrial lifting and handling equipment industry in Malaysia, as represented by the manufacturing sales value of lifting and handling equipment, grew from RM2.01 billion in 2022 to RM2.05 billion in 2024 at a compound annual growth rate ("CAGR") of 0.99%. The decline in 2023 reflected the normalisation in the demand for industrial lifting and handling equipment following strong growth post-Coronavirus 2019 ("COVID-19") pandemic.

Industrial lifting and handling equipment industry, Malaysia, 2022 – 2025

Note: The manufacturing sales value of industrial lifting and handling equipment includes other types of industrial lifting and handling equipment that are not offered by Liftech Group. The breakdown of manufacturing sales value of industrial lifting and handling equipment for products that are offered by Liftech Group is not publicly available.

Source: Department of Statistics Malaysia ("DOSM")

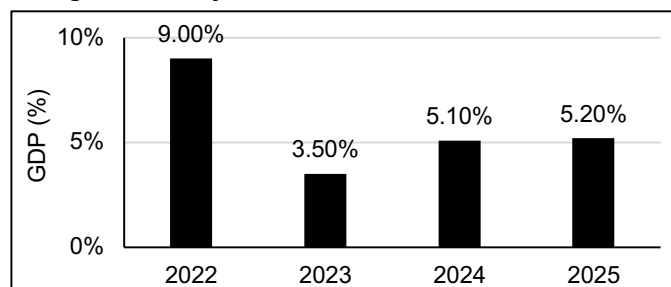
In 2025, the manufacturing sales value of lifting and handling equipment fell year-on-year ("YOY") by 20.00% to RM1.64 billion. The lower demand for lifting and handling equipment in 2025 could be caused by economic uncertainties following the introduction of reciprocal tariffs by the United States ("US") on 5 April 2025. Please refer to the key risks and challenges in Chapter 2 of this IMR Report for more information.

Moving forward, the growth of the industrial lifting and handling equipment industry is expected to continue being driven by the key demand drivers as set out in Chapter 2 of this IMR Report.

2 KEY DEMAND DRIVERS, RISKS AND CHALLENGES OF THE INDUSTRIAL LIFTING AND HANDLING EQUIPMENT IN MALAYSIA**Key Demand Drivers**

► **Growth in the overall economy as well as manufacturing and construction sectors and warehousing industry drive the demand for industrial lifting and handling equipment**

Manufacturing, construction and warehousing activities are vital for the production of various goods, construction of buildings and infrastructure and to ensure sufficient storage for various economic activities. As these activities require various industrial lifting and handling equipment, the increase in manufacturing, construction and warehousing activities is expected to support the demand for industrial lifting and handling equipment. Furthermore, as overall economic growth affects the performance of the manufacturing and construction sectors and warehousing industry, the demand for industrial lifting and handling equipment can be indirectly influenced by overall economic growth.

GDP growth, Malaysia, 2022 – 2025

Post-COVID-19 pandemic, Malaysia's gross domestic product ("GDP") growth normalised to 5.10% in 2024. In 2025, Malaysia's GDP expanded by 5.20%, exceeding Bank Negara Malaysia's projection of between 4.00% to 4.80%. In the long term, Malaysia's economic growth is expected to support the growth of the manufacturing and construction sectors and warehousing industry and in turn, sustain the demand for industrial lifting and handling

Source: DOSM equipment.

- **Manufacturing sector**

The manufacturing sector is a key contributor to the Malaysian economy as it is the second largest GDP sector, with a GDP contribution of RM399.34 billion or 23.01% in 2025 to the overall GDP. As such, the growth of the manufacturing sector positively influences the growth in demand for industrial lifting and

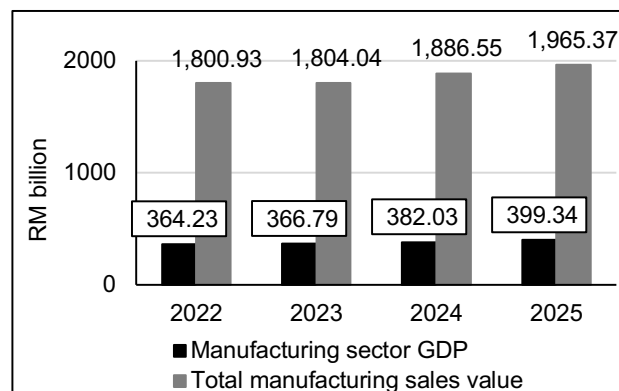
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handling equipment as more industrial lifting and handling equipment will be required to facilitate the increase in manufacturing activities.

From 2022 to 2025, the manufacturing sector GDP grew from RM364.23 billion to RM399.34 billion at a CAGR of 3.12%. Over the same period, the total manufacturing sales value rose from RM1,800.93 billion to RM1,965.37 billion at a CAGR of 2.96%, driving the demand for industrial lifting and handling equipment to support manufacturing activities.

Manufacturing GDP and total manufacturing sales value, Malaysia, 2022 – 2025



Source: DOSM

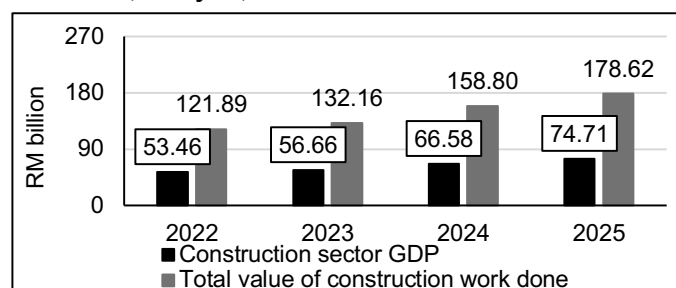
Malaysia's manufacturing sector thrives on investments and various government incentives. Total approved investments for the manufacturing sector, which comprises domestic and foreign investments, increased from RM84.27 billion in 2022 to RM131.30 billion in 2025 at a CAGR of 15.93%. According to the Malaysian Investment Development Authority ("MIDA"), in 2025, the machinery and equipment industry was the fifth largest contributor to the total approved investments for manufacturing projects at RM11.00 billion, indicating investors' confidence in the machinery and equipment industry, which includes the industrial lifting and handling equipment industry.

Amongst the government incentives rolled out to spur the growth of the manufacturing sector includes the Pioneer Status and Investment Tax Allowance, whereby Pioneer Status companies can enjoy 70.00% income tax exemption on its statutory income for 5 years while Investment Tax Allowance enables entitled companies to receive an investment tax allowance of 60.00% from its qualifying capital expenditure incurred within 5 years from the date the initial qualifying capital expenditure is made, and can be set off against 70.00% of statutory income. These investments and initiatives are expected to support the growth of the manufacturing sector, including the demand for industrial lifting and handling equipment.

Furthermore, the Government of Malaysia, through MIDA, provides import duty and/or sales tax exemptions to eligible companies in the manufacturing sector (which includes the manufacturing of industrial lifting and handling equipment) and selected activities in the services and agriculture sectors to promote investments, enhance industrial capabilities and reduce operational costs. Under this incentive, eligible companies may obtain tax exemptions on imported machinery, equipment, raw materials and components which are used directly in the production of finished goods or in the companies' business activities.

- Construction sector**

Construction sector GDP and total value of construction work done, Malaysia, 2022 – 2025



Source: DOSM

The GDP of the construction sector increased from RM53.46 billion in 2022 to RM74.71 billion in 2025 at a CAGR of 11.80%. Over the same period, the total value of construction work done increased from RM121.89 billion to RM178.62 billion at a CAGR of 13.59%. These growth trends signify rising demand for industrial lifting and handling equipment to support construction activities.

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Over the years, the Government of Malaysia had announced various infrastructure projects nationwide for the construction of transportation networks to boost connectivity and enhance the quality of public infrastructure. The development of these infrastructure is expected to create demand for industrial lifting and handling equipment in facilitating construction activities as well as the manufacturing of building materials to cater to demand from construction. Amongst these infrastructure projects and their respective estimated project values are as follows:

Project	Estimated project value
Light Rail Transit ("LRT") 3	RM21.93 billion
Mass Rapid Transit (MRT) 3	RM45.00 billion
Penang LRT	RM16.80 billion
Johor Bahru-Singapore Rapid Transit System ("RTS") Link	RM5.24 billion

Source: Various sources

Furthermore, the allocation of RM80.00 billion and RM81.00 billion for federal development expenditure in 2025 and 2026 respectively will fuel demand for cranes, hoists, and other lifting equipment in infrastructure projects such as transportation, logistics hubs, and industrial zones. Key projects include the Kulim Hi-Tech Park Expansion, flood mitigation projects (RM3.00 billion), and airport expansions and development (Budget 2025: RM253.00 million for Tawau and Miri airport expansion; Budget 2026: RM2.30 billion for Tawau, Miri, Penang and Kota Kinabalu airport development). These projects will require tower cranes, mobile cranes, and crawler cranes for building and infrastructure development, with most projects expected to commence in 2025 and completion timelines varying based on project scope.

In addition, the rollout of fifth generation ("5G") networks in Malaysia as well as the increased adoption of artificial intelligence, Internet of Things (IoT) and digitalisation will also spur the need for additional network infrastructure such as telecommunication towers, fibre optic infrastructure and data centres to support rising demand for faster internet connection and more cloud storage. In 2021, Digital Nasional Berhad was established by the Ministry of Finance Malaysia to implement the development of 5G infrastructure and network in line with the Malaysia Digital Economy Blueprint (MyDIGITAL) aspirations.

Furthermore, in Budget 2026, the Government of Malaysia has set aside RM780.00 million for the implementation of Jalinan Digital Negara (JENDELA) Phase 2 to reach 100.00% internet connectivity for the country through a combination of traditional tower infrastructure and broadband wireless access solutions, including satellite-enabled connectivity.

The implementation of the abovementioned infrastructure projects is expected to positively influence the industrial lifting and handling equipment industry moving forward.

Additionally, through Budget 2025, the Government of Malaysia had announced allocation of funds for various building construction projects, which reflects further potential demand for industrial lifting and handling equipment. Examples of these building construction projects are as follows:

- RM900.00 million for the development of 48 People's Housing Programme and 14 Rumah Mesra Rakyat projects; and
- RM300.00 million for the construction of secondary schools for students with special needs.

In Budget 2026, the Government of Malaysia has continued to allocate funds for the construction of various affordable housing programmes, amounting to RM627.00 million.

The implementation of the abovementioned infrastructure and building construction projects is expected to create a positive outlook for the construction sector and in turn, the growth of the industrial lifting and handling equipment industry.

- **Warehousing industry**

The demand for warehousing and storage is driven by manufacturing, e-commerce and trade activities. As these activities expand, the requirement for warehousing and storage space to accommodate raw materials, end products and products in transit will increase. This will drive the expansion of

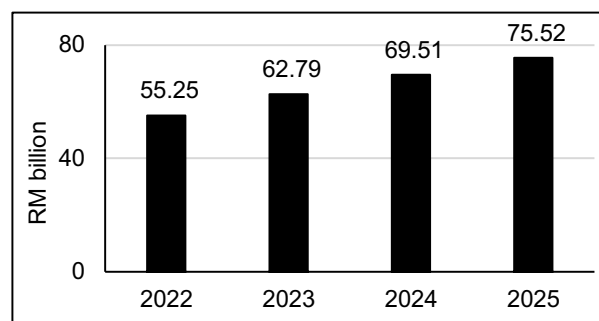
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warehousing and storage space and increase the demand for industrial lifting and handling equipment for material handling. Upgrades of industrial lifting and handling equipment as well as maintenance and repair services may also be required to facilitate continuous efficient management of goods within warehouses. As the warehousing industry is a subset of the transportation and storage industry, the performance of the warehousing industry can be represented by reference to the performance of the transportation and storage sector and value of gross output for warehousing and storage services.

From 2022 to 2025, the transportation and storage sector GDP increased from RM55.25 billion to RM75.52 billion at a CAGR of 10.98%.

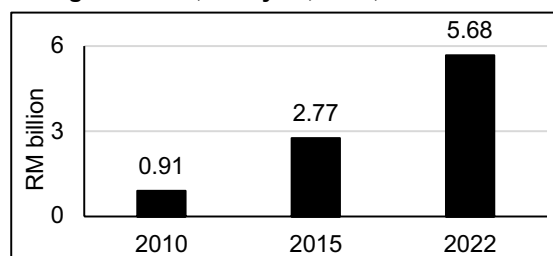
Meanwhile, based on latest publicly available data, the value of gross output for warehousing and storage services observed growth at a CAGR of 16.49% from RM0.91 billion in 2010 to RM5.68 billion in 2022. These growth patterns indicate an increasing demand for industrial lifting and handling equipment to facilitate warehousing activities.

Transportation and storage sector GDP, Malaysia, 2022 – 2025



Source: DOSM

Value of gross output for warehousing and storage services, Malaysia, 2010, 2015 and 2022

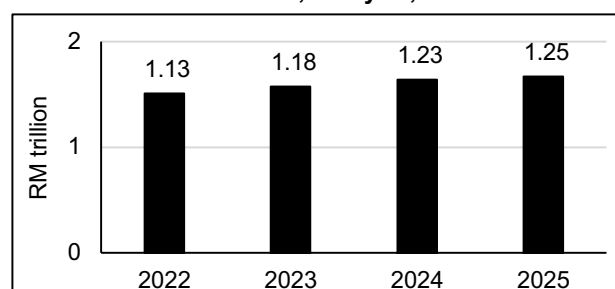


Note: Latest publicly available data based on DOSM's economic census.

Source: DOSM

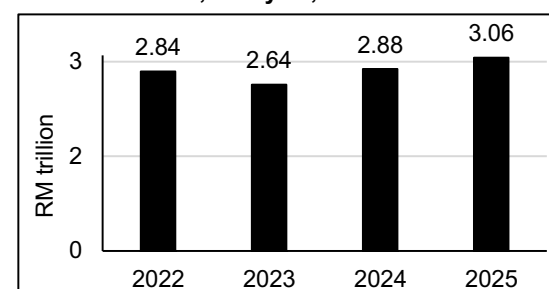
The growth in e-commerce, as represented by income from e-commerce, grew from RM1.13 trillion in 2022 to RM1.25 trillion in 2025 at a CAGR of 3.42%. Overall, from 2022 to 2025, trade activities as represented by total trade value comprising import and export increased from RM2.84 trillion to RM3.06 trillion at a CAGR of 2.52%. The growth in e-commerce and trade activities signifies potential demand for more industrial lifting and handling equipment for support warehousing and storage services moving forward.

Income from e-commerce, Malaysia, 2022 – 2025



Source: DOSM

Total trade value, Malaysia, 2022 – 2025



Source: DOSM

► **Government initiatives through Budget 2025 and Budget 2026 to support development across various industries will drive growth in the industrial lifting and handling equipment sector**

On top of manufacturing, construction and warehousing industries, the Government of Malaysia has through Budget 2025 introduced many initiatives across various industries to boost development across all economic sectors. Subsequently, additional initiatives have been introduced through Budget 2026. Some of the initiatives are highlighted below:

- (i) Special Economic Zones ("SEZ"s) and foreign direct investment ("FDI")

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In Budget 2025, the increased incentives for SEZs, including the Johor-Singapore Special Economic Zone ("JS-SEZ") and Forest City Special Economic Zone, will attract FDI in high-value industries such as manufacturing and logistics, driving demand for industrial lifting and handling equipment. In Budget 2026, an allocation of RM3.40 billion has been earmarked for infrastructure development for JS-SEZ, covering roads, water and electricity supply, broadband connectivity and flood mitigation systems, amongst other infrastructures. The growth of industries in these zones will require efficient material handling and logistics solutions, including overhead cranes, gantry cranes, and jib cranes for material handling and production.

(ii) Renewable energy and sustainability initiatives

Through Budget 2025, the National Energy Transition Roadmap ("NETR") and the allocation of RM305.90 million for green energy projects in 2025 will require specialised lifting equipment for construction, installation and maintenance. The introduction of a carbon tax in 2026 will encourage the adoption of energy-efficient equipment, driving demand for eco-friendly industrial lifting and handling equipment, such as wind turbine cranes, solar panel installation cranes, and maintenance cranes for green energy projects.

In Budget 2026, RM150.00 million has been earmarked for the National Energy Transition Fund to continue supporting the NETR initiative. Furthermore, government-linked investment companies (GLICs) and government-linked companies (GLCs) are set to roll out investments totalling RM16.50 billion in 2026 for solar farm development and expansion of electric vehicle (EV) charging facilities in Peninsular Malaysia. In addition, the Green Technology Financing Scheme, GTFS 5.0, is open for application until 31 December 2026 with a government guarantee incentive of up to 80.00% for green technology in the waste sector, and up to 60.00% for other sectors including energy, water, transport and manufacturing, with a financing allocation of RM1.00 billion. These initiatives will continue to drive renewable energy and sustainability activities and in turn, support the demand for industrial lifting and handling equipment.

(iii) Digitalisation and automation support

Under Budget 2025, the financing (RM3.80 billion) and grants (RM50.00 million in Digital Matching Grants) made available for small and medium-sized enterprises ("SMEs") to adopt automation and digitalisation, including investments in advanced industrial lifting and handling equipment, will accelerate the adoption of technology. Through Budget 2026, Development Financial Institutions will be earmarking about RM1.00 billion in financing and grants to drive automation and digital transformation of businesses. This will lead to increased efficiency, productivity, and competitiveness in the sector, with the use of automated material handling systems, robotic lifting equipment and advanced crane control systems.

(iv) Private finance initiative ("PFI") and export market support

In Budget 2025, the allocation of RM9.00 billion for PFI projects and RM1.00 billion for mid-tier companies to expand into export markets, as well as RM750.00 million through EXIM Bank for export sustainability incentives, will drive private sector participation in infrastructure and industrial development.

Furthermore, under Budget 2026, Syarikat Jaminan Pembiayaan Perniagaan Berhad (SJPP), a wholly-owned company of the Minister of Finance (Incorporated), will offer financing guarantees of up to 70.00% to export-focused mid-tier companies, including those pursuing expansion into new markets, with an overall guarantee limit of RM5.00 billion. Additionally, the Malaysia External Trade Development Corporation (MATRADE) Market Development Grant will allocate RM60.00 million to assist SMEs in exporting Made-in-Malaysia products into existing and new markets, including Africa, Latin America and Central Asia.

These initiatives will increase demand for industrial lifting and handling equipment in various industries, including logistics and manufacturing, and will contribute to the growth of the sector.

The demand for industrial lifting and handling equipment is expected to increase across various industries, providing opportunities for equipment providers to serve a wide range of sectors.

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Key Risks and Challenges**► Dependency on the performance of the manufacturing and construction sectors and warehousing industry which is affected by adverse economic conditions**

As the performance of the manufacturing and construction sectors and warehousing industry can be influenced by the state of the economy, hence, the growth of the industrial lifting and handling equipment industry can be affected by adverse economic conditions. Any economic downturn may affect disposable income and consumer purchasing power, which consequently dampens the demand for manufactured goods. This, in turn, leads to lower demand for warehousing and storage by manufacturers and distributors. In addition, an unfavourable economic climate may result in more prudent expenditure and investments by individuals and businesses, which includes investments on properties and supporting infrastructure. This could reduce construction activities and subsequently affect the demand for support equipment including industrial lifting and handling equipment.

Unfavourable economic climates can be caused by adverse developments which include, but are not limited to, changes in political leadership, adverse geopolitical development, deterioration of international bilateral relationships, acts of terrorism, riots, expropriation, nationalisation, fluctuations in foreign exchange rates and interest rates, imposition of international trade sanctions, as well as changes in fiscal and monetary policies such as inflation, deflation, methods of taxation and tax policies (including sale and service tax, excise duties and tariffs).

For instance, on 5 April 2025, the US imposed a baseline tariff of 10.00% on most imports, with higher reciprocal tariffs for certain countries and products. There had been frequent amendments to the implementation of the reciprocal tariffs amidst ongoing negotiations with other countries and investigations by the US Government on the impacts of certain imports on US national security. An example of an amendment to the reciprocal tariff was the US's reversion, on 8 August 2025, from a 10.00% baseline tariff to a reciprocal tariff of 19.00% on most imports from Malaysia. On 20 February 2026, the US Supreme Court overturned the reciprocal tariff policy on all countries. The US Government subsequently implemented a uniform 10.00% tariff on all trading partners under Section 122 of the Trade Act of 1974 which allows the US Government to take temporary trade measures to address balance-of-payments issues or protect the value of the US dollar. The US tariff landscape remains dynamic and subject to change, and its continued evolution contributes to an uncertain and volatile economic outlook. The imposition of the tariff can have a direct impact on the performance of the manufacturing and construction sectors, as well as the warehousing industry, which may consequently dampen demand for industrial lifting and handling equipment.

In addition, an escalation of tensions in the Middle East occurred on 28 February 2026, when the United States and Israel launched a joint attack on Iran, who then launched retaliatory missile and drone attacks at Israel and towards civilian infrastructure and US military bases across multiple countries in the Middle East. The renewed military confrontation has caused disruptions in key supply routes, primarily the Strait of Hormuz.

The Strait of Hormuz is a critical global energy chokepoint through which approximately 20.00% of global oil consumed is transported. As such, the closure of the Strait of Hormuz has disrupted global crude oil supply and subsequently, driven up the prices of crude oil. The increase in crude oil prices can lead to the rise in production and transportation costs for the manufacturing and transportation of various raw materials and products. This can directly impact the performance of the manufacturing and construction sectors and warehousing industry, which subsequently, can adversely affect the demand for industrial lifting and handling equipment.

Furthermore, other supply chains such as steel have also been disrupted by airspace and waterway closures as well as logistical delays, impacting various sectors and increasing operational and production costs for businesses. These developments have further intensified inflation, raising costs for both households and businesses.

Overall, the conflict is creating economic uncertainty which could, in turn, impact overall manufacturing and construction sectors and warehousing industry, as businesses generally become financially cautious,

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whereby they may delay capital expenditure, tighten costs and scale back expansion plans. As a result, the demand for industrial lifting and handling equipment may be affected.

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, the global economic outlook remains uncertain, with volatility expected to persist in the near term, particularly in the form of fluctuating crude oil prices, financial market swings and disruptions to global trade and supply chains.

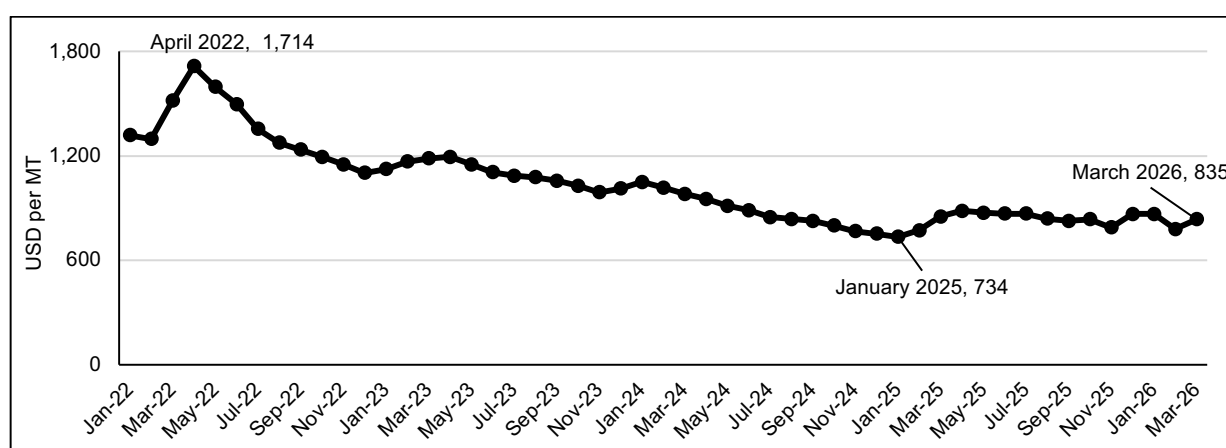
► **Exposure to price volatility of raw materials and availability of supplies**

The raw materials used in the manufacturing of industrial lifting and handling equipment primarily comprise steel materials such as plates, pipes, beams, columns and bar rails. Industry players are exposed to price fluctuations of steel materials. Steel is a global commodity and is affected by production costs of steel, global and regional market supply and demand conditions, global and regional economic conditions, as well as uncertainties arising from geopolitical conflicts. Any increase in the prices of steel, which would subsequently increase the price of raw materials could result in substantial increase in manufacturing costs. Should industry players fail to pass the increase in costs to their customers in a timely manner, their financial performance may be adversely impacted.

In the context of this IMR Report, global steel prices is represented by carbon hot rolled steel plate prices. Between 2022 to 2024, global prices of carbon hot rolled steel plates generally had been on a decreasing trend. Overall, from 2022 to 2024, the average annual carbon hot rolled steel plate prices decreased at a CAGR of 19.11% from USD1,353.83 per metric tonne ("MT") to USD885.83 per MT. This decline was due to several factors, such as China's weakened construction sector which led to an oversupply of steel, and turbulent geopolitical conditions. In 2025, the average annual carbon hot rolled steel plate price continued to decline YOY by 6.05% to USD832.36 per MT.

Over the same period, the highest monthly price of carbon hot rolled steel plates was USD1,714.00 per MT in April 2022, while the lowest monthly price was USD734.00 per MT in January 2025. The peak in price in April 2022 was due to the start of the Russia-Ukraine conflict.

Monthly carbon hot rolled steel plate prices, global, 2022 – March 2026



Sources: MEPS International, SMITH ZANDER

Further, any shortages in overall supplies may adversely impact manufacturing activities. Moreover, in the event that industry players are required to pay higher prices due to shortages of supplies, and if they are unable to pass on the increase in costs to their customers in a timely manner, their financial performance may be adversely affected.

Following the escalation of tensions in the Middle East that occurred on 28 February 2026 and the closure of the Strait of Hormuz, global steel prices have to climbed due to raw material shortages, as well as

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increased crude oil prices which led to higher transportation costs. As at March 2026, the average monthly carbon hot rolled steel plate price stood at USD835.00 per MT.

► **Availability of skilled professionals to provide customised industrial lifting and handling equipment as well as maintenance and repair services**

The activities involved in the provision of industrial lifting and handling equipment can be complex and require various skilled professionals for the design, fabrication, installation, commissioning, as well as maintenance and repair of industrial lifting and handling equipment. These skilled professionals include, amongst others, engineers and welders. An experienced team of skilled professionals will be able to propose designs that fulfil the functional needs of the customers, while being compliant with regulatory requirements and safety standards, as well as properly maintain and repair the equipment.

Manufacturers that have dedicated resources for maintenance and repair services gain a strong competitive edge in the industry. By integrating after-sales support into their offerings, manufacturers ensure that their equipment remains in optimal condition, which reinforces brand trust and reliability. Customers who purchase equipment from manufacturers that provide dedicated maintenance and repair services may be less likely to switch to alternative suppliers, as they benefit from expert care and guaranteed compatibility with their machinery. This approach not only improves customer retention but also opens up additional revenue streams, making maintenance and repair services a strategic business offering. Moreover, having a dedicated resource for maintenance and repair services enables companies to respond quickly to urgent maintenance and repair requests. Emergency breakdowns can occur at any time, and customers often require urgent repairs to minimise downtime. Companies that can offer rapid response services gain a significant competitive advantage by positioning themselves as reliable partners in the industry. By having dedicated in-house maintenance teams or offering on-demand repair services, businesses can differentiate themselves from competitors and enhance customer stickiness.

In order to remain competitive in the market, industry players have to ensure they have sufficient workforce, and that their employees possess suitable and relevant skills and competencies in areas pertinent to the provision of customised industrial lifting and handling equipment as well as maintenance and repair services. Employers have to continuously attract and retain suitably equipped talents such as providing conducive work environments, attractive employee benefits and remunerations, technical training as well as clear and transparent career development paths. Failure to hire and/or retain talents with suitable skills and capabilities may adversely affect an industry player's operational capacity and thus, their ability to accept new orders and sustain revenue growth, which could lead to challenges in enhancing their financial performance.

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3 COMPETITIVE LANDSCAPE OF THE INDUSTRIAL LIFTING AND HANDLING EQUIPMENT INDUSTRY IN MALAYSIA**Overview**

In Malaysia, industry players that manufacture industrial lifting and handling equipment in Malaysia are subject to regulations and safety standards, whereby an industry player must be registered as a Competent Firm or *Firma Yang Kompeten* (now also known as Competent Person (Company)) with the DOSH, granting them the approval to manufacture industrial lifting and handling equipment (according to their category of application). As at the date of completion of this IMR Report, there are 35 companies in Malaysia that are registered as Competent Firms and are granted approval by DOSH to manufacture various ranges of industrial lifting and handling equipment. As such, the requirement to be registered as a Competent Firm with the DOSH serves as one of the barriers to entry for the industrial lifting and handling equipment industry in Malaysia. Further barriers to entry include high capital expenditure for the setup of sufficient factory space and the purchase of machinery and equipment for manufacturing, as well as technical knowledge and expertise by industry players to design and manufacture industrial lifting and handling equipment that meet their customers' requirements.

Key industry players

Liftech Group is an industrial lifting and handling equipment specialist, principally involved in the provision of customised industrial lifting and handling equipment. As such, the basis for selection of key industry players in the industrial lifting and handling equipment industry in Malaysia is as follows:

- Companies that are registered with DOSH as 'Firma Yang Kompeten' to manufacture industrial lifting and handling equipment;
- Companies that primarily manufacture cranes, while also manufacturing other product types that Liftech Group manufactures;
- Companies that have manufacturing facilities in Malaysia; and
- Companies that recorded revenue of at least RM10.00 million in their latest available financial year.

The list of key industry players in the industrial lifting and handling equipment industry in Malaysia is as follows:

Company name	Examples of industrial lifting and handling equipment offered	Latest available financial year	Total revenue (RM million) ⁽¹⁾	GP / (GL) (RM million)	GP / (GL) margin (%)	PAT / (LAT) (RM million)	PAT / (LAT) margin (%)
Jebsen & Jessen Malaysia Sdn Bhd	Industrial lifting cranes (i.e. slewing jib crane, gantry crane, light crane system, intelligent overhead crane, and custom crane); industrial lifts (i.e. scissor lift, performance stage lift, and vehicle/goods lift); and dock leveller	31 Dec 2024	125.08	N/A	N/A	2.00	1.60
Konecranes Material Handling (Malaysia) Sdn Bhd ⁽²⁾	Industrial lifting cranes (i.e. overhead crane, jib crane, and custom crane); and industrial lifts (i.e. electric chain hoists and belt hoists, and lift truck)	31 Dec 2024	79.54	N/A	N/A	(3.69)	(4.63)
Liftech Group	Industrial lifting cranes (i.e. overhead crane, gantry/semi-gantry crane, jib crane and monorail crane); industrial lifts (i.e. goods hoist, lifter and hydraulic scissor lift); and dock leveller	31 Dec 2025	57.86	23.83	41.19	6.86	11.86
Top-Mech Provincial Sdn Bhd	Industrial lifting cranes (i.e. overhead crane, gantry crane, jib crane, and monorail crane); industrial lifts (i.e. goods hoist, scissor lifts, and telescopic boom lifts); and industrial transfer car	31 Dec 2024	49.19	9.37	19.05	3.11	6.32
MS Time Sdn Bhd	Industrial lifting cranes (i.e. overhead crane, gantry crane, jib crane, and hanger crane); and industrial lifts (i.e. scissor lifts, hoists, and forklift)	31 Dec 2024	45.82	12.80	27.94	1.19	2.60

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Company name	Examples of industrial lifting and handling equipment offered	Latest available financial year	Total revenue (RM million) ⁽¹⁾	GP / (GL) (RM million)	GP / (GL) margin (%)	PAT / (LAT) (RM million)	PAT / (LAT) margin (%)
VME Material Handling Sdn Bhd	Industrial lifting cranes (i.e. overhead crane, gantry crane, jib crane, and monorail crane); industrial lifts (i.e. goods hoist, wire rope/chain hoist, and show hoist); and transfer car	31 Dec 2024	42.64	8.82	20.68	1.61	3.78
Powertechnic Group Berhad ⁽³⁾	Industrial lifting cranes (i.e. overhead crane, gantry crane, jib crane, and underhung crane); industrial lifts (i.e. goods hoist, hydraulic table lift, and monorail hoist); and dock leveller/hydraulic dock leveller	31 Dec 2025	42.53	19.42	45.66	3.33	7.83
Helmsion Engineering Sdn Bhd	Industrial lifting cranes (i.e. overhead crane, gantry/semi-gantry crane, jib crane, marine dock crane, and grab dredgers); industrial lifts (i.e. electric hoist, scissor garbage transfer station, and forklift); and automated carpark system	31 Mar 2024	27.66	5.85	21.15	0.46	1.66
Paxton Engineering Sdn Bhd	Industrial lifting cranes (i.e. overhead crane, gantry crane, jib crane, monorail crane, and A-crane); and industrial lifts (i.e. goods hoist)	31 Aug 2025	23.85	4.66	19.54	1.09	4.57
Toptek Engineering Services Sdn Bhd	Industrial lifting cranes (i.e. overhead travelling crane, gantry crane, pillar slewing jib crane, monorail crane, and light crane track system)	31 Dec 2024	23.45	5.42	23.11	0.54	2.30
Multicrane Industries Sdn Bhd	Industrial lifting cranes (i.e. overhead crane, gantry crane, jib crane, and monorail crane); and industrial lifts (i.e. goods hoist, electric wire rope and chain hoists)	31 Dec 2024	20.39	11.97	58.71	2.43	11.92
NHS Engineering Services Sdn Bhd	Industrial lifting cranes (i.e. overhead crane, gantry crane, jib crane, and monorail crane); and industrial lifts (i.e. goods hoist, hydraulic scissor lifts, vertical lifts, and electric wire rope hoist)	31 Dec 2024	11.34	3.54	31.22	0.46	4.06
Seratech Systems (M) Sdn Bhd	Industrial lifting cranes (i.e. overhead crane, gantry crane, and underhung crane); and industrial lifts (i.e. goods hoist, and hoist tandem cabin control)	30 Jun 2025	10.91	4.05	37.12	0.38	3.48

Notes:

- Latest available information as at the research completion date of this IMR Report.
 - GP / (GL) – Gross profit / (Gross loss); PAT / (LAT) – Profit after tax / (Loss after tax).
 - The identified key industry players include all industry players that were identified by SMITH ZANDER based on available sources, such as the internet, published documents and industry directories. However, there may be companies that have no online and/or published media presence, or are operating with minimal public advertisement, and hence SMITH ZANDER is unable to state conclusively that the list of key industry players is exhaustive.
- (1) May include revenue derived from other businesses that are not related to the provision of customised industrial lifting and handling equipment and/or revenue derived from other countries outside Malaysia, as segmental revenue specifically for the provision of customised industrial lifting and handling equipment in Malaysia is not publicly available.
- (2) A subsidiary of Konecranes Plc., a company incorporated in Finland and listed on the Nasdaq Helsinki. Konecranes Plc. and its group of companies are principally involved in the provision of material handling solutions.
- (3) Powertechnic Group Berhad is listed on the ACE Market of Bursa Malaysia Securities Berhad.

Sources: Liftech Group, Companies Commission of Malaysia, various company websites, SMITH ZANDER

Market Share

In 2025, the industrial lifting and handling equipment industry size in Malaysia was recorded at RM1.64 billion. For the financial year end 31 December 2025, Liftech Group's total revenue was recorded at RM57.86 million. As such, Liftech Group captured a market share of 3.53% in the industrial lifting and handling equipment industry in Malaysia in 2025.

9. RISK FACTORS

9.1 RISKS RELATING TO OUR BUSINESS AND OPERATIONS

9.1.1 We are reliant on approvals, licences, registrations and permits to operate our business

Our Group is required to maintain and regularly renew various approvals, licences, registrations and permits issued by various governmental authorities and regulatory agencies, and these approvals, licences, registrations and permits are essential for the conduct of our business and operations. Further details of our approvals, licences, registrations and permits are set out in Section 6.7.

We leverage on existing approvals, licences, registrations and permits to continue our core business operations. We are required to comply with the restrictions and conditions imposed by the relevant authorities for us to maintain the validity of such approvals, licences, registrations and permits. If we are unable to comply with the applicable requirements or required conditions of our approvals, licences, registrations and permits, such approvals, licences, registrations and permits may be suspended or revoked and this may materially and adversely affect our business operations. As at LPD, we have obtained all the relevant approvals, licences, registrations and permits to undertake our business operations. For FYE 2022 to 2025 and up to LPD, we have not experienced any incidences where our approvals, licences, registrations and permits have been revoked or suspended prior to their expiration, or where renewals of such approvals, licences, registrations and permits were not successful.

However, there is no assurance that the introduction of any new laws or any changes to these legislations or other future regulatory developments will not have a material adverse effect on any future applications, maintenance or renewal of approvals, licences, registrations and/or permits, as well as lead to higher compliance and operational costs which may negatively affect our financial performance. Any failure to maintain or renew our approvals, licences, registrations and permits in the future could materially and adversely affect our business operations and financial performance.

For FYE 2022 to 2025 and up to LPD, our Group has not experienced any breach of conditions, laws or regulations which resulted in us being subjected to any penalties, fines, prosecution against our Group or our directors, restrictions on our operations, or remedial liabilities.

9.1.2 The project-based and ad-hoc based nature of our business may lead to fluctuations in our Group's financial performance

The sale of our industrial lifting and handling equipment (i.e. our main revenue contributor) is project-based whereby projects are awarded on a one-off basis. We generally do not enter into long-term contracts with our customers and the value of projects are subject to our customers' business expansion needs. As such, the number and value of our projects may vary from year to year. The future revenue and profitability of our Group will therefore depend on our ability to continuously secure new projects from our existing or new customers. There is no assurance that our revenue or profit will remain at similar levels each year as it depends on the number and value of projects secured, as well as timing of delivery which is subject to customer's site readiness. As our projects are awarded on a one-off basis, there is no assurance that our existing customers will continue to engage us for their new projects. Any cancellation or delay in the commencement of our projects secured due to external factors beyond our control such as availability of supplies, customer's business and financial positions, or poor market conditions, may also adversely affect our Group's financial performance in the event that we are unable to secure replacement projects of equal or greater value.

9. RISK FACTORS (Cont'd)

On the other hand, our provision of maintenance, repair and other related services as well as trading of components, accessories and other industrial lifting and handling equipment (including mechanical and automated car park systems) are provided on an ad hoc-basis, as and when required by our customers. As such, the number and value of sales may vary from year to year, and result in fluctuations in the revenue and profitability of these business segments. There is no assurance that we will be able to continuously secure recurring sales from existing customers or new sales from new customers, which may adversely affect our Group's financial performance.

For FYE 2022 to 2025, we experienced minor fluctuations in our revenue in which it was recorded at RM52.6 million, RM49.1 million, RM57.7 million and RM57.9 million respectively. Notwithstanding that, for FYE 2022 to 2025, our gross profit margin was recorded at 27.5%, 38.8%, 40.3% and 41.2% respectively, demonstrating an increase in our profitability. However, there can be no assurance that we will be able to maintain similar growth rates, profit margins and financial performance in the future.

9.1.3 Our future growth depends on our ability to execute our business strategies and future plans

Our business strategies and future plans are focused on investing in new machinery and equipment for our Taiping Factory to expand our manufacturing capacity, as well as growing our market share and market presence by purchasing new facilities in Penang and Sabah to expand our maintenance and repair services. Please refer to Section 7.16 for further details on our business strategies and future plans.

The implementation of our business strategies and future plans are subject to expenditures including capital expenditures, operational expenditures and other working capital requirements, which will increase our Group's overall operational costs, including overhead costs. This may result in an adverse impact to our profitability if we are unable to gain sufficient revenue following the execution of our business strategies and future plans. Should these business strategies and future plans be delayed or exceed our allocated budget, this may adversely affect our Group's financial performance as well as our ability to pursue other growth opportunities due to the extended commitment period or strain on our time and financial resources.

Furthermore, the implementation of our business strategies and future plans may be impacted by factors beyond our control, such as industry demand for our products and services, which may affect the commercial viability of our business strategies and future plans.

We may not be able to anticipate all the risks associated with our business strategies and future plans. Hence, there can be no assurance that the efforts and expenditure spent on the implementation of our business strategies and future plans will result in successful growth and expansion of our business. In the event of such failure, our business operations and financial performance may be adversely impacted.

9. RISK FACTORS (Cont'd)

9.1.4 We rely on the availability of skilled workers for our design, manufacturing, installation and commissioning works for industrial lifting and handling equipment

We rely on the technical knowledge and experience of our skilled workers (i.e. engineers and welders) to carry out design, manufacturing, installation and commissioning works for our industrial lifting and handling equipment. To perform their respective technical roles, our engineers are required to hold qualifications such as graduate degrees, undergraduate degrees, diplomas, or Malaysian Skills Certificate from the Department of Skills Development ("DSD") in the engineering field. Further, welding works is a specialised skill where our welders have accumulated years of experience in welding works, and that some of our welders also hold a welders' certificate from DSD, technical or vocational colleges, or CIDB. As at LPD, our skilled workers comprise 9 engineers and 14 welders, which constitute 10.6% of our total workforce.

Our ability to attract, retain and train competent and skilled workers is crucial for our continued success, future business growth and expansion. Any shortage and/ or loss of skilled workers and our inability to find suitable replacements in a timely manner and at competitive salary rates may cause delays to the delivery of our industrial lifting and handling equipment, which may consequently affect our revenue recognition. Any delays to our delivery schedules may lead to dissatisfaction from our customers and may impact our ability to secure future business opportunities from these customers. Further, such delays may also adversely affect our Group's reputation within the industry and subsequently challenge our ability to secure new customers. Additionally, we may lose our competitive edge if we are unable to recruit sufficient skilled workers to support our business growth and thus, causing us to forgo potential business opportunities, which may affect the prospects of our Group.

For FYE 2022 to 2025 and up to LPD, our Group has not encountered instances whereby we face resource constraints or availability of skilled workers. Nevertheless, there is no assurance that such incident will not occur in the future, and that it will not impact our business operations and financial performance.

9.1.5 We are dependent on our management team for the continued success and growth of our business

Our Group's continued success, future business growth and expansion are, to an extent, dependent on our management team's experience, expertise and continuous efforts. Our Executive Directors and key senior management have been actively involved in our Group's operations, and their long service, in-depth knowledge on all aspects of our Group's operations, as well as their experience in the industrial lifting and handling equipment industry is crucial to the business continuity and future growth of our Group. Please refer to Sections 5.1.2 and 5.3.3 for the profiles of our Executive Directors and key senior management.

Any loss of our Executive Directors and/ or key senior management simultaneously or within a short time span without suitable and timely replacement, or our inability to attract and retain qualified and competent personnel or to integrate new personnel, could adversely affect the business operations, financial performance and the future growth of our Group. For FYE 2022 to 2025 and up to LPD, we have not encountered any unexpected incidence of loss of personnel from our management team simultaneously or within a short period of time. However, there can be no assurance that such incidences may not occur in the future and that we will be able to find a suitable replacement in a timely manner, which may in turn have a material adverse impact on our operations, financial performance and the future growth of our Group.

9. RISK FACTORS (Cont'd)

9.1.6 We are dependent on subcontractors to carry out certain works

From time to time, we may outsource the installation and commissioning of our industrial lifting and handling equipment to subcontractors when we face shortages of in-house manpower. We also outsource the manufacturing, installation and commissioning of goods hoists for orders received outside of the northern region due to the need for manpower with the required skills to carry out installation and commissioning works post-manufacturing. We generally do not enter into long-term contract or agreement with our subcontractors and we engage their services on a purchase order basis or project basis. Our subcontractor costs accounted for approximately 18.4%, 24.5%, 22.4% and 22.1% of our total purchases for FYE 2022 to 2025 respectively.

There is no assurance that the quality of work performed by our subcontractors as well as the completion timeline will consistently and satisfactorily meet the standards and requirements set out by our Group or our customers at all times. Moreover, our subcontractors may experience operational or financial disruptions that could affect their ability to fulfil their obligations, potentially delaying or compromising the completion of our Group's projects. Despite outsourcing certain works, we remain accountable to our customers for the overall quality of our products and services as our subcontractors do not have direct business relationships with our customers. Hence, the engagement of subcontractors may expose us to certain risks, including but not limited to, risks related to delays and/ or substandard performance as we may not have full control over our subcontractors. Delays in our delivery schedule may adversely affect our revenue recognition and financial performance. Further, it may also adversely impact our relationship with existing customers and our Group's reputation in the industry, thereby reducing our abilities to secure repeat orders or attract new customers. In the event that customers are not satisfied with the quality of work performed, we may incur additional costs to rectify the issues, which may adversely impact our financial performance as we may not be compensated by our subcontractors for any costs incurred due to delays and/ or substandard performance. There is no known fixed industry practice for the compulsory compensation by subcontractors for any costs incurred to rectify issues arising from substandard work performed. While subcontractors are generally held liable to rectify the issues or to compensate our Group for any cost incurred, there is no assurance that we will be able to successfully claim the cost incurred for delays or substandard performance, whether in full amount or at all.

For FYE 2022 to 2025, we have not encountered incidents where our subcontractors failed to fulfil their obligations or that they are unable to satisfactorily meet the standards and requirements set out by our customers.

9. RISK FACTORS (Cont'd)

9.1.7 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 practices are such as the Occupational Safety and Health Act 1994. Please refer to Section 6.10 for further details on the legislation, regulations and industry code of practice applicable to our workplace health and safety practices.

As the manufacturing of industrial lifting and handling equipment involve the use of machinery for cutting, bending and welding activities, as well as the use of industrial lifting and handling equipment such as cranes (i.e. to lift, raise, transport or lower loads) and aerial work platforms (i.e. to work at heights), any improper handling of these machinery and equipment, improper wear of personal protective equipment and non-compliance of safety precautions may jeopardise the safety of our workers as it may cause serious injuries or even fatalities. Should there be any occurrence of work-related accidents on our premises, our business operations may be disrupted or suspended should the accident require further investigation or if we receive an improvement or prohibition notice from DOSH.

For FYE 2022 to 2025 and up to LPD, there were 4 incidents (i.e. occurred in February 2024, April 2024, March 2025 and April 2025 respectively) of work-related accidents that resulted in physical injuries of our employees such as cuts and lacerations as well as low-height falls. The accidents were attributed to the lapses in employees' attentiveness and adherence to established safety procedures. We submitted claims for temporary disablement benefits for the affected employees to the Social Security Organisation (SOCSO) for each incident, where all of our claims for temporary disablement benefits have been awarded to the employees by SOCSO. We also submitted insurance claims for medical treatment of the employees to our insurance providers, where the costs incurred in FYE 2024 and 2025 for medical treatment has been fully reimbursed by our insurance providers; and the insurance claims for the costs incurred in FYE 2025 for medical treatment of the employees are still in progress. We have also notified and reported to DOSH in line with the requirements of the OSHA 1994. We were not subject to any on-going investigations, and did not receive any notice or penalty from DOSH. To further enhance our safety measures, we had, in January 2025, employed a safety supervisor to conduct safety audits of our facilities, monitor safety compliance and conduct regular workplace safety training for employees. For avoidance of doubt, there is no requirement under DOSH for us to appoint a safety supervisor. The appointment of a safety supervisor was undertaken at our own initiative to enhance our internal workplace safety measures to better prevent further incidents. In addition, we have installed accident prevention signs in our facilities to increase employee awareness of workplace safety, and have also retrofitted our facilities with safety measures (e.g. fall protection) where required.

These incidents did not cause any disruption to our business operations and the employees reported back to work upon recovery. No notices, penalties or compounds were imposed by the relevant authorities in connection with the incidents. However, there can be no assurance that any work-related accidents that may occur in the future will not cause disruption our business operations and/or delays to the delivery of our industrial lifting and handling equipment.

9. RISK FACTORS (Cont'd)**9.1.8 We are subject to foreign exchange fluctuation risks which may impact the profitability of our Group**

We are exposed to foreign exchange fluctuation risk arising from our overseas purchases of steel materials, components and accessories. Our purchases that are sourced from overseas suppliers are denominated in RMB, EUR, USD, AUD, SGD and THB. For FYE 2022 to 2025, our purchases that are denominated in foreign currencies accounted for 33.6%, 29.0%, 30.7% and 38.7% of our Group's total purchases respectively.

For FYE 2022 to 2025, the breakdown of our purchases by currency are as follows:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Purchases denominated in:								
RM	21,532	66.4	15,894	71.0	16,900	69.3	14,992	61.3
RMB	7,327	22.6	5,869	26.2	5,979	24.5	5,060	20.7
EUR	1,216	3.8	533	2.4	966	4.0	4,224	17.2
USD	2,348	7.2	92	0.4	196	0.8	178	0.7
AUD	-	-	-	-	-	-	16	0.1
SGD	1	<0.1	2	<0.1	2	<0.1	-	-
THB	-	-	-	-	353	1.4	-	-
	32,424	100.0	22,390	100.0	24,396	100.0	24,470	100.0

As such, we are exposed to fluctuations of the RMB, EUR, USD, AUD, SGD and THB. Any unfavourable fluctuations in foreign exchange rates may have an adverse impact on our financial performance and profitability. Any significant appreciation or depreciation of the RM against the RMB, EUR, USD, AUD, SGD or THB may either positively or negatively affect our Group's financial performance. In circumstances where the RMB, EUR, USD, AUD, SGD or THB significantly appreciates against the RM, we will record higher purchases in RM after conversion. Conversely, in circumstances where the RMB, EUR, USD, AUD, SGD or THB significantly depreciates against the RM, we will record lower purchases in RM after conversion. In the event that we are unable to pass on the increase in cost to our customers in a timely manner, our financial performance may be adversely affected.

For FYE 2022 to 2025, our Group did not enter into any financial instruments to hedge our exposure against any foreign exchange fluctuations, and we have not been materially impacted by any foreign exchange fluctuations. Please refer to Section 12.11 for further details on the impact of foreign exchange fluctuations on our Group's financial performance.

9.1.9 Our business operations are exposed to unexpected interruptions or delays caused by equipment failures, fire and environmental factors (including natural disasters and outbreak of diseases)

We rely on various types of machinery and equipment to manufacture our industrial lifting and handling equipment. These machinery and equipment may, on occasion be out of service due to unanticipated failures or damages sustained during operations or due to improper use. In addition, as our manufacturing of industrial lifting and handling equipment are dependent on continuous supply of electricity, any major power outages may result in interruptions to our operations, delays in our manufacturing schedule and subsequent delays in project fulfilment. The occurrence of natural disasters (e.g. floods) and damages caused by fires may also cause interruptions to our operations. The occurrence of these events that are beyond our control may cause damage or destruction to all or part of our inventory as well as our machinery and equipment.

9. RISK FACTORS (Cont'd)

Any material damages to our inventory, machinery and equipment may result in our Group incurring significant costs for repair, refurbishment and/or replacement, which may adversely impact our financial performance. Further, any prolonged interruptions to our manufacturing of industrial lifting and handling equipment would consequently affect our ability to fulfil our sales orders, cause delivery delays to our customers and subsequently affect our revenue recognition. This may adversely impact our relationship with customers and reputation in the industry as well as our financial performance.

For FYE 2022 to 2025 and up to LPD, we have not encountered any incidents of unanticipated machinery and equipment failures or material damages to our inventory and facilities which had led to unanticipated downtime or prolonged disruption to our operations. However, there can be no assurance that such incidences will not occur in the future. In the event that we are required to halt our operations due to the abovementioned incidents, we will still incur operating expenses such as labour costs and utility costs. As such, our Group's financial performance may be adversely affected should the interruptions occur for a prolonged period of time.

Further, any large-scale outbreak of infectious diseases (e.g. COVID-19 pandemic) may result in the imposition of lockdown measures and accompanying standard operating procedures to curb the spread of the virus, leading to economic uncertainties, supply chain disruptions and/or temporary suspension of business activities. In the event that our business activities are affected by the outbreak of infectious diseases, our financial performance may be adversely affected.

9.1.10 We may be subject to credit risk and default in payment by our customers

We provide credit terms for our existing customers, whereby the credit terms granted to our customers generally range from 30 to 120 days from the date of invoice. Our customers have varying degrees of credit risk profiles which exposes us to the risk of default in payment by them. We assess our customers' credibility by conducting background checks and reviewing their financial information before granting them credit terms. In the event that our customers default on their payments, our operating cash flows, financial condition and results of operations could be adversely affected.

We generally require our customers to make partial payment upon issuance of sales invoice. For FYE 2022 to 2025, all of our sales were transacted on credit terms respectively. Please refer to Section 12.8.1 for further details on the ageing analysis of our trade receivables.

Any default or delay in our collection of trade receivables which lead to impairment losses on trade receivables may have an adverse impact on our financial performance. Our impairment loss on trade receivables for FYE 2022 to 2025 are as follows:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Net impairment/ (reversal of impairment losses) on trade receivables	(100)	1,259	2,093	943

Please refer to Section 12.2.3(f) for further details on our impairment loss on trade receivables.

9. RISK FACTORS (Cont'd)

As at the end of FYE 2025, the accumulated impairment for trade receivables amounted to RM4.9 million, which is a general provision for impairment. Subsequent reversals or further impairment charges will depend on the level of receivables of each subsidiary, as well as the credit risk assessment based on information on monthly collection and receivables past due.

For information, as at 31 December 2025, our total trade receivables that are not impaired stood at RM13.5 million. Subsequent to FYE 2025 and up to LPD, RM10.8 million or 79.8% of the Group's outstanding trade receivables have been collected, and we have continuously undertaken recovery efforts for the collection. These include monthly meetings to identify and to follow up closely on overdue amounts, as well as issuing letters of demand to customers to pursue recovery of payments from them. Please refer to Section 12.8.1 for the collection status of the trade receivables that are not impaired as at the end of FYE 2025.

Save for bad debts amounting to RM0.002 million, RM0.03 million and RM0.02 million that was written off in FYE 2023, 2024 and 2025 respectively, there were no trade receivables that was written off as bad debts for FYE 2022 to 2025. Nevertheless, there can be no assurance that we will be able to collect our trade receivables in full or on a timely basis in the future. Any delay or failure in receiving payments from our customers in the future may result in trade receivables being written off as bad debts, which could adversely impact our financial performance.

9.1.11 We may not be able to secure funding to meet our capital requirement

Our ability to obtain external financing are subject to various uncertainties such as our business's cash flow and financial position, the condition of the local and global economy, the cost of financing and the condition of financial markets as well as the continued willingness of banks to provide new loans with terms favourable to us.

If we are unable to secure adequate funding, or if funding is only available on unfavourable terms, we may face challenges in meeting our capital requirements or otherwise taking advantage of business opportunities or responding to competitive pressures may become challenging, which could have an adverse impact on the financial performance, future growth and prospects of our Group. For FYE 2022 to 2025, we have not encountered any incidence of not being able to secure funding on terms favourable to us to meet our capital requirement. However, there can be no assurance that any required financing, either on a short-term or long-term basis, will be made available to us on terms favourable to us or at all, in the future.

9.1.12 Our insurance coverage may not be adequate to cover all losses or liabilities that may arise in connection with our operations

We may be exposed to various losses and liabilities associated with our business operations such as accidents due to human error or machine malfunction, outbreaks of fire or floods, and burglary. As such, as at LPD, we maintain burglary, employers' liability, fidelity guarantee, fire, group life, group hospitalisation and surgical, group health, group personal accident, machine and equipment, money, motor vehicle, perils and public liability insurance policies to protect our business from various potential losses.

9. RISK FACTORS (Cont'd)

For FYE 2022 to 2025 and up to LPD, we have not encountered any incidents whereby our insurance coverage was inadequate to cover damages, losses or liabilities which resulted in material adverse impact on our financial performance. However, there can be no assurance that our existing insurance policies will continue to adequately cover us from all losses or liabilities arising from any claims or losses in the future nor can we assure that any future incidents requiring insurance claims will be fully covered or reimbursed in a timely manner without affecting our financial performance. In the event that our insurance is not adequate to cover our losses and liabilities, it may result in incurring additional costs to our business that may adversely affect our 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. If we were to incur a significant liability for which we were not fully insured, it may result in incurrence of additional cost that may adversely affect our financial performance.

9.2 RISKS RELATING TO OUR INDUSTRY IN WHICH OUR GROUP OPERATES**9.2.1 We may be affected by the price volatility of raw materials and availability of supplies used in the manufacturing of our industrial lifting and handling equipment**

The raw materials used in the manufacturing of our industrial lifting and handling equipment are steel materials such as plates, pipes, beams, columns and bar rails. For FYE 2022 to 2025, our purchases of steel materials accounted for 28.7%, 21.4%, 23.5% and 21.2% of our total purchases respectively as set out in Section 7.11.

We are exposed to price fluctuations of steel materials. Steel is a global commodity and is affected by production costs of steel, global and regional market supply and demand conditions, global and regional economic conditions, as well as uncertainties arising from geopolitical conflicts. Any increase in the prices of steel, which would subsequently increase the price of our purchase of raw materials could result in substantial increase in our cost of sales. Should we fail to pass the increase in cost to our customers in a timely manner, our financial performance may be adversely impacted. For FYE 2022 and 2023, our Group's financial performance was impacted by the fluctuation of global steel prices. During FYE 2022, our Group incurred higher material costs due to higher global steel prices. These additional costs were not entirely passed on to our customers in a timely manner to remain competitive, resulting in a lower GP margin of 15.5% recorded for our design, manufacturing, installation and commissioning of industrial lifting and handling equipment segment in FYE 2022. During FYE 2023 and 2025, our Group incurred lower material costs due to a decline in global steel prices and our GP margin for the same segment improved to 31.9% and 33.0% respectively. Further details on the impact of global steel prices on our Group's financial performance are set out in Section 12.2.3(b). Save as disclosed, we have not encountered other major fluctuations in the price of steel which materially or adversely impacted our financial performance. However, there can be no assurance that such incidents will not occur in the future and that our financial performance will not be materially or adversely affected.

9. **RISK FACTORS (Cont'd)**

Further, any shortages in our overall supplies may adversely impact our manufacturing activities. There can be no assurance that we will be able to procure the supplies from existing or new suppliers in a timely manner or at reasonably acceptable prices. In the event that we are required to pay higher prices to existing or new suppliers and that we are unable to pass on the increase in costs to our customers in a timely manner, our financial performance may be adversely affected.

For FYE 2022 to 2025 and up to LPD, we have not encountered any incident of shortages of supplies which had adversely impacted our business operations. Nevertheless, there is no assurance that such incident will not occur in the future and that our business operations will not be adversely affected.

9.2.2 **The growth of our Group is dependent on the demand for manufacturing, construction and warehousing activities that require heavy machinery and equipment for their operations**

As a lifting and handling equipment specialist, we are exposed to a broad range of industries that involve heavy lifting, material handling, and construction, serving various industrial sectors that require heavy machinery and equipment for their operations. This broadly includes manufacturing, construction and warehousing industries. As the performance of the manufacturing and construction sectors and warehousing industry can be influenced by the state of the economy, the growth of the industrial lifting and handling equipment industry can be affected by adverse economic conditions. Global economic downturn may affect disposable income and consumer purchasing power, which consequently dampens the demand for manufactured goods. This, in turn, leads to lower demand for warehousing and storage by manufacturers and distributors, as well as potential slowdown in business expansion. In addition, unfavourable economic climate may result in more prudent expenditure and investments by individuals and businesses, which includes investments on properties and supporting infrastructure. This could reduce construction activities and subsequently affect the demand for supporting equipment including industrial lifting and handling equipment.

Although our products are used by a broad range of industries, giving us a wide customer base, there is no assurance that the demand for our products and services will not be affected by any adverse economic conditions in Malaysia. During FYE 2022 to 2025 and up to LPD, we did not encounter any incidences where there was a major decline in demand for our products and services that adversely impacted our financial performance. Nevertheless, there is no assurance that a major decline in demand for our products and services will not occur in the future and that our financial performance will not be adversely affected.

9.2.3 **We are exposed to competition within the industrial lifting and handling equipment industry**

The industrial lifting and handling equipment industry is competitive, comprising many industry players that offer customised industrial lifting and handling equipment in Malaysia. Industry players are subject to stringent regulations and safety standards, whereby they must be registered with DOSH as Competent Persons (Company) to grant them approval to manufacture industrial lifting and handling equipment in Malaysia. According to the IMR Report, there are 35 companies in Malaysia registered as Competent Persons and granted approval by DOSH to manufacture various ranges of industrial lifting and handling equipment as at 18 May 2026. Our Group competes with these companies in terms of, amongst others, price and quality of industrial lifting and handling equipment, technical knowledge and expertise that extends to fabrication and customisation capabilities as well as provision of maintenance and repair services.

9. RISK FACTORS *(Cont'd)*

Apart from existing industry players, we may also face competition from new industry players. The barriers to entry to the industrial lifting and handling equipment industry include stringent regulations and safety standards imposed, high capital expenditure for the setup of sufficient factory space and the purchase of machinery and equipment for manufacturing as well as the technical knowledge and expertise required to design, customise and manufacture industrial lifting and handling equipment. New industry players who are able to meet these requirements are likely able to sustain their business and compete with existing industry players.

Whilst we strive to remain competitive, there can be no assurance that any changes in the competitive environment would not have any material and adverse impact on our business and financial performance. Failure to remain competitive in the industry may lead to reduced sales, as well as reduced ability to attract new customers, which will adversely impact our Group's financial performance.

9.2.4 We are subject to risks relating to the political, economic and regulatory developments in Malaysia as well as the markets which we serve

Our business, prospects, financial condition and results of operations may be affected by political, economic and regulatory developments that are beyond our control in Malaysia, as well as the countries where our products are exported.

Any adverse developments in the political and economic environments in Malaysia and the countries where our products are exported could materially or adversely affect our business operations, financial performance and prospects. The adverse developments that may influence consumer confidence and spending include, but are not limited to, changes in political leadership, war, terrorism, riots, expropriation, nationalisation, unemployment trends, deterioration of international bilateral relationships, imposition of international trade sanctions, as well as changes in fiscal and monetary policies of the Government such as inflation, deflation, methods of taxation, tax policies (including sales and services tax, excise, duties and tariffs) and currency exchange controls. Further, increasing volatility in financial markets may cause these factors to change with greater degree of frequency and magnitude.

In addition, we import certain supplies such as hoists and related components, from China, Spain, Germany and Luxembourg. As such, we are exposed to the risk of disruption to international supply chains as a result of factors such as political instability, military conflicts, acts of terrorism and trade restrictions, which may affect our ability to deliver our industrial lifting and handling equipment in a timely manner should we experience shortages in our supplies. For instance, the military conflicts in the Middle East since February 2026 have heightened regional instability, increased freight costs and potential logistical disruptions. While we have not experienced any significant increase in product and material costs as well as logistical delays arising from such conflicts as at LPD, there is no assurance that our business operations and financial performance will not be adversely impacted if such conflicts continue to prolong. Should we experience any significant delay in receiving overseas supplies or inability to pass on the increased costs to our customers, our business operations and financial performance may be adversely affected.

Our Group could also be affected by new laws, regulations and guidelines that are introduced to govern our business activities whether in general or specific to the industrial lifting and handling equipment industry, and these laws and regulations may be updated and amended from time to time, which are beyond our control.

9. RISK FACTORS (Cont'd)

While we have not encountered any disruptions to our business operations due to any unfavourable or adverse changes in one or more of the abovementioned developments and/or conditions up to LPD, there can be no assurance that any adverse developments in the future in relation to the political, economic or regulatory environment in Malaysia and the countries where our products are exported will not have a material adverse effect on our business operations and financial performance.

9.3 RISKS RELATING TO THE INVESTMENT IN OUR SHARES

9.3.1 There is no prior market for our Shares

There was no public trading market for our Shares prior to our IPO. Hence, there is no assurance that upon our Listing, an active market for our Shares will develop, or, if developed, that such a market can be sustained. Our IPO Price was determined after taking into consideration various factors including but not limited to our business strategies, future plans and our financial and operating history.

There can be no assurance that our IPO price will correspond to the price at which our Shares will be traded on the ACE Market, upon or subsequent to our Listing, and the market price of our Shares will not decline below the IPO Price.

9.3.2 There may be a potential delay to or cancellation of our Listing

Our Listing may be aborted or delayed due to possible occurrences of certain events, which include, among others, the following:

- (a) the selected investors fail to subscribe for the portions of our IPO Shares;
- (b) our Underwriter exercises its rights under the Underwriting Agreement to discharge itself from its obligations therein;
- (c) we are unable to meet the minimum public shareholding spread requirement under the Listing Requirements, whereby at least 25.0% of our total number of Shares for which our Listing is sought must be held by a minimum number of 200 public shareholders each holding not less than 100 Shares at the point of our Listing; and/or
- (d) the revocation of the approvals from the relevant authorities for our Listing for whatever reason.

If any of these events occur, investors will not receive any Shares and we will return in full without interest, all monies paid in respect of the Application within 14 days, failing which the provisions of Section 243(2) of the CMSA shall apply. Our Company shall be liable to return such monies with interest at the rate of 10.0% per annum or at such other rate as may be specified by the SC upon expiration of that period until the full refund is made.

9. RISK FACTORS (Cont'd)

If our Listing is aborted and/or terminated, and our Shares have been allotted to the investors, a return of monies to the investors could only be achieved by way of cancellation of share capital as provided under Sections 116 or 117 of the Act and its related rules. Such cancellation requires the approval of shareholders by special resolution in a general meeting, with sanction of the High Court of Malaya or with notice to be sent to the Director General of the Inland Revenue Board and ROC within 7 days of the date of the special resolution, and us meeting the solvency requirements under Section 117(3) of the Act. There can be no assurance that such monies can be recovered within a short period of time in such circumstances.

Nonetheless, our Board will endeavour to comply with the various regulatory requirements, including, inter alia, public shareholding spread requirements for our Listing. However, there can be no assurance that the abovementioned factors/ events will not cause a delay in or non-implementation of our Listing.

9.3.3 The trading and performance of our Shares following our Listing is subject to fluctuations

Upon completion of our Listing, the trading price of our Shares could be subject to significant fluctuation due to factors specific to our Group or industry in which our Group is operating. Some factors may not be within our control and are unrelated or disproportionate to our financial results. These factors may include, among others, variations in the results of our operations, changes in analyst's recommendations or projections, changes in general market conditions and broad market fluctuations.

The performance of the stock market is also affected by the 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 the stock market, thus adding risks to the market price of our Shares.

9.4 OTHER RISKS

9.4.1 Our Promoters will be able to exercise significant control over our Company

Upon Listing, our Promoters will collectively hold approximately 57.8% of our enlarged number of issued Shares directly and indirectly. As a result, they will be able to effectively control the business direction and management of our Group and as such there can be no assurance that the interests of our Promoters will be aligned with those of our other shareholders. The interests of our Promoters may differ from the interests of our other shareholders and they may be able to exercise significant influence over the vote of our Shares. Our Promoters could also have significant influence in determining the outcome of any corporate transactions or other matters submitted to our shareholders for approval. This includes the election of Directors, approval of business ventures and having substantial voting control over our Group. As such, our Promoters will have a deciding vote on the outcome of any ordinary resolution (which requires a simple majority of 50% plus 1 voting share) to be tabled at general meeting, unless they are required to abstain from voting by law, relevant guidelines or regulations.

10. RELATED PARTY TRANSACTIONS

10.1 RELATED PARTY TRANSACTIONS

Save for the Acquisitions, Capitalisation and as disclosed below, there were no transactions, existing and/ or potential, entered or to be entered into by our Group which involve the interests, direct or indirect, of our Directors, substantial shareholders and/ or persons connected with them which are material to our Group during FYE 2022 to 2025 and up to LPD:

Related party	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value									
					FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to LPD	
					RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Lifting Solutions ⁽⁶⁾	Liftech KL	Ng Sea Kai and Ng Say Lim	Ng Sea Kai is our Promoter, Managing Director and substantial shareholder	Sale of crane and components and provision of technical services to Lifting Solutions by Liftech KL ⁽⁷⁾	876	⁽¹⁾ 1.7	332	⁽¹⁾ 0.7	579	⁽¹⁾ 1.0	-	-	-	-
				Ng Say Lim is our Promoter, Executive Director and substantial shareholder	(836)	⁽²⁾ 2.2	(932)	⁽²⁾ 3.1	-	-	-	-	-	-
				Ng Sea Kai and Ng Say Lim are the shareholders of Lifting Solutions	5	⁽³⁾ 0.5	*	⁽³⁾ <0.1	12	⁽³⁾ 1.7	-	-	-	-
				Interest income charged by Liftech KL on late payment by Lifting Solutions ⁽⁷⁾	6	⁽³⁾ 0.7	5	⁽³⁾ 0.6	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

Related party	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value										1 January 2026 up to LPD	
					FYE 2022		FYE 2023		FYE 2024		FYE 2025				RM'000	%
					RM'000	%	RM'000	%	RM'000	%	RM'000	%				
	Liftech Penang			Sale of components to Lifting Solutions by Liftech Penang ⁽⁷⁾	8	(1)<0.1	*	(1)<0.1	-	-	-	-	-	-	-	-
	Liftech Borneo			Sales of components to Lifting Solutions by Liftech Borneo ⁽⁷⁾	-	-	2	(1)<0.1	*	(1)<0.1	534	0.9	-	-	-	-
				Subcontracting works rendered by Lifting Solutions to Liftech Borneo ⁽⁷⁾	-	-	(10)	(2)<0.1	-	-	-	-	-	-	-	-
				Purchases of cranes and components and provision of technical services from Lifting Solutions by Liftech Borneo ⁽⁷⁾	-	-	-	-	(416)	(2)1.2	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

Related party	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value									
					FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to LPD	
					RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
				Acquisition of motor vehicles by Liftech Borneo from Lifting Solutions ⁽⁹⁾	-	-	-	-	(115)	⁽⁴⁾ 0.3	-	-	-	-
				Rental paid by Liftech Borneo to Lifting Solutions ⁽¹⁰⁾	*	⁽⁵⁾ <0.1	(2)	⁽⁵⁾ <0.1	(12)	⁽⁵⁾ 0.1	(22)	⁽⁵⁾ 0.2	-	-
	Liftech Academy			Sale of crane and components and provision of technical services to Lifting Solutions by Liftech Academy ⁽⁷⁾	-	-	37	⁽¹⁾ 0.1	296	⁽¹⁾ 0.5	-	-	-	-
Surelift Engineering ⁽¹¹⁾	Liftech KL	Ng Sea Kai and Eng Peng Hong	Ng Sea Kai is our Promoter, Managing Director and substantial shareholder	Sale of cranes and components and provision of technical services to Surelift Engineering by Liftech KL ⁽⁷⁾	855	⁽¹⁾ 1.6	141	⁽¹⁾ 0.3	-	-	-	-	-	-
			Eng Peng Hong is our Promoter, Executive Director and substantial shareholder	Acquisition of property from Surelift Engineering by Liftech KL ⁽¹²⁾	-	-	-	-	(390)	⁽⁴⁾ 1.2	-	-	-	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

Related party	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value									
					FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to LPD	
					RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
			Ng Sea Kai and Eng Peng Hong are the directors and shareholders of Surelift Engineering	Acquisition of used motor vehicles from Surelift Engineering by Liftech KL ⁽¹³⁾	-	-	-	-	(126)	⁽⁴⁾ 0.4	-	-	-	-
				Purchase of cranes and components and provision of technical services from Surelift Engineering by Liftech KL ⁽⁷⁾	(45)	⁽²⁾ 0.1	(237)	⁽²⁾ 0.8	-	-	-	-	-	-
				Management fee charged to Surelift Engineering by Liftech KL ⁽¹⁴⁾	*	⁽³⁾ <0.1	*	⁽³⁾ <0.1	-	-	-	-	-	-
				Interest income charged by Liftech KL on late payment by Surelift Engineering ⁽⁷⁾	2	⁽³⁾ 0.2	-	-	-	-	-	-	-	-
				Sky-lift rental expenses paid by Liftech KL to Surelift Engineering	-	-	*	⁽²⁾ <0.1	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

Related party	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value										1 January 2026 up to LPD	
					FYE 2022		FYE 2023		FYE 2024		FYE 2025				RM'000	%
					RM'000	%	RM'000	%	RM'000	%	RM'000	%				
	Liftech JB			Purchase of components from Surelift Engineering by Liftech JB ⁽⁷⁾	(4)	⁽²⁾ <0.1	-	-	-	-	-	-	-	-	-	
	Liftech Penang			Sale of components to Surelift Engineering by Liftech Penang ⁽⁷⁾	*	⁽¹⁾ <0.1	*	⁽¹⁾ <0.1	-	-	-	-	-	-	-	
	Liftech Academy			Sale of crane and components, and provision of technical services to Surelift Engineering by Liftech Academy ⁽⁷⁾	43	⁽¹⁾ 0.1	-	-	-	-	-	-	-	-	-	
Ng Sea Kai	Liftech KL	Ng Sea Kai	Ng Sea Kai is our Promoter, Managing Director and substantial shareholder	Repayment of advances by Liftech KL to Ng Sea Kai	-	-	-	-	⁽¹⁵⁾ (249)	⁽⁴⁾ 0.8	-	-	-	-	-	
	Liftech Borneo			Repayment of advances by Liftech Borneo to Ng Sea Kai ⁽¹⁶⁾	-	-	(100)	⁽⁴⁾ 0.4	-	-	-	-	-	-	-	

10. RELATED PARTY TRANSACTIONS (Cont'd)

Related party		Transacting company in our Group				Interested person				Nature of relationship				Nature of transaction				Transaction value									
																		FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to LPD	
																		RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		Liftech Penang								Advances from Liftech Penang to Ng Sea Kai ⁽¹⁶⁾	-	-	(88)	⁽⁴⁾ 0.3	-	-	-	-	-	-							
										Repayment of advances by Ng Sea Kai to Liftech Penang ⁽¹⁶⁾	-	-	-	-	88	⁽⁴⁾ 0.3	-	-	-	-							
Eng Hong	Peng Liftech		Eng Hong	Peng Hong is our Promoter, Executive Director and substantial shareholder						Advances from Eng Peng Hong to Liftech KL	-	-	⁽¹⁶⁾ 200	⁽⁴⁾ 0.7	-	-	-	-	-	-							
										Repayment of advances by Liftech KL to Eng Peng Hong	-	-	⁽¹⁶⁾ (200)	⁽⁴⁾ 0.7	⁽¹⁵⁾ (160)	⁽⁴⁾ 0.5	-	-	-	-							
Ng Say Lim	Liftech Penang		Ng Say Lim	Ng Say Lim is our Promoter, Executive Director and substantial shareholder						Advances from Liftech Penang to Ng Say Lim ⁽¹⁶⁾	(10)	⁽⁴⁾ <0.1	(88)	⁽⁴⁾ 0.3	(75)	⁽⁴⁾ 0.2	-	-	-	-							
										Repayment of advances by Ng Say Lim to Liftech Penang ⁽¹⁶⁾	10	⁽⁴⁾ <0.1	-	-	163	⁽⁴⁾ 0.5	-	-	-	-							

10. RELATED PARTY TRANSACTIONS (Cont'd)

Related party		Transacting company in our Group				Interested person				Nature of relationship				Nature of transaction				Transaction value											
																		FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to LPD			
																		RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Yong Mui Yun		Liftech KL		Yong Yun	Mui Yun	Yong Mui Yun is the director of Liftech KL and our shareholder				Repayment of advances by Liftech KL to Yong Mui Yun ⁽¹⁶⁾				-	-	-	-	(34)	⁽⁴⁾ 0.1	-	-	-	-						
						Yong Mui Yun is the spouse of Ng Sea Kai, our Promoter, Managing Director and substantial shareholder and mother of Ng Peng Choong, our Head of Business Development and substantial shareholder																							
Loke Tiem	Ren	Liftech KL		Loke Tiem	Ren	Loke Ren Tiem	Loke Ren Tiem is the director of Liftech KL and our shareholder				Repayment of advances by Liftech KL to Loke Ren Tiem ⁽¹⁶⁾				-	-	-	-	(6)	⁽⁴⁾ <0.1	-	-	-	-					

10. RELATED PARTY TRANSACTIONS (Cont'd)

Related party	Transacting company in our Group		Interested person	Nature of relationship	Nature of transaction	Transaction value									
						FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to LPD	
						RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Ho Kee Meng	Liftech Penang		Ho Kee Meng	Ho Kee Meng is our Head of Sales and the director of Liftech Penang	Advances from Liftech Penang to Ho Kee Meng ⁽¹⁶⁾	(4)	(4)<0.1	(20)	(4)0.1	(5)	(4)<0.1	-	-	-	-
					Repayment of advances by Ho Kee Meng to Liftech Penang ⁽¹⁶⁾	2	(4)<0.1	2	(4)<0.1	25	(4)0.1	-	-	-	-
Ng Peng Loon	Liftech Penang		Ng Peng Loon	Ng Peng Loon is the director of Liftech Penang and our shareholder	Advances from Liftech Penang to Ng Peng Loon ⁽¹⁶⁾	-	-	-	-	(5)	(4)<0.1	-	-	-	-
					Repayment of advances by Ng Peng Loon to Liftech Penang ⁽¹⁶⁾	-	-	-	-	5	(4)<0.1	-	-	-	-
Har Khen	Yeat Liftech Ipoh		Har Khen	Har Yeat Khen is the director of Liftech Ipoh and our shareholder	Disposal of motor vehicle to Har Yeat Khen by Liftech Ipoh ⁽¹⁷⁾	-	-	85	(4)0.3	-	-	-	-	-	-
Goay Keng Hau	Liftech JB		Goay Keng Hau	Goay Keng Hau is the director of Liftech JB and our shareholder	Disposal of used motor vehicle to Goay Keng Hau by Liftech JB ⁽¹⁸⁾	-	-	-	-	5	(4)<0.1	-	-	-	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

Related party	Transacting company in our Group	Interested person	Nature of relationship	Nature of transaction	Transaction value								1 January 2026 up to LPD	
					FYE 2022		FYE 2023		FYE 2024		FYE 2025		RM'000	%
					RM'000	%	RM'000	%	RM'000	%	RM'000	%		
Messrs C. Y. Ten & Co.	Liftech KL	Ng Peng Choong	Chen Joey is the partner of Messrs C. Y. Ten & Co.	Legal services rendered by C. Y. Ten & Co. to Liftech KL ⁽¹⁹⁾	-	-	-	-	-	-	* ⁽⁵⁾ <0.1		12	N/A
			She is the spouse of Ng Peng Choong, our Head of Business Development and substantial shareholder											

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10. RELATED PARTY TRANSACTIONS (*Cont'd*)

Notes:

N/A – Not applicable. The percentage of the related party transactions is not calculated as the financial statements up to LPD was not prepared.

* Less than RM1,000.

- (1) Computed based on our Group's revenue for each of the respective financial years.
- (2) Computed based on our Group's cost of sales for each of the respective financial years.
- (3) Computed based on our Group's other operating income for each of the respective financial years.
- (4) Computed based on our Group's NA for each of the respective financial years.
- (5) Computed based on our Group's administrative and distribution expenses for each of the respective financial years.
- (6) Save for the rental of the Inanam (Kota Kinabalu) Facility to Liftech Borneo, Lifting Solutions has ceased operations in trading and maintenance of industrial lifting and handling equipment in March 2025, and will not have any other business activities. Its shareholders, namely Ng Sea Kai, Ng Peng Lek and Ng Say Lim, intend to dispose of their entire shareholdings to a third party or to wind up Lifting Solutions. As at LPD, following the expiration of the tenancy agreement on 30 November 2025, our Group no longer have any subsisting transactions with Lifting Solutions.
- (7) Transaction of goods and services between our Group and Lifting Solutions or Surelift Engineering, were not conducted on an arm's length basis as the transaction rates were lower than those charged to third parties.
- (8) Relates to the management fees payable to Liftech KL by Lifting Solutions, which comprised pass-through general administrative expenses, and labour support. The general administrative expenses were based on actual costs incurred, thus were conducted on an arm's length basis. However, the labour support expenses charged to Lifting Solutions are higher than the market rates for similar support services, thus were not conducted on an arm's length basis. This transaction has ceased in March 2025.
- (9) In December 2024, Liftech Borneo acquired three used motor vehicles from Lifting Solutions. These are one-off transactions.

10. RELATED PARTY TRANSACTIONS (*Cont'd*)

- (10) Lifting Solutions (as landlord) and Liftech Borneo (as tenant) had entered into the following tenancy agreements:
- (a) tenancy agreement dated 1 November 2022 for the rental of a room at Inanam (Kota Kinabalu) Facility as accommodation for an employee, at a monthly rental of RM150. This transaction was not conducted on an arm's length basis as the rental rates was lower than the market rates of similar properties at the vicinity. The tenancy agreement has ceased on 31 December 2023; and
 - (b) tenancy agreement dated 1 July 2024 for the rental of Inanam (Kota Kinabalu) Facility for Liftech Borneo's operations at a monthly rental of RM2,000. The tenancy agreement has ended on 30 June 2025 and was further extended to 30 November 2025 at the same rental rate. This transaction was not conducted on an arm's length basis as the rental rates was lower than the market rates of similar properties at the vicinity. The tenancy agreement has been expired on 30 November 2025 following our relocation to the New Kota Kinabalu Facility.
- (11) Surelift Engineering has ceased its operations in the trading and maintenance of industrial lifting and handling equipment in December 2023. Surelift Engineering has changed its principal business activity to investment holding of companies in April 2025. Surelift Engineering's shareholders also intend to wind up the company. Transactions between our Group and Surelift Engineering will no longer subsist.
- (12) On 21 June 2024, Surelift Engineering (as vendor) and Liftech KL (as purchaser) entered into a sale and purchase agreement for the acquisition of the Kuantan Facility for a purchase consideration of RM0.4 million. This is a one-off transaction.
- (13) Liftech KL acquired used motor vehicles from Surelift Engineering during FYE 2024. These are one-off transactions.
- (14) Relates to the management fee charged to Surelift Engineering, which comprised pass-through general administrative expenses. This transaction has ceased in December 2023. The general administrative expenses were based on actual costs incurred, thus were conducted on an arm's length basis.
- (15) Relates to the following:
- (a) amount due from Liftech KL to Ng Sea Kai totalling RM1.4 million, of which RM0.2 million has been settled by Liftech KL in FYE 2024 and RM1.2 million was assigned to Liftech on 30 December 2024; and
 - (b) amount due from Liftech KL to Eng Peng Hong totalling RM1.0 million, of which RM0.2 million has been settled by Liftech KL in FYE 2024 and RM0.8 million was assigned to Liftech on 30 December 2024.

The abovementioned amount due were not conducted on arm's length basis as they are interest free. However, the amount assigned to Liftech totalling RM2.0 million was settled pursuant to the Capitalisation on 28 February 2025 as set out in Section 6.2.7.

10. RELATED PARTY TRANSACTIONS (*Cont'd*)

- (16) The advances provided to and from the related parties to our Group were not conducted on an arm's length basis as the advances provided were interest-free. As at LPD, all the advances have been fully settled by our Group and related parties. Moving forward, our Group will no longer obtain or provide any advances from or to its related parties.
- (17) In November 2023, Liftech Ipoh disposed a used motor vehicle to Har Yeat Khen. This is a one-off transaction.
- (18) In March 2024, Liftech JB disposed a used motor vehicle to Goay Keng Hau. This transaction was not conducted on an arm's length basis as it was disposed at an agreed pricing. This is a one-off transaction.
- (19) Since October 2025, C. Y. Ten & Co. had been engaged by Liftech KL to recover trade receivables, amounting to RM0.2 million, owed by one of our Group's customers. The recovery process is in progress as at LPD. The engagement between our Group and C.Y. Ten and Co will not subsist upon recovery of the outstanding sum from the said customer.

The advances from related parties of our Group, as well as advances to our Group's related party as set out in Note (16) were not conducted on arm's length basis as they were interest free. However, such advances have been fully settled by our related parties as at LPD. Moving forward, our Group will not provide or receive any advances to or from our related parties.

Save for Notes (7), (8), (10), (15), (16) and (18) above, our Board is of the view that all our Group's related party transactions were conducted on an arm's length basis and on competitive commercial terms which are not more favourable to our Group's related parties than those generally available to the public, and not unfavourable to our Group on the following basis:

- (a) Sky-lift rental expenses paid by Liftech KL to Surelift Engineering were based on rental rates of similar sky-lifts;
- (b) Management fees charged to Surelift Engineering and Lifting Solutions by our Group were based on the actual cost incurred;
- (c) Acquisition of property from Surelift Engineering by Liftech KL was based on transacted values of other comparable properties at the vicinity;
- (d) Acquisition of used motor vehicles from Surelift Engineering by Liftech KL was benchmarked against selling prices of similar motor vehicles;
- (e) Acquisition of used motor vehicles from Lifting Solutions by Liftech Borneo was benchmarked against selling prices of similar motor vehicles;
- (f) Disposal of used motor vehicle to Har Yeat Khen by Liftech Ipoh was benchmarked against selling prices of similar motor vehicles; and
- (g) The charges for legal services rendered to Liftech KL by C. Y. Ten & Co. were benchmarked against comparable charges quoted by third-party service providers.

10. RELATED PARTY TRANSACTIONS (Cont'd)

Moving forward, in order to ensure that related party transactions are undertaken on arm's length basis and on normal commercial terms, we have established the following procedures:

(a) Recurrent related party transactions

- (i) at least 2 other contemporaneous transactions with third parties for similar products and/or quantities will be used as comparison, wherever possible, to determine if the price and terms offered by related parties are fair and reasonable and comparable to those offered by other third parties for the same or substantially similar type of products/ services and/ or quantities; or
- (ii) if quotation or comparative pricing from third parties cannot be obtained, the transaction price will be determined by our Group based on those offered by other third parties for substantially similar type of transaction to ensure that the recurrent related party transactions are not detrimental to us.

Our Board shall seek mandate from shareholders to enter into any recurrent related party transactions at a general meeting. Due to its time-sensitive nature, the shareholders' mandate will enable us to enter into such recurrent transactions which are transacted in our ordinary course of business without having to convene numerous general meetings to approve such recurrent transactions as and when they are entered into.

(b) Other related party transactions

- (i) whether the terms of the related party transaction are fair and on arm's length basis to our Group and would apply on the same basis if the transaction did not involve a related party;
- (ii) the rationale for our Group to enter into the related party transaction and the nature of alternative transactions, if any; and
- (iii) whether the related party transaction would present a conflict of interest between our Group and the related parties, taking into account the size of the transaction and the nature of the related parties' interest in the transaction.

Where required under the Listing Requirements, a related party transaction may require prior approval of shareholders at a general meeting to be convened. An independent adviser may be appointed to comment as to whether the related party transaction is fair and reasonable so far as the shareholders are concerned; and whether the transaction is to the detriment of minority shareholders. In such instances, the independent adviser shall also advise minority shareholders on whether they should vote in favour of the transaction.

10. RELATED PARTY TRANSACTIONS (Cont'd)

For related party transactions that require shareholders' approval, our Directors, major shareholders and/ or persons connected with such Director or major shareholder, which have any interest, direct or indirect, in the proposed related party transaction will abstain from voting in respect of their direct and/or indirect shareholdings. Where a person connected with a Director or major shareholder has an interest, direct or indirect, in any proposed related party transactions, the Director or major shareholder concerned will also abstain from voting in respect of his direct and/or indirect shareholdings. Such interested Directors and/or major shareholders will also undertake that he shall ensure that the persons connected with him will abstain from voting on the resolution approving the proposed related party transaction at the general meeting. The relevant directors who are deemed interested or conflicted in such transactions shall also abstain from our Board deliberations and voting on the Board resolutions relating to these transactions.

In addition, to safeguard the interest of our Group and our minority shareholders, and to mitigate any potential conflict of interest situation, our Audit and Risk Management Committee will, amongst others, supervise and monitor any related party transaction and the terms thereof and report to our Board for further action. If a member of our Audit and Risk Management Committee has an interest in any related party transaction, he/ she will abstain from participating in the review and approval process in relation to that transaction. Where necessary, our Board would make appropriate disclosures in our annual report with regard to any related party transaction entered into by us.

10.2 OTHER TRANSACTIONS
10.2.1 Transactions entered into that are unusual in their nature or conditions

There were no transactions that were unusual in their nature or conditions, involving goods, services, tangible or intangible assets, to which our Group was a party for FYE 2022 to 2025, and up to LPD.

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10. RELATED PARTY TRANSACTIONS (Cont'd)

10.2.2 Outstanding loans (including guarantees of any kind)

(a) Outstanding loans and/ or balances

As at LPD, there are no outstanding loans and/ or balances made by our Group to/ for the benefit of a related party or granted by the related parties for the benefit of our Group.

(b) Guarantees

As at LPD, the following individuals and company have jointly and severally provided personal and corporate guarantees for the banking and hire purchase facilities extended by the following financial institutions ("**Financiers**"):

Financiers	Type of facilities	Outstanding balance as at LPD	Facility limit	Guarantor(s)
		RM'000	RM'000	
Public Bank Berhad	1 overdraft facility, 1 term loan and 1 trade facility	1,338	3,050	Ng Sea Kai and Eng Peng Hong
	1 overdraft facility and 1 trade facility	-	5,000	Ng Sea Kai, Eng Peng Hong and Ng Peng Choong
	1 overdraft facility	426	826	Ng Sea Kai and Eng Peng Hong
	1 term loan	4,662	5,500	Ng Sea Kai, Eng Peng Hong, Ng Peng Choong, Yong Mui Yun, Ng Say Pin and Loke Ren Tiem
	1 term loan and 1 overdraft facility	1,662	1,877	Liftech, Ng Sea Kai, Ng Peng Choong and Ng Peng Lek

10. RELATED PARTY TRANSACTIONS (Cont'd)

Financiers		Type of facilities	Outstanding balance as at LPD RM'000	Facility limit RM'000	Guarantor(s)
Maybank Berhad	Islamic	1 term financing and 1 cash line	-	867	Ng Sea Kai, Eng Peng Hong, Eng Seiw Peng, Goay Keng Hau and Fong Tien Hock ⁽¹⁾
		1 cash line, 1 term financing and 1 trade facility	8,006	12,075	Ng Sea Kai, Ng Say Lim, Ng Peng Choong, Ho Kee Meng and Ng Peng Loon
Public Islamic Bank Berhad	Bank	2 cash lines and 2 term financing	250	1,334	Ng Sea Kai, Ng Say Lim and Ho Kee Meng
Public Bank Berhad		15 hire purchase facilities	711	1,060	Ng Sea Kai, Ng Say Lim, Eng Seiw Peng, Goay Keng Hau and Eng Peng Chai
Mitsubishi HC Capital Malaysia Sdn Bhd		1 hire purchase facility	255	400	Ng Sea Kai and Eng Peng Hong
			17,310	31,989	

Note:

⁽¹⁾ He is a former director of Liftech JB.

In conjunction with our Listing, we have applied to the Financiers to obtain a conditional consent for the release and/ or discharge of the personal 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 directors and former director will continue to guarantee for the banking facilities and/ or hire purchase facilities which were extended to our Group.

As at LPD, our Group has received conditional approvals from all the Financiers (subject to, among others, the success of our Listing) to discharge the above guarantees by substituting the same with a corporate guarantee from our Company and/ or other securities from our Group acceptable to the Financiers.

10. RELATED PARTY TRANSACTIONS (Cont'd)

(c) Financial assistance

As at LPD, there is no financial assistance provided by us for the benefit of any related parties. As at LPD, save for the guarantees given by our directors and former director as disclosed in Section 10.2.2(b), there is no financial assistance provided by any related parties for the benefit of our Group.

10.2.3 Transactions entered into with M&A Securities

Save as disclosed below, we have not entered into any transactions with M&A Securities who is the Adviser, Sponsor, Underwriter and Placement Agent for our Listing:

- (a) Agreement entered into between our Company and M&A Securities for the appointment of M&A Securities as Adviser, Placement Agent and Sponsor for our Listing; and
- (b) Underwriting Agreement entered into between our Company and M&A Securities for the underwriting of 23,036,000 Issue Shares.

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11. CONFLICT OF INTEREST

11.1 INTEREST IN SIMILAR BUSINESS AND IN BUSINESSES OF OUR CUSTOMERS AND SUPPLIERS

As at LPD, none of our Directors and substantial shareholders has any interest, direct or indirect, in any businesses or corporations:

- (a) which are carrying on a similar trade as our Group; and
- (b) which is a customer and/ or supplier of our Group.

It is our Directors' fiduciary duty to avoid conflict, and they are required to attend courses which provide them guidelines on their fiduciary duties. In order to mitigate any possible conflict of interest situation in the future, our Directors will declare to our Nomination Committee and our Board their interests in other companies at the onset and as and when there are changes in their respective interests in companies outside our Group. Our Nomination Committee will then first evaluate if such Director's involvement gives rise to an actual or potential conflict of interest with our Group's business after the disclosure provided by such Director. After a determination has been made on whether there is an actual or potential conflict of interest of a Director, our Nomination Committee will then:

- (a) immediately inform our Audit and Risk Management Committee and Board of the conflict of interest situation;
- (b) after deliberation with our Audit and Risk Management Committee, to make recommendations to our Board to direct the conflicted Director to:
 - (i) withdraw from all his executive involvement in our Group in relation to the matter that has given rise to the conflict of interest (in the case where the conflicted Director is an Executive Director); and
 - (ii) abstain from all Board deliberation and voting in the matter that has given rise to the conflict of interest.

In relation to (b)(ii) above, the conflicted Director and persons connected to him (if applicable) shall be absent from any Board discussion relating to the recommendation of our Nomination Committee and the conflicted Director and persons connected to him (if applicable) shall not vote or in any way attempt to influence the discussion of, or voting on, the matter at issue. The conflicted Director, may however at the request of the Chairman of our Board, be present at our Board meeting to answer any questions.

In circumstances where a Director is determined to have a significant, ongoing and irreconcilable conflict of interest with our Group, and where such conflict of interest significantly impedes the Director's ability to carry out his fiduciary responsibility to our Group, our Nomination Committee may determine that a resignation of the conflicted Director from our Board is appropriate and necessary.

Where there are related party transactions between our Group with our Directors (or person connected to them) or companies in which our Directors (or person connected to them) have an interest, our Audit and Risk Management Committee will, amongst others, supervise and monitor such related party transaction and the terms thereof and report to our Board for further action. Please refer to Section 10.1 for the procedures to be taken to ensure that related party transactions (if any) are undertaken on arm's length basis.

11. CONFLICT OF INTEREST (Cont'd)

11.2 DECLARATIONS OF CONFLICT OF INTEREST BY OUR ADVISERS

- (a) M&A 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 Adviser, Sponsor, Underwriter and Placement Agent for our Listing;
- (b) WYNCORP Advisory Sdn Bhd 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 Corporate Finance Adviser for our Listing. Its salient terms of engagement and scope of work as Corporate Finance Adviser includes the following:
 - (i) in consultation with our Promoters and Adviser, advising on the Pre-IPO Reorganisation and equity structure of our Company in preparation for our Listing;
 - (ii) in consultation with our Promoters and Adviser, assisting our Company on conceptualising, advising, planning and implementing our Listing, including the offering structure, size and method of achieving the optimal public shareholding spread, pricing of the Shares, the enlarged issued share capital and other related capital/ financial matters. For avoidance of doubt, the role of the Corporate Finance Adviser does not involve underwriting and placement of Shares in relation to our IPO;
 - (iii) in consultation with our Promoters and Adviser, assisting our Company in reviewing the submission documents and this Prospectus and, where applicable, advising on relevant matters that may arise in the process of implementation of our Listing;
 - (iv) together with the Adviser, advising our Company on the regulatory requirements and compliance matters, including the appropriate corporate governance structure, in relation to our Listing; and
 - (v) participating in the due diligence working group to verify the information, data, documents and representations by our Directors contained in this Prospectus and submissions to the relevant authorities, as agreed in the due diligence planning memorandum;
- (c) Ong Eu Jin Partnership has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as the Solicitors for our Listing;
- (d) BDO PLT has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as the Auditors and Reporting Accountants for our Listing; and
- (e) SMITH ZANDER has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as the IMR for our Listing.

12. FINANCIAL INFORMATION

12.1 HISTORICAL FINANCIAL INFORMATION

Our Company was incorporated on 27 January 2023 as a private limited company under the Companies Act 2016. On 17 September 2025, our company was converted to a public limited company. Our historical financial information for FYE 2022 and 2023 were prepared based on our combined financial statements, Liftech KL, Liftech Penang, Liftech Ipoh, Liftech JB, Liftech Borneo and Liftech Academy; and for FYE 2024 as well as FYE 2025 was prepared based on our consolidated financial statements.

Our audited combined/ consolidated financial statements throughout FYE 2022 to 2025 have been prepared in accordance with MFRS and IFRS Accounting Standards. The selected financial information included in this Prospectus is not intended to predict our Group's financial position, results and cash flows.

12.1.1 Statements of profit or loss and other comprehensive income

The following table sets out a summary of our combined statements of profit or loss and other comprehensive income for FYE 2022 and 2023, and consolidated statements of profit or loss and other comprehensive income for FYE 2024 and 2025, which have been extracted from the Accountants' Report as set out in Section 13. It should be read with the "Management's Discussion and Analysis of Results of Operations and Financial Condition", and Accountants' Report set out in Sections 12.2 and 13 respectively.

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Revenue	52,586	49,100	57,655	57,858
Cost of sales	(38,130)	(30,032)	(34,433)	(34,024)
GP	14,456	19,068	23,222	23,834
Other operating income	846	838	714	941
Administrative and distribution expenses	(8,400)	(9,434)	(12,542)	(13,454)
Finance costs	(125)	(133)	(246)	(449)
Net gains/ (losses) on impairment of financial assets	100	(1,259)	(2,093)	(943)
PBT	6,877	9,080	9,055	9,929
Tax expense	(1,448)	(2,362)	(2,472)	(3,066)
PAT	5,429	6,718	6,583	6,863
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the financial years	5,429	6,718	6,583	6,863
Profit attributable to common controlling shareholders of the combining entities/ owners of our Company	5,429	6,718	6,583	6,863
Total comprehensive income, attributable to common controlling shareholders of the combining entities/ owners of our Company	5,429	6,718	6,583	6,863
EBIT ⁽¹⁾	6,987	9,137	9,187	10,212
EBITDA ⁽¹⁾	7,983	9,978	10,419	11,889
GP margin (%) ⁽²⁾	27.5	38.8	40.3	41.2
PBT margin (%) ⁽³⁾	13.1	18.5	15.7	17.2
PAT margin (%) ⁽³⁾	10.3	13.7	11.4	11.9
Basic/ Diluted EPS (sen) ⁽⁴⁾	1.7	2.1	2.1	2.2

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	5,429	6,718	6,583	6,863
Less:				
Interest income	(15)	(76)	(114)	(166)
Add:				
Finance costs	125	133	246	449
Tax expense	1,448	2,362	2,472	3,066
EBIT	6,987	9,137	9,187	10,212
Add:				
Depreciation expenses	523	498	619	942
Amortisation of right-of-use assets	473	343	613	735
EBITDA	7,983	9,978	10,419	11,889

- (2) Calculated based on GP divided by revenue.
- (3) Calculated based on PBT or PAT divided by revenue.
- (4) Calculated based on PAT attributable to owners of our Company divided by our enlarged share capital of 314,942,002 Shares after our IPO.

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12. FINANCIAL INFORMATION (Cont'd)**12.1.2 Statements of financial position**

The following table sets out the combined statements of financial position as at 31 December 2022 and 31 December 2023, and consolidated statements of financial position as at 31 December 2024 and 31 December 2025 which have been extracted from the Accountants' Report. It should be read with the "Management's Discussion and Analysis of Results of Operations and Financial Condition" and Accountant's Report set out in Sections 12.2 and 13 respectively.

	Audited			
	As at 31 December			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	7,816	15,546	17,476	25,093
Right-of-use assets	3,801	4,141	5,399	8,740
Investment properties	448	439	430	421
Deferred tax assets	163	188	845	770
Total non-current assets	12,228	20,314	24,150	35,024
Current assets				
Inventories	6,760	6,717	7,305	9,339
Trade and other receivables ⁽²⁾	9,328	9,515	12,569	14,617
Other investments	250	-	-	-
Contract assets	1,644	1,781	2,492	5,091
Current tax assets	153	40	121	589
Cash and bank balances	3,517	7,585	11,070	7,773
Total current assets	21,652	25,638	33,557	37,409
TOTAL ASSETS	33,880	45,952	57,707	72,433
EQUITY AND LIABILITIES				
Equity attributable to common controlling shareholders of the combining entities/ owners of our Company				
Invested equity ⁽³⁾	4,570	4,570	-	-
Share capital	-	(1)-	20,238	22,924
Reserves	15,784	22,202	12,777	17,140
TOTAL EQUITY	20,354	26,772	33,015	40,064
Non-current liabilities				
Borrowings	1,501	6,136	5,457	14,471
Lease liabilities	540	607	1,206	996
Deferred tax liabilities	68	143	12	-
Total non-current liabilities	2,109	6,886	6,675	15,467

12. FINANCIAL INFORMATION (Cont'd)

	Audited			
	As at 31 December			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Current liabilities				
Borrowings	853	1,198	523	2,864
Lease liabilities	321	299	523	490
Trade and other payables ⁽⁴⁾	8,450	8,453	11,315	7,411
Contract liabilities	1,261	1,657	4,964	5,750
Current tax liabilities	532	687	692	387
Total current liabilities	11,417	12,294	18,017	16,902
TOTAL LIABILITIES	13,526	19,180	24,692	32,369
TOTAL EQUITY AND LIABILITIES	33,880	45,952	57,707	72,433

Notes:

(1) Represents RM2.

(2) The breakdown of trade and other receivables are as follows:

	Audited			
	As at 31 December			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Trade receivables				
Third parties	8,839	10,386	13,071	18,421
Related parties	1,025	289	56	-
	9,864	10,675	13,127	18,421
Less: Impairment losses				
Third parties	(683)	(1,798)	(4,003)	(4,928)
Related parties	-	(142)	-	-
Total trade receivables	9,181	8,735	9,124	13,493
Other receivables				
Amounts owing by Directors	-	196	-	-
Amounts owing by related parties	-	2	-	-
Third parties	34	83	193	51
Deposits	72	111	^(a) 947	^(c) 245
Total other receivables	106	392	1,140	296
Prepayments	41	388	^(b) 2,305	828
Total trade and other receivables	9,328	9,515	12,569	14,617

Notes:

(a) Deposits as at 31 December 2024 comprise mainly deposits of RM0.9 million paid for the purchase of the New Bukit Minyak Facility.

12. FINANCIAL INFORMATION (Cont'd)

- (b) Prepayment as at 31 December 2024 and 31 December 2025 comprise mainly prepayment of RM1.7 million and RM0.6 million respectively, paid to suppliers for the purchase of raw materials.
- (c) Deposits as at 31 December 2025 comprise mainly deposits for the purchase of double-storey shop office in Melaka and a double-storey terrace house in Johor (details of which are as set out in Section 6.5) as well as utilities and rental.
- (3) Number of issued share capital on combined basis.
- (4) The breakdown of trade and other payables are as follows:

	Audited			
	As at 31 December			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Trade payables				
Third parties	4,841	3,903	4,421	3,892
Related parties	227	487	-	-
Total trade payables	5,068	4,390	4,421	3,892
Other payables				
Third parties	135	407	^(a) 1,594	981
Amounts owing to Directors	2,557	2,455	^(b) 2,000	-
Amounts owing to related parties	-	-	^(c) 437	-
Accruals	690	1,201	^(d) 2,863	^(d) 2,538
Total other payables	3,382	4,063	6,894	3,519
Total trade and other payables	8,450	8,453	11,315	7,411

Notes:

- (a) Amounts owing to third parties as at 31 December 2024 comprise mainly advance payment of RM0.7 million from Wai Ka Man and Wai Kah Poh in relation to the Share Subscription which was completed in FYE 2025 (details as set out in Section 6.2.8) and RM0.4 million retention sum in relation to the second phase expansion of our Taiping Factory.
- (b) The amounts owing to Directors of RM2.0 million as at 31 December 2024 has been settled pursuant to the completion of the Capitalisation on 28 February 2025 as set out in Section 6.2.7.
- (c) The amounts owing to related parties as at 31 December 2024 were mainly in relation to amount owing to Surelift Engineering for the purchase of the Kuantan Facility as set out in Section 10.1, which was completed on 18 February 2025.
- (d) The accruals as at 31 December 2024 and 31 December 2025 was mainly in relation to the accruals of staff-related costs and listing expenses.

12. FINANCIAL INFORMATION (Cont'd)**12.1.3 Statements of cash flows**

The following table sets out the combined statements of cash flows for FYE 2022 and 2023, and the consolidated statements of cash flows for FYE 2024 and 2025 which has been extracted from the Accountants' Report. It should be read with the "Management's Discussion and Analysis Results of Operations and Financial Conditions" and Accountants' Report set out in Sections 12.2 and 13 respectively.

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
PBT	6,877	9,080	9,055	9,929
Adjustments for:				
Amortisation of right-of-use assets	473	343	613	735
Bad debts recovered	-	(5)	-	-
Bad debts written off	147	-	-	2
Depreciation of property, plant and equipment	514	489	610	933
Depreciation of investment properties	9	9	9	9
Gain on disposal of property, plant and equipment	(67)	(235)	(113)	(77)
Gain on disposal of investment	-	(4)	-	-
Gain on early lease termination	-	*	(1)	*
Net (gains)/ losses on impairment loss of trade receivables	(100)	1,259	2,093	943
Property, plant and equipment written off	-	13	6	18
Interest expense	124	132	245	449
Interest income	(15)	(76)	(114)	(166)
Impairment loss in right-of-use assets	-	-	54	-
Unrealised (gain)/ loss on foreign exchange	(3)	44	15	(62)
Operating profit before changes in working capital	7,959	11,049	12,472	12,713
<u>Changes in working capital:</u>				
Inventories	(1,780)	42	(588)	(2,034)
Trade and other receivables	(4,203)	(1,433)	(5,157)	(2,997)
Trade and other payables	1,635	(47)	2,876	(1,842)
Contract assets	(648)	(137)	(711)	(2,598)
Contract liabilities	(229)	397	3,307	785
Cash generated from operations	2,734	9,871	12,199	4,027
Interest received	15	76	114	166
Tax refunded	-	24	-	160
Tax paid	(1,665)	(2,067)	(3,355)	(3,937)
Net cash from operating activities	1,084	7,904	8,958	416

12. FINANCIAL INFORMATION (Cont'd)

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Cash flows used in investing activities				
Proceeds from disposal of property, plant and equipment	69	235	113	77
Proceeds from disposal of other investments	-	254	-	-
Purchase of property, plant and equipment	(728)	(8,233)	(2,546)	(8,231)
Purchase of right-of-use assets	(95)	(290)	(689)	(3,970)
Purchase of other investments	(50)	-	-	-
Net changes in deposits with maturity period more than 3 months	-	(2,307)	(1,934)	1,421
Net cash used in investing activities	(804)	(10,341)	(5,056)	(10,703)
Cash flows (used in)/ from financing activities				
Dividends paid	(300)	(300)	(350)	(2,500)
Interest paid	(16)	(34)	(12)	(31)
Drawdown of term loans	-	5,511	21	9,759
Repayment of term loans	(310)	(657)	(797)	(834)
Repayment of lease liabilities	(536)	(383)	(481)	(781)
Acquisition of subsidiary satisfied via cash consideration	-	-	*	-
Proceeds from issuance of ordinary shares	500	*	10	686
Net cash (used in)/ from financing activities	(662)	4,137	(1,609)	6,299
Net (decrease)/ increase in cash and cash equivalents	(382)	1,700	2,293	(3,988)
Effects of exchange rate changes on cash and cash equivalents	11	(1)	-	5
Cash and cash equivalents at the beginning of the financial years	3,207	2,836	4,535	6,828
Cash and cash equivalents at end of the financial years	2,836	4,535	6,828	2,845

Note:

* Represents less than RM1,000.

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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 combined and consolidated financial information for FYE 2022 to 2025 should be read with the Accountants' Report included in Section 13.

12.2.1 Overview of our operations**(a) Principal activities**

Our Group is principally involved in the provision of customised industrial lifting and handling equipment, under our "Liftech" brand. Our business segments are as follows:

- (i) design, manufacturing, installation and commissioning of industrial lifting and handling equipment;
- (ii) provision of maintenance, repair and other related services; and
- (iii) trading of components, accessories and other industrial lifting and handling equipment.

Please refer to Section 7 for our Group's detailed business overview.

(b) Revenue

Revenue from the design, manufacturing, installation and commissioning of industrial lifting and handling equipment is recognised over time, using input method to measure progress towards complete satisfaction of the project based on labour and material costs incurred to date relative to the total expected costs to the satisfaction of the project. Revenue from design, manufacturing, installation and commissioning of industrial lifting and handling equipment with related parties are recognised at a point in time when our Group satisfy a performance obligation by transferring a promised goods to a customer. An asset is transferred as and when the customer obtains control of that asset, which coincides with the delivery of goods and acceptance by customers.

Revenue from the provision of maintenance, repair and other related services is recognised at a point in time upon the performance of services. Revenue from the trading of components, accessories and other industrial lifting and handling equipment are recognised at a point in time when our Group satisfy the performance obligation by transferring promised goods to a customer. An asset is transferred as and when the customer obtains control of that asset, which coincides with the delivery of goods and acceptance by customers.

12. FINANCIAL INFORMATION (Cont'd)

(c) Cost of sales

Our cost of sales comprises materials costs, labour costs, subcontractor costs, and overhead costs.

(d) Other operating income

Other operating income comprises mainly rental income, realised and unrealised gain on foreign exchange, gain on disposal of property, plant and equipment, interest income, insurance compensation, sales of scrap metal and refund of import duties and sales tax.

(e) Administrative and distribution expenses

Administrative and distribution expenses comprise mainly staff-related costs, directors' remuneration, depreciation expenses, amortisation of right-of-use assets, professional fees, upkeep expenses, insurance expenses, travelling expenses, utilities, bad debts, bank charges, unrealised loss on foreign exchange, entertainment expenses and impairment loss on right-of-use assets.

(f) Finance costs

Finance costs comprise mainly interest expenses on bank overdraft, lease liabilities and term loans.

(g) Net gain/ (losses) on impairment of financial assets

Net gain/ (losses) on impairment of financial assets expenses comprise expected credit loss ("ECL") allowance from trade receivables.

(h) Recent developments

Save for the significant events subsequent to the end of FYE 2025 as disclosed in Note 32 of the Accountants' Report as set out in Section 13, there were no other significant events subsequent to our audited combined and consolidated financial statements for FYE 2022 to 2025.

(i) Exceptional and extraordinary items and audit qualifications

There were no exceptional or extraordinary items during FYE 2022 to 2025. In addition, our audited combined and consolidated financial statements for FYE 2022 to 2025 were not subject to any audit qualifications.

12. FINANCIAL INFORMATION (Cont'd)

12.2.2 Significant factors affecting our revenue

Please refer to Section 9 for the details of risk factors relating to our business and the industry in which we operate. Some of these risk factors have an impact on our Group's revenue and financial performance. The main factors which affect our revenue and profit include but not limited to the following:

(a) We may be affected by the price volatility of raw materials and availability of supplies used in the manufacturing of our industrial lifting and handling equipment

The raw materials used in the manufacturing of our industrial lifting and handling equipment are steel materials such as plates, pipes, beams, columns and bar rails. We are exposed to price fluctuations of steel materials. Steel is a global commodity and is affected by production costs of steel, global and regional market supply and demand conditions, global and regional economic conditions, as well as uncertainties arising from geopolitical conflicts.

Any increase in the prices of steel, which would subsequently increase the price of our purchase of raw materials could result in substantial increase in our cost of sales. Should we fail to pass the increase in cost to our customers in a timely manner, our financial performance may be adversely impacted.

Please refer to Section 9.2.1 for further details.

(b) The project-based and ad-hoc based nature of our business may lead to fluctuations in our Group's financial performance

The sale of our industrial lifting and handling equipment (i.e. our main revenue contributor) is project-based whereby projects are awarded on a one-off basis. We generally do not enter into long-term contracts with our customers and the value of projects are subject to our customers' business expansion needs. As such, the number and value of our projects may vary from year to year. The future revenue and profitability of our Group will therefore depend on our ability to continuously secure new projects from our existing or new customers. There is no assurance that our revenue or profit will remain at similar levels each year as it depends on the number and value of projects secured, as well as timing of delivery which is subject to customer's site readiness.

Please refer to Section 9.1.2 for further details.

12. FINANCIAL INFORMATION (Cont'd)**12.2.3 Review of our results of operations****(a) Revenue****Analysis of revenue by business segments**

Business segments	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Design, manufacturing, installation and commissioning of industrial lifting and handling equipment	37,516	71.3	31,428	64.0	37,911	65.7	38,467	66.5
Provision of maintenance, repair and other related services	8,707	16.6	10,986	22.4	10,658	18.5	11,159	19.3
Trading of components, accessories and other industrial lifting and handling equipment	6,363	12.1	6,686	13.6	9,086	15.8	8,232	14.2
	52,586	100.0	49,100	100.0	57,655	100.0	57,858	100.0

Analysis of revenue by principal markets

Principal markets	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	51,707	98.3	48,505	98.8	55,804	96.8	57,183	98.8
Overseas	879	1.7	595	1.2	1,851	3.2	675	1.2
- Thailand	76	0.2	397	0.8	1,386	2.4	463	0.8
- Indonesia	803	1.5	152	0.3	262	0.5	63	0.1
- China	-	-	-	-	196	0.3	149	0.3
- Singapore	-	-	-	-	-	-	<1	<0.1
- Luxembourg	-	-	-	-	7	<0.1	-	-
- Saudi Arabia	-	-	39	0.1	-	-	-	-
- Australia	-	-	7	<0.1	-	-	-	-
	52,586	100.0	49,100	100.0	57,655	100.0	57,858	100.0

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2022 and FYE 2023**

Our revenue decreased by RM3.5 million or 6.7%, to RM49.1 million in FYE 2023 (FYE 2022: RM52.6 million). This was due to the decrease in revenue generated from the design, manufacturing, installation and commissioning of industrial lifting and handling equipment segment. Such decrease was partially offset by the increase in revenue mainly generated from the provision of maintenance, repair and other related services segment. The Malaysian market was our primary revenue contributor in FYE 2023, contributing RM48.5 million or 98.8% of our total revenue (FYE 2022: RM51.7 million or 98.3%).

Design, manufacturing, installation and commissioning of industrial lifting and handling equipment

Our design, manufacturing, installation and commissioning of industrial lifting and handling equipment segment recorded a decrease in revenue of RM6.1 million or 16.3%, to RM31.4 million in FYE 2023 (FYE 2022: RM37.5 million). This was mainly due to the lower revenue from Hyundai Engineering Malaysia Sdn Bhd, following the completion of our project with them in FYE 2022, which contributed RM12.6 million to our revenue in FYE 2022.

Such decrease was partially offset by the following:

- (i) new project with SIBS Sdn Bhd, which contributed RM4.6 million to the revenue in FYE 2023;
- (ii) new project with Actmax Sdn Bhd, which contributed revenue of RM1.9 million in FYE 2023; and
- (iii) new project with Eng IBS Manufacturing Sdn Bhd, which contributed revenue of RM1.2 million in FYE 2023.

Provision of maintenance, repair and other related services

The provision of maintenance, repair and other related services segment recorded an increase in revenue of RM2.3 million or 26.4%, to RM11.0 million in FYE 2023 (FYE 2022: RM8.7 million). This was mainly due to the higher sales of components arising from the provision of maintenance and repair services to our customers during FYE 2023.

12. FINANCIAL INFORMATION (Cont'd)***Trading of components, accessories and other industrial lifting and handling equipment***

Revenue for the trading of components, accessories and other industrial lifting and handling equipment segment remained relatively consistent at RM6.7 million in FYE 2023 (FYE 2022: RM6.4 million).

Comparison between FYE 2023 and FYE 2024

Our revenue increased by RM8.6 million or 17.5%, to RM57.7 million in FYE 2024 (FYE 2023: RM49.1 million). This was due to the increase in revenue generated from the design, manufacturing, installation and commissioning of industrial lifting and handling equipment segment and the trading of components, accessories and other industrial lifting and handling equipment segment. The Malaysian market remained our primary revenue contributor in FYE 2024, contributing RM55.8 million or 96.8% in FYE 2024 (FYE 2023: RM48.5 million or 98.8%).

Design, manufacturing, installation and commissioning of industrial lifting and handling equipment

Our design, manufacturing, installation and commissioning of industrial lifting and handling equipment segment recorded an increase in revenue of RM6.5 million or 20.7%, to RM37.9 million in FYE 2024 (FYE 2023: RM31.4 million). This was mainly due to the modification works and variation orders performed for our project with Hyundai Engineering Malaysia Sdn Bhd, which contributed to an increase in revenue of RM4.1 million. Additionally, we also secured a new project with Southern Cable Sdn Bhd in FYE 2024, which contributed RM1.6 million to the revenue.

Provision of maintenance, repair and other related services

Revenue for the provision of maintenance, repair and other related services was relatively consistent at RM10.7 million in FYE 2024 (FYE 2023: RM11.0 million).

Trading of components, accessories and other industrial lifting and handling equipment

Our revenue for the trading of components, accessories and other industrial lifting and handling equipment segment recorded an increase in revenue of RM2.4 million or 35.8%, to RM9.1 million in FYE 2024 (FYE 2023: RM6.7 million). This was mainly due to the higher sales of components and accessories for our industrial lifting and handling equipment to our customers in various industries, including food, steel works and steel foundry, automotive components and pre-cast concrete, which collectively recorded an increase in revenue of RM1.6 million in FYE 2024.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2024 and FYE 2025**

Our revenue increased by RM0.2 million or 0.3%, to RM57.9 million in FYE 2025 (FYE 2024: RM57.7 million). This was mainly due to the increase in revenue generated from the design, manufacturing, installation and commissioning of industrial lifting and handling equipment segment and provision of maintenance, repair and other related services segment. Such increases were partially offset by the decrease in revenue generated from the trading of components, accessories and other industrial lifting and handling segment. The Malaysian market continued to be our primary revenue contributor in FYE 2025, contributing RM57.2 million or 98.8% in FYE 2025 (FYE 2024: RM55.8 million or 96.8%).

Design, manufacturing, installation and commissioning of industrial lifting and handling equipment

Our design, manufacturing, installation and commissioning of industrial lifting and handling equipment segment recorded an increase in revenue of RM0.6 million or 1.6%, to RM38.5 million in FYE 2025 (FYE 2024: RM37.9 million). This was mainly due to higher revenue recorded from a new project from GE Engine Services Malaysia Sdn Bhd, which contributed RM6.2 million to the revenue in FYE 2025. Such an increase was partially offset by the completion of an existing project for Hyundai Engineering Malaysia Sdn Bhd which contributed RM5.70 million to the revenue in FYE 2025.

Provision of maintenance, repair and other related services

Revenue for the provision of maintenance, repair and other related services was relatively consistent at RM11.2 million in FYE 2025 (FYE 2024: RM10.7 million).

Trading of components, accessories and other industrial lifting and handling equipment

Our revenue for the trading of components, accessories and other industrial lifting and handling equipment segment recorded a decrease in revenue of RM0.9 million or 9.9%, to RM8.2 million in FYE 2025 (FYE 2024: RM9.1 million). This was mainly due to lower sales of components and accessories for our industrial lifting and handling equipment to our customers in food industry.

12. FINANCIAL INFORMATION (Cont'd)**(b) Cost of sales, GP and GP margin****Analysis of cost of sales by cost components**

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Materials costs ⁽¹⁾	24,537	64.4	17,142	57.1	18,337	53.2	17,033	50.1
Labour costs ⁽²⁾	3,390	8.9	4,454	14.8	6,839	19.9	7,755	22.8
Subcontractor costs	5,962	15.6	5,485	18.3	5,472	15.9	5,403	15.8
Overhead costs ⁽³⁾	4,241	11.1	2,951	9.8	3,785	11.0	3,833	11.3
	38,130	100.0	30,032	100.0	34,433	100.0	34,024	100.0

Notes:

- (1) Comprises mainly steel materials, square bar and rectangular bar rails, components and accessories.
- (2) Comprises mainly staff salaries, statutory contributions and bonuses.
- (3) Comprises mainly transportation expenses, rental expenses, sales tax and upkeep expenses.

Analysis of cost of sales by business segments

Business segments	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Design, manufacturing, installation and commissioning of industrial lifting and handling equipment ⁽¹⁾	31,703	83.1	21,408	71.3	26,494	77.0	25,756	75.7
Provision of maintenance, repair and other related services ⁽¹⁾	4,262	11.2	6,590	21.9	5,375	15.6	5,312	15.6
Trading of components, accessories and other industrial lifting and handling equipment	2,165	5.7	2,034	6.8	2,564	7.4	2,956	8.7
	38,130	100.0	30,032	100.0	34,433	100.0	34,024	100.0

Note:

- (1) Our design, manufacturing, installation and commissioning of industrial lifting and handling equipment and provision of maintenance, repair and other related services were carried out by the same project team and personnel. For purposes of analysis of cost of sales by business segments, our labour costs were allocated to these 2 segments in proportion to their revenue.

12. FINANCIAL INFORMATION (Cont'd)**Analysis of GP and GP margin by business segments**

Business segments	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	GP		GP		GP		GP	
	GP	margin	GP	margin	GP	margin	GP	margin
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Design, manufacturing, installation and commissioning of industrial lifting and handling equipment	5,813	15.5	10,020	31.9	11,417	30.1	12,711	33.0
Provision of maintenance, repair and other related services	4,445	51.1	4,396	40.0	5,283	49.6	5,847	52.4
Trading of components, accessories and other industrial lifting and handling equipment	4,198	66.0	4,652	69.6	6,522	71.8	5,276	64.1
	14,456	27.5	19,068	38.8	23,222	40.3	23,834	41.2

Comparison between FYE 2022 and FYE 2023

Our total cost of sales decreased by RM8.1 million or 21.3%, to RM30.0 million in FYE 2023 (FYE 2022: RM38.1 million), which decrease in tandem with the decrease in revenue in FYE 2023, mainly contributed by the decrease in materials costs to RM17.1 million in FYE 2023 (FYE 2022: RM24.5 million). The decrease in material costs in FYE 2023 was primarily contributed by the declining global steel prices in FYE 2023, hence lower costs were incurred for the purchase of raw materials.

Such decrease was partially offset by the increase in labour costs to RM4.5 million in FYE 2023 (FYE 2022: RM3.4 million), as our monthly average staff headcount increased to 110 in FYE 2023 (FYE 2022: 90).

Our overall GP margin increased to 38.8% in FYE 2023 (FYE 2022: 27.5%), mainly resulted from the higher GP margin recorded for the design, manufacturing, installation and commissioning of industrial lifting and handling equipment segment. This was partially offset by the lower GP margin recorded for the provision of maintenance, repair and other related services segment.

12. FINANCIAL INFORMATION (Cont'd)***Design, manufacturing, installation and commissioning of industrial lifting and handling equipment***

The cost of sales for the design, manufacturing, installation and commissioning of industrial lifting and handling equipment segment decreased by RM10.3 million or 32.5%, to RM21.4 million in FYE 2023 (FYE 2022: RM31.7 million), which was higher than the decrease in our revenue of 16.3% in FYE 2023.

As such, the GP for this segment increased by RM4.2 million or 72.4%, to RM10.0 million in FYE 2023 (FYE 2022: RM5.8 million), and the GP margin increased to 31.9% in FYE 2023 (FYE 2022: 15.5%). During FYE 2022, our Group incurred higher material costs due to higher global steel prices and these additional costs were not passed on to the customers to remain competitive, resulting in a low GP margin of 15.5% recorded in FYE 2022. Following the decline in global steel prices in FYE 2023, our material costs decreased as well, contributing to our improved GP margin of 31.9% in FYE 2023. Such improvement in GP margin was partially offset by the increase in labour costs in this segment, resulting from the higher monthly average staff headcount in FYE 2023 as explained above.

Provision of maintenance, repair and other related services

The cost of sales for the provision of maintenance, repair and other related services segment increased by RM2.3 million or 53.5%, to RM6.6 million in FYE 2023 (FYE 2022: RM4.3 million), which was higher than our revenue growth of 26.4% in FYE 2023.

As such, despite the higher revenue recorded for this segment in FYE 2023, the GP remained at RM4.4 million in FYE 2023 (FYE 2022: RM4.4 million), and the GP margin decreased to 40.0% in FYE 2023 (FYE 2022: 51.1%). The lower GP margin recorded in FYE 2023 was primarily attributable to the increase in labour costs in this segment, resulting from the higher monthly average staff headcount in FYE 2023.

Trading of components, accessories and other industrial lifting and handling equipment

The cost of sales for the trading of components, accessories and other industrial lifting and handling equipment segment remained consistent at RM2.0 million in FYE 2023 (FYE 2022: RM2.2 million). The GP of RM4.7 million in FYE 2023 (FYE 2022: RM4.2 million) and GP margin of 69.6% in FYE 2023 (FYE 2022: 66.0%) was also relatively consistent.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2023 and FYE 2024**

Our total cost of sales increased by RM4.4 million or 14.7%, to RM34.4 million in FYE 2024 (FYE 2023: RM30.0 million). This was mainly contributed by the increase in labour costs to RM6.8 million in FYE 2024 (FYE 2023: RM4.5 million), as our monthly average staff headcount increased to 141 in FYE 2024 (FYE 2023: 110). Our material costs also increased to RM18.3 million in FYE 2024 (FYE 2023: RM17.1 million), which was in tandem with our revenue growth in FYE 2024.

Our overall GP margin increased to 40.3% in FYE 2024 (FYE 2023: 38.8%), mainly resulted from the higher GP margin recorded for the provision of maintenance, repair and other related services segment.

Design, manufacturing, installation and commissioning of industrial lifting and handling equipment

The cost of sales for the design, manufacturing, installation and commissioning of industrial lifting and handling equipment segment increased by RM5.1 million or 23.8%, to RM26.5 million in FYE 2024 (FYE 2023: RM21.4 million), which was in tandem with the increase in revenue in FYE 2024.

Accordingly, the GP for this segment increased by RM1.4 million or 14.0%, to RM11.4 million in FYE 2024 (FYE 2023: RM10.0 million) resulting from the increase in revenue contributed by modification works and variation works performed for our project with Hyundai Engineering Malaysia Sdn Bhd as well as new project secured with Southern Cable Sdn Bhd in FYE 2024 as explained above, and the GP margin remained relatively consistent at 30.1% in FYE 2024 (FYE 2023: 31.9%).

Provision of maintenance, repair and other related services

The cost of sales for the provision of maintenance, repair and other related services segment decreased by RM1.2 million or 18.2%, to RM5.4 million in FYE 2024 (FYE 2023: RM6.6 million), which was higher than the decrease in revenue of RM0.3 million in FYE 2024.

As such, the GP for this segment increased by RM0.9 million or 20.5%, to RM5.3 million in FYE 2024 (FYE 2023: RM4.4 million), and the GP margin increased to 49.6% in FYE 2024 (FYE 2023: 40.0%). The higher GP margin recorded in FYE 2024 was primarily attributable to the lower material costs incurred, resulting from the purchase of hoists at the discounted pricing provided by one of our major suppliers during FYE 2024. The discounted pricing is the preferential pricing offered by the supplier given the long-term relationship of our Group with the said supplier, and is expected to continue. In addition, the upward revision of selling prices for the sales of components and labour charges for services provided to our customers as a result of the increase in components prices and higher operating costs such as labour costs, has also contributed to the increased in GP margin.

12. FINANCIAL INFORMATION (Cont'd)***Trading of components, accessories and other industrial lifting and handling equipment***

The cost of sales for the trading of components, accessories and other industrial lifting and handling equipment segment increased by RM0.6 million or 30.0%, to RM2.6 million in FYE 2024 (FYE 2023: RM2.0 million), which was in tandem with the increase in revenue in FYE 2024.

Accordingly, the GP for this segment increased by RM1.8 million or 38.3%, to RM6.5 million in FYE 2024 (FYE 2023: RM4.7 million), and the GP margin remained relatively consistent at 71.8% in FYE 2024 (FYE 2023: 69.6%).

Comparison between FYE 2024 and FYE 2025

Our total cost of sales decreased by RM0.4 million or 1.2%, to RM34.0 million in FYE 2025 (FYE 2024: RM34.4 million), mainly contributed by the decrease in material costs to RM17.0 million (FYE 2024: RM18.3 million). This was due to the decline in global steel prices in FYE 2025, coupled with the import duty and sales tax exemption on components from October 2024 to October 2026, hence lower costs were incurred for the purchase of raw materials. Such decrease was partially offset by the increase in labour costs, which increased to RM7.8 million in FYE 2025 (FYE 2024: RM6.8 million). The increase in labour costs in FYE 2025 was mainly due to salary increment.

Our overall GP margin increased to 41.2% in FYE 2025 (FYE 2024: 40.3%), mainly resulted from the higher GP margin recorded for the design, manufacturing, installation and commissioning of industrial lifting and handling equipment segment and provision of maintenance, repair and other related services segment.

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12. FINANCIAL INFORMATION (Cont'd)***Design, manufacturing, installation and commissioning of industrial lifting and handling equipment***

Despite the increase in revenue for design, manufacturing, installation and commissioning of industrial lifting and handling equipment segment, the cost of sales decreased by RM0.7 million or 2.6%, to RM25.8 million in FYE 2025 (FYE 2024: RM26.5 million).

Accordingly, the GP for this segment increased by RM1.3 million or 11.4%, to RM12.7 million in FYE 2025 (FYE 2024: RM11.4 million), the GP margin increased to 33.0% in FYE 2025 (FYE 2024: 30.1%). The higher GP margin recorded in FYE 2025 was mainly due to lower material costs incurred, mainly resulting from the decline in global steel prices approximately 14.1% during the first half of 2025, coupled with the import duty and sales tax exemption on components from October 2024 to October 2026 as approved by the MITI during FYE 2025. These factors collectively led to the lower overall purchase costs.

Provision of maintenance, repair and other related services

Despite the revenue for the provision of maintenance, repair and other related services segment remained relatively consistent for FYE 2025, the cost of sales decreased by RM0.1 million or 1.9%, to RM5.3 million in FYE 2025 (FYE 2024: RM5.4 million).

As such, the GP for this segment increased by RM0.5 million or 9.4%, to RM5.8 million in FYE 2025 (FYE 2024: RM5.3 million), and the GP margin increased to 52.4% in FYE 2025 (FYE 2024: 49.6%). The higher GP margin recorded in FYE 2025 was primarily attributable to the upward revision of the labour charges for services provided to customers.

Trading of components, accessories and other industrial lifting and handling equipment

Despite the decrease in revenue for the trading of components, accessories and other industrial lifting and handling equipment segment, the cost of sales increased by RM0.4 million or 15.4%, to RM3.0 million in FYE 2025 (FYE 2024: RM2.6 million).

As such, the GP for this segment decreased by RM1.2 million or 18.5%, to RM5.3 million in FYE 2025 (FYE 2024: RM6.5 million), and the GP margin decreased to 64.1% in FYE 2025 (FYE 2024: 71.8%). The lower GP margin recorded in FYE 2025 was primarily attributable to higher sales of components which yielded lower GP margin.

12. FINANCIAL INFORMATION (Cont'd)**(c) Other operating income**

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Rental income ⁽¹⁾	459	54.3	249	29.7	255	35.7	170	18.1
Realised gain on foreign exchange	179	21.2	36	4.3	98	13.7	209	22.2
Gain on disposal of property, plant and equipment	67	7.9	235	28.0	113	15.8	77	8.2
Interest income	15	1.8	76	9.1	115	16.1	166	17.6
Insurance compensation ⁽²⁾	11	1.3	24	2.9	20	2.8	77	8.2
Refunds of import duties and sales tax	-	-	-	-	-	-	47	5.0
Sales of scrap metal	57	6.7	75	9.0	81	11.4	111	11.8
Unrealised gain on foreign exchange	3	0.3	-	-	-	-	62	6.6
Refund of tender deposits ⁽³⁾	-	-	100	11.9	-	-	-	-
Others ⁽⁴⁾	55	6.5	43	5.1	32	4.5	22	2.3
	846	100.0	838	100.0	714	100.0	941	100.0

Notes:

- (1) Arises from the rental of forklifts to our customers and rental of terrace buildings located at Johor Bahru and Skudai to third parties for automotive workshop and storage as well as automotive car services (as detailed in Sections 6.9.1(j) and 6.9.1(k)).
- (2) Insurance compensation primarily arises from claims made under marine cargo policy for damaged goods, as well as third-party public liability claims resulting from accidents during the servicing of cranes.
- (3) Relating to a refund of tender deposit received for a project that was paid in prior years.
- (4) Comprises mainly wages subsidy, HRDF claim for staff training and management fee received from related parties.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2022 and FYE 2023**

Our other operating income remained at RM0.8 million in FYE 2023 (FYE 2022: RM0.8 million), mainly due to the following:

- (i) rental income decreased to RM0.2 million in FYE 2023 (FYE 2022: RM0.5 million), due to reduced demand for forklift rentals from our customers in FYE 2023; and
- (ii) realised gain on foreign exchange decreased to RM0.04 million in FYE 2023 (FYE 2022: RM0.2 million). The realised gain on foreign exchange recorded in FYE 2022 primarily resulted from the favourable RM to RMB and RM to USD exchange rate movements.

The abovementioned decreases were partially offset by the following:

- (i) increase in gain on disposal of property, plant and equipment to RM0.2 million in FYE 2023 (FYE 2022: RM0.1 million), resulted from the disposal of 3 motor vehicles to third parties;
- (ii) refund of tender deposits of RM0.1 million in FYE 2023 (FYE 2022: RM Nil), in relation to a project that was tendered in prior years; and
- (iii) increase in interest income to RM0.1 million in FYE 2023 (FYE 2022: RM0.02 million), mainly due to higher interest received from fixed deposits in FYE 2023.

Comparison between FYE 2023 and FYE 2024

Our other operating income decreased by RM0.1 million or 12.5%, to RM0.7 million in FYE 2024 (FYE 2023: RM0.8 million). This was mainly due to the decrease in gain on disposal of property, plant and equipment to RM0.1 million in FYE 2024 (FYE 2023: RM0.2 million). The higher gain on disposal of property, plant and equipment recorded in FYE 2023 resulted from the disposal of 3 motor vehicles to third parties.

Comparison between FYE 2024 and FYE 2025

Our other operating income increased by RM0.2 million or 28.6%, to RM0.9 million in FYE 2025 (FYE 2024: RM0.7 million), mainly due to the following:

- (i) increase in realised gain on foreign exchange to RM0.2 million in FYE 2025 (FYE 2024: RM0.1 million). The increase in realised gain on foreign exchange in FYE 2025 primarily resulted from the favourable RM to EUR and RM to RMB exchange rate movements;
- (ii) refund of import duty and sales tax in relation to the exemption on components applicable from October 2024 to October 2026; and
- (iii) unrealised gain on foreign exchange of RM0.1 million was recorded during FYE 2025 (FYE 2024: Nil). The unrealised gain on foreign exchange was primarily resulted from the strengthening of RM against EUR for overseas purchases.

12. FINANCIAL INFORMATION (Cont'd)**(d) Administrative and distribution expenses**

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Staff-related costs	3,278	39.0	3,292	34.9	3,927	31.3	4,249	31.6
Directors' remuneration	2,108	25.1	2,727	28.9	2,859	22.8	3,392	25.2
Depreciation expenses	417	5.0	498	5.3	619	5.0	942	7.0
Amortisation of right-of-use assets	331	3.9	343	3.6	595	4.7	735	5.5
Professional fee	195	2.3	309	3.3	2,036	16.2	1,208	9.0
Upkeep expenses	374	4.5	456	4.8	347	2.8	447	3.3
Insurance expenses	213	2.5	170	1.8	260	2.1	370	2.8
Travelling expenses	432	5.1	494	5.2	481	3.8	552	4.1
Utilities	181	2.2	237	2.5	295	2.4	330	2.4
Bad debts	147	1.8	-	-	-	-	2	<0.1
Bank charges	21	0.3	71	0.8	74	0.6	26	0.2
Unrealised loss on foreign exchange	-	-	44	0.5	15	0.1	-	-
Entertainment expenses	137	1.6	251	2.7	310	2.5	335	2.5
Impairment loss on right-of-use assets	-	-	-	-	55	0.4	-	-
Others ⁽¹⁾	566	6.7	542	5.7	669	5.3	866	6.4
	8,400	100.0	9,434	100.0	12,542	100.0	13,454	100.0

Note:

- (1) Comprises mainly tender fees, security fees, service and handling charges, printing and stationery, license fees, exhibition expenses, donation, advertisement expenses, quit rent and assessment, stamp duties and rental expenses.

Comparison between FYE 2022 and FYE 2023

Our administrative and distribution expenses increased by RM1.0 million or 11.9%, to RM9.4 million in FYE 2023 (FYE 2022: RM8.4 million). This was mainly due to the increase in directors' remuneration to RM2.7 million in FYE 2023 (FYE 2022: RM2.1 million), mainly due annual salary increment.

Comparison between FYE 2023 and FYE 2024

Our administrative and distribution expenses increased by RM3.1 million or 33.0%, to RM12.5 million in FYE 2024 (FYE 2023: RM9.4 million), mainly due to the following:

- (i) professional fee increased to RM2.0 million in FYE 2024 (FYE 2023: RM0.3 million), mainly due to the fees incurred for the Listing; and
- (ii) staff-related costs increased to RM3.9 million in FYE 2024 (FYE 2023: RM3.3 million), mainly due to the increase in our monthly average staff headcount from 48 staff in FYE 2023 to 56 staff in FYE 2024.

12. FINANCIAL INFORMATION (Cont'd)**Comparison between FYE 2024 and FYE 2025**

Our administrative and distribution expenses increased by RM1.0 million or 8.0%, to RM13.5 million in FYE 2025 (FYE 2024: RM12.5 million), mainly due to the following:

- (i) directors' remuneration increased to RM3.4 million in FYE 2025 (FYE 2024: RM2.9 million), mainly due to annual salary increment;
- (ii) staff-related costs increased to RM4.2 million in FYE 2025 (FYE 2024: RM3.9 million), resulted from the salary increment during FYE 2025; and
- (iii) depreciation expenses increased to RM0.9 million in FYE 2025 (FYE 2024: RM0.6 million), mainly due to higher depreciation arising from the acquisition of the New Bukit Minyak Facility and the New Kota Kinabalu Facility during FYE 2025.

(e) Finance costs

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Interest expenses on:								
- Bank overdraft	15	12.0	33	24.8	11	4.5	31	6.9
- Lease liabilities	44	35.2	34	25.6	69	28.0	94	20.9
- Term loans	64	51.2	65	48.9	164	66.7	324	72.2
Others	2	1.6	1	0.7	2	0.8	-	-
	125	100.0	133	100.0	246	100.0	449	100.0

Comparison between FYE 2022 and FYE 2023

Our finance costs for FYE 2023 did not fluctuate significantly from FYE 2022.

Comparison between FYE 2023 and FYE 2024

Our finance costs increased by RM0.1 million or 50.0%, to RM0.2 million in FYE 2024 (FYE 2023: RM0.1 million). This was mainly due to the increase in interest expenses on term loans resulting from the term loan obtained to finance the construction of our Taiping Factory.

Comparison between FYE 2024 and FYE 2025

Our finance costs increased by RM0.2 million or 100.0%, to RM0.4 million in FYE 2025 (FYE 2024: RM0.2 million). Our Group capitalised interest expenses on term loans of RM0.1 million in relation to the construction of the Taiping Factory in FYE 2024. This capitalisation ceased in FYE 2025, and such interest was directly expensed instead.

12. FINANCIAL INFORMATION (Cont'd)**(f) Net (gains)/ losses on impairment of financial assets**

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Trade receivables:								
- Impairment loss	103	(103.0)	1,293	102.7	2,206	105.4	1,432	151.9
- (Reversal of impairment)	(203)	203.0	(34)	(2.7)	(113)	(5.4)	(489)	(51.9)
	(100)	100.0	1,259	100.0	2,093	100.0	943	100.0

Our Group recognises impairment for trade receivables based on the simplified approach using the lifetime ECL. Our Group uses an allowance matrix to measure the ECL of trade receivables from past due ageing.

Expected loss rates are determined based on the common credit risk characteristics – by past due days. During this process, the probability of non-payment by the trade receivables is adjusted by forward-looking information (gross domestic product index) and multiplied by the amount of the expected loss arising from default to determine the lifetime ECL for the trade receivables.

Comparison between FYE 2022 and FYE 2023

We recorded a net impairment loss on financial assets of RM1.3 million during FYE 2023 (FYE 2022: net impairment gain of RM0.1 million), mainly due to the increased credit risk characteristics on the outstanding trade receivables as at the end of FYE 2023.

Comparison between FYE 2023 and FYE 2024

Our net impairment loss on financial assets increased by RM0.8 million or 61.5%, to RM2.1 million in FYE 2024 (FYE 2023: RM1.3 million), mainly due to the increased credit risk characteristics on the outstanding trade receivables as at the end of FYE 2024.

Comparison between FYE 2024 and FYE 2025

Our net impairment loss on financial assets decreased by RM1.2 million or 57.1%, to RM0.9 million in FYE 2025 (FYE 2024: RM2.1 million), mainly due to the lower credit risk characteristics on the outstanding trade receivables as at the end of FYE 2025.

12. FINANCIAL INFORMATION (Cont'd)**(g) PBT, PAT, PBT margin and PAT margin**

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
PBT (RM'000)	6,877	9,080	9,055	9,929
PBT margin (%)	13.1	18.5	15.7	17.2
PAT (RM'000)	5,429	6,718	6,583	6,863
PAT margin (%)	10.3	13.7	11.4	11.9

Comparison between FYE 2022 and FYE 2023

We recorded an increase in PBT of RM2.2 million or 31.9%, to RM9.1 million in FYE 2023 (FYE 2022: RM6.9 million), and our PBT margin increased to 18.5% in FYE 2023 (FYE 2022: 13.1%). The increase in PBT and PBT margin was mainly due to the higher GP and GP margin recorded, as explained in Section 12.2.3(b).

Correspondingly, our PAT increased by RM1.3 million or 24.1%, to RM6.7 million for FYE 2023 (FYE 2022: RM5.4 million), and our PAT margin increased to 13.7% in FYE 2023 (FYE 2022: 10.3%).

Comparison between FYE 2023 and FYE 2024

Our PBT for FYE 2024 remained consistent at RM9.1 million (FYE 2023: RM9.1 million), and our PBT margin decreased to 15.7% in FYE 2024 (FYE 2023: 18.5%). The decrease in PBT margin was mainly due to the higher administrative and distribution expenses and higher net losses on impairment of financial assets in FYE 2024, as explained in Sections 12.2.3(d) and 12.2.3(f) respectively.

Correspondingly, our PAT was consistent at RM6.6 million in FYE 2024 (FYE 2023: RM6.7 million), and our PAT margin decreased to 11.4% in FYE 2024 (FYE 2023: 13.7%).

Comparison between FYE 2024 and FYE 2025

Our Group recorded an increase in PBT of RM0.8 million or 8.8%, to RM9.9 million in FYE 2025 (FYE 2024: RM9.1 million), and PBT margin increased from 15.7% in FYE 2024 to 17.2% in FYE 2025. These were mainly due to the higher GP and GP margin and lower net losses on impairment of financial assets recorded, as explained in Sections 12.2.3(b) and 12.2.3(f), respectively. Such increase was partially offset by the higher administrative and distribution expenses in FYE 2025, as explained in Section 12.2.3(d).

Correspondingly, our Group's PAT increased by RM0.3 million or 4.5%, to RM6.9 million in FYE 2025 (FYE 2024: RM6.6 million), and our PAT margin increased from 11.4% in FYE 2024 to 11.9% in FYE 2025.

12. FINANCIAL INFORMATION (Cont'd)**(h) Tax expense**

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Tax expense (RM'000)	1,448	2,362	2,472	3,066
Statutory tax rate (%)	24.0	24.0	24.0	24.0
Effective tax rate (%) ⁽¹⁾	21.1	26.0	27.3	30.9

Note:

⁽¹⁾ Calculated based on tax expense over PBT for each financial year.

Comparison between FYE 2022 and FYE 2023

Our income tax expenses increased by RM1.0 million or 71.4%, to RM2.4 million in FYE 2023 (FYE 2022: RM1.4 million), mainly due to the higher PBT recorded in FYE 2023. Our effective tax rate of 26.0% did not fluctuate significantly from the statutory tax rate of 24.0%.

In contrast, our effective tax rate of 21.1% in FYE 2022 was lower than the statutory tax rate of 24.0%. This was mainly due to the overprovision of tax in prior years.

Comparison between FYE 2023 and FYE 2024

Our income tax expenses increased by RM0.1 million or 4.2%, to RM2.5 million in FYE 2024 (FYE 2023: RM2.4 million), mainly due to the higher PBT recorded in FYE 2024. Our effective tax rate of 27.3% was higher than the statutory tax rate of 24.0%, mainly due to the tax effects of non-allowable expenses which comprise mainly professional fees incurred for the Listing.

Comparison between FYE 2024 and FYE 2025

Our income tax expenses increased by RM0.6 million or 24.0%, to RM3.1 million in FYE 2025 (FYE 2024: RM2.5 million), mainly due to higher PBT recorded in FYE 2025. Our effective tax rate of 30.9% was higher than the statutory tax rate of 24.0%, mainly due to tax effects of non-allowable expenses which comprise mainly professional fees incurred for the Listing.

12. FINANCIAL INFORMATION (Cont'd)**12.2.4 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	1,084	7,904	8,958	416
Net cash used in investing activities	(804)	(10,341)	(5,056)	(10,703)
Net cash (used in)/ from financing activities	(662)	4,137	(1,609)	6,299
Net (decrease)/ increase in cash and cash equivalents	(382)	1,700	2,293	(3,988)
Effect of exchange rate changes on cash and bank balances	11	(1)	-	5
Cash and cash equivalents at the beginning of financial year	3,207	2,836	4,535	6,828
Cash and cash equivalents at end of financial year	2,836	4,535	6,828	2,845

FYE 2022**Net cash from operating activities**

For FYE 2022, we recorded operating profits before working capital changes of RM8.0 million. Our net operating cash inflow was RM1.1 million after adjusting for the following major changes in working capital:

- (a) increase in inventories of RM1.8 million, mainly due the higher inventory holdings for our project with Hyundai Engineering Malaysia Sdn Bhd in relation to the design, manufacturing, installation, testing and commissioning of industrial lifting crane;
- (b) increase in trade and other receivables of RM4.2 million, mainly due to billings to two of our customers in the last quarter for FYE 2022;
- (c) increase in trade and other payables of RM1.6 million, mainly due to increase in the purchases of components and accessories in FYE 2022;
- (d) increase in contract assets of RM0.6 million, due to work performed for our ongoing projects prior to their billing milestones; and
- (e) income tax paid of RM1.7 million.

Net cash for investing activities

For FYE 2022, we recorded a net cash outflow of RM0.8 million for investing activities, primarily due to the purchase of property, plant and equipment which comprise mainly capital work-in-progress for the second phase of our Taiping Factory and renovation costs incurred for our leasehold buildings.

12. FINANCIAL INFORMATION (Cont'd)**Net cash for financing activities**

For FYE 2022, we recorded a net cash outflow of RM0.7 million for financing activities, mainly due to the net effects of the following:

- (a) dividends paid of RM0.3 million;
- (b) repayment of term loans amounting to RM0.3 million;
- (c) repayment of lease liabilities of RM0.5 million; and
- (d) proceeds of RM0.5 million arising from the issuance of ordinary shares.

FYE 2023**Net cash from operating activities**

For FYE 2023, we recorded operating profits before working capital changes of RM11.0 million. Our net operating cash inflow was RM7.9 million after adjusting for the following major changes in working capital:

- (a) increase in trade and other receivables of RM1.4 million, due to higher billings to our customers in the last quarter of FYE 2023; and
- (b) income tax paid of RM2.1 million.

Net cash for investing activities

For FYE 2023, we recorded a net cash outflow of RM10.3 million for investing activities, primarily due to the purchase of property, plant and equipment of RM8.2 million, which comprise mainly capital work-in-progress for the second phase expansion of our Taiping Factory, coupled with the additional deposits pledged with licensed banks amounting to RM2.3 million.

Net cash from financing activities

For FYE 2023, we recorded a net cash inflow of RM4.1 million from financing activities, mainly due to the following:

- (a) dividends paid of RM0.3 million;
- (b) drawdown of term loans amounting to RM5.5 million to finance the second phase expansion of our Taiping Factory;
- (c) repayment of term loans amounting to RM0.7 million; and
- (d) repayment of lease liabilities amounting to RM0.4 million.

12. FINANCIAL INFORMATION (Cont'd)**FYE 2024****Net cash from operating activities**

For FYE 2024, we recorded operating profits before working capital changes of RM12.5 million. Our net operating cash inflow was RM9.0 million after adjusting for the following major changes in working capital:

- (a) increase in inventories of RM0.6 million, due to higher work-in-progress inventories for our ongoing projects as at FYE 2024;
- (b) increase in trade and other receivables of RM5.2 million. This was mainly contributed by the prepayment of RM1.7 million paid to a supplier for the purchase of raw materials, deposits of RM0.9 million paid for the purchase of the New Bukit Minyak Facility, coupled with the higher trade receivables balances as at FYE 2024;
- (c) increase in trade and other payables of RM2.9 million. This was contributed by advance payment of RM0.7 million from Wai Ka Man and Wai Kah Poh in relation to the Share Subscription which was completed in FYE 2025 (details as set out in Section 6.2.8), RM0.4 million retention sum in relation to the second phase expansion of our Taiping Factory, accruals of RM1.0 million in relation to listing expenses, and RM0.4 million owing to a related party in relation to the purchase of Kuantan Facility as set out in Section 10.1;
- (d) increase in contract assets of RM0.7 million, due to work performed for our ongoing projects prior to their billing milestones;
- (e) increase in contract liabilities of RM3.3 million, due to advance payment received from a new customer in relation to a project to be commenced in FYE 2025; and
- (f) income tax paid of RM3.4 million.

Net cash for investing activities

For FYE 2024, we recorded a net cash outflow of RM5.1 million for investing activities, primarily due to the purchase of property, plant and equipment of RM2.7 million, which comprise mainly capital work-in-progress for our Taiping Factory and renovation costs incurred for our leasehold buildings, coupled with the additional deposits pledged with licensed banks amounting to RM1.9 million.

Net cash for financing activities

For FYE 2024, we recorded a net cash outflow of RM1.6 million for financing activities, mainly due to the following:

- (a) dividends paid of RM0.4 million;
- (b) repayment of term loans amounting to RM0.8 million; and
- (c) repayment of lease liabilities amounting to RM0.5 million.

12. FINANCIAL INFORMATION (Cont'd)**FYE 2025****Net cash from operating activities**

For FYE 2025, we recorded operating profits before working capital changes of RM12.7 million. Our net operating cash inflow was RM0.4 million after adjusting for the following major changes in working capital:

- (a) increase in inventories of RM2.0 million, due to accumulation of more raw materials inventories for our ongoing projects as at FYE 2025, coupled with higher purchases of steels materials as our Group took advantage of lower steel prices to stock up materials at the lower steel price;
- (b) increase in trade and other receivables of RM3.0 million, primarily due to billings towards the end of FYE 2025;
- (c) decrease in trade and other payables of RM1.8 million, following the completion of Share Subscription (details as set out in Section 6.2.8) as well as repayment of amount owing to Surelift Engineering in relation to the purchase of the Kuantan Facility in FYE 2025 (details as set out in Section 10.1);
- (d) increase in contract assets of RM2.6 million, in line with more works carried out for our customers prior to billings issued; and
- (e) income tax paid of RM3.9 million.

Net cash for investing activities

For FYE 2025, our Group recorded a net cash outflow of RM10.7 million for investing activities, mainly due to the following:

- (a) purchase of property, plant and equipment of RM8.2 million, which comprise mainly the acquisition of the New Bukit Minyak Facility and the New Kota Kinabalu Facility; and
- (b) purchase of right-of-use assets of RM4.0 million, which comprise mainly the acquisition of the leasehold land attached to the New Bukit Minyak Facility and the New Kota Kinabalu Facility.

12. FINANCIAL INFORMATION (Cont'd)

Net cash for financing activities

For FYE 2025, we recorded a net cash inflow of RM6.3 million for financing activities, mainly due to the following:

- (a) drawdown of term loans amounting to RM9.8 million to finance the acquisition of the New Bukit Minyak Facility and the New Kota Kinabalu Facility;
- (b) proceeds from the issuance of ordinary shares of RM0.7 million;
- (c) dividends paid of RM2.5 million;
- (d) repayment of term loans amounting to RM0.8 million; and
- (e) repayment of lease liabilities amounting to RM0.8 million.

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12. FINANCIAL INFORMATION (Cont'd)

12.3 LIQUIDITY AND CAPITAL RESOURCES

12.3.1 Working capital

We finance our operations with cash generated from operations, suppliers' credit, various credit facilities extended by financial institutions as well as existing cash and bank balances. Our credit facilities from financial institutions comprise term loans and bank overdrafts.

There are no legal, financial, or economic restriction on our subsidiaries' ability to transfer funds to our Company in the form of cash dividends, loans or advances, subject to the availability of distributable reserves compliance with financial covenants during FYE 2022 to 2025.

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 is confident that our working capital will be sufficient for our existing and foreseeable requirements for a period of 12 months from the date of this Prospectus, taking into consideration the following:

- (a) our cash and cash equivalents of approximately RM3.8 million as at LPD;
- (b) our expected future cash flows from operations after servicing of bank borrowings;
- (c) our total banking facilities as at LPD of RM32.6 million (excluding lease liabilities arising from leasing of workshops and hostels), of which RM17.7 million have been utilised; and
- (d) our pro forma gearing level of 0.1 times (excluding lease liabilities arising from leasing of workshops and hostels), based on our pro forma consolidated statements of financial position as at 31 December 2025 after the Public Issue and utilisation of proceeds.

We carefully consider our cash position and ability to obtain further financing before making significant capital commitments.

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12. FINANCIAL INFORMATION (Cont'd)

12.4 BORROWINGS AND INDEBTEDNESS

As at 31 December 2025, our Group's total outstanding borrowings and indebtedness stood at RM18.8 million (excluding lease liabilities arising from leasing of workshops and hostels of RM0.1 million), details of which are set out below:

Type of borrowings	Purpose	Tenure of the facility	Interest rate % per annum	Audited as at 31 December 2025 RM'000	Repayable in 12 months RM'000	Repayable after 12 months RM'000
Term loans	To finance the purchase of properties	8 to 20 years	3.50% - 4.00%	15,228	757	14,471
Bank overdrafts	To finance working capital	On demand	6.95%	2,107	2,107	-
Hire purchase facilities	To finance the purchase of motor vehicles and machinery	1 to 2 years	3.03%	1,433	451	982
				18,768	3,315	15,453

Pro forma gearing (times)

⁽¹⁾ Before Public Issue and utilisation of proceeds	0.47
⁽²⁾ After Public Issue and utilisation of proceeds	0.08

Notes:

- (1) Computed based on our pro forma total equity of RM40.1 million in the pro forma consolidated statements of financial position before the Public Issue and utilisation of proceeds.
- (2) Computed based on our pro forma total equity of RM60.4 million in the pro forma consolidated statements of financial position after the Public Issue and utilisation of proceeds.

12. FINANCIAL INFORMATION (Cont'd)

As at LPD, all of our borrowings are interest bearing and denominated in RM. We also do not encounter any seasonality in our borrowings trend and there is no restriction on our committed borrowing facilities.

We have not defaulted on payments of principal sums and/ or interests in respect of any borrowings throughout FYE 2022 to 2025 and up to LPD.

As at LPD, our Group is not in breach of any terms, conditions or covenants associated with credit arrangements or bank loans, which can materially affect our financial position and results or business operations or the investments by holders of our securities. During FYE 2022 to 2025 and up to LPD, we did not experience any claw back 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**

Save as disclosed in Section 12.4, we do not utilise any other financial instruments. We finance our operations mainly through cash generated from our operations, credit extended by trade payables as well as external sources of funds which mainly comprise borrowings.

Save for our hire purchases liabilities and a term loan which carry fixed interest rates, other borrowings bear variable interest rates based on the bank's cost of funds plus a rate which varies depending on the different types of bank facilities.

12.6 MATERIAL CAPITAL COMMITMENTS

As at LPD, save as disclosed below, we do not have any other material capital commitments.

	To be funded from Public Issue RM'000	To be funded internally or via bank borrowings RM'000
Approved and contracted for:		
- Acquisition of a double-storey terrace house in Johor	-	378
Approved but not contracted for:		
- Business expansion/ establishment of New Bukit Minyak Facility	570	-
- Renovation costs of Taiping Factory	300	-
- Purchase of machinery and equipment	1,502	-
	2,372	378

12.7 MATERIAL LITIGATION AND CONTINGENT LIABILITIES**(a) Material litigation**

As at LPD, we are not engaged in any material litigation, claims and/ or arbitration, either as plaintiff or defendant, which has a material effect on our financial position, and there are no proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect our financial position or business.

(b) Contingent liabilities

As at LPD, there are no material contingent liabilities incurred by our Group, which upon becoming enforceable, may have a material effect on our Group's business, financial results and financial position.

12. FINANCIAL INFORMATION (Cont'd)**12.8 KEY FINANCIAL RATIOS**

The key financial ratios of our Group for FYE 2022 to 2025 are as follows:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Trade receivables turnover (days) ⁽¹⁾	50	67	57	71
Trade payables turnover (days) ⁽²⁾	41	57	47	45
Inventory turnover (days) ⁽³⁾	56	82	75	89
Current ratio (times) ⁽⁴⁾	1.9	2.1	1.9	2.2
Gearing ratio (times) ⁽⁵⁾	0.2	0.3	0.2	0.5

Notes:

- (1) Computed based on average trade receivables as at financial year-end over revenue for the respective financial years, multiplied by 365 days for FYE 2022, 2023 and 2025, and 366 days for FYE 2024.
- (2) Computed based on average trade payables as at financial year-end over total cost of sales for the respective financial years multiplied by 365 days for FYE 2022, 2023 and 2025, and 366 days for FYE 2024.
- (3) Computed based on average inventories as at financial year-end over cost of sales for respective financial years, multiplied by 365 days for FYE 2022, 2023 and 2025, and 366 days for FYE 2024.
- (4) Computed based on current assets over current liabilities as at the end of the respective financial years.
- (5) Computed based on total borrowings over total equity as at the end of the respective financial years.

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12. FINANCIAL INFORMATION (Cont'd)**12.8.1 Trade receivables turnover**

Our average trade receivables turnover period for FYE 2022 to 2025 is stated as below:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Opening trade receivables	5,144	9,181	8,735	9,124
Closing trade receivables	9,181	8,735	9,124	13,493
Average trade receivables	7,163	8,958	8,930	11,309
Revenue	52,586	49,100	57,655	57,858
Trade receivables turnover (days)	50	67	57	71

The normal credit terms granted by our Group range from 30 to 120 days from the date of invoice. Our credit terms to customers are assessed and approved on a case-by-case basis taking into consideration various factors such as relationship with customers, customers' payment history, credit worthiness and the quantum of amount owing. We use ageing analysis to monitor the credit quality of our trade receivables.

Our trade receivable turnover days for FYE 2022, 2023, 2024 and 2025 were 50 days, 67 days, 57 days and 71 days respectively, which was within the normal credit terms granted to our customers.

Our trade receivable turnover days increased to 71 days in FYE 2025 (FYE 2024: 57 days), mainly due to higher billings towards the end of FYE 2025.

The ageing analysis of our trade receivables as at 31 December 2025 is as follows:

	Trade receivables as at 31 December 2025	Collection from 1 January 2026 up to LPD	Balance as at LPD
	RM'000	RM'000	RM'000
	Percentage of trade receivables (a)/total of (a)		
	(a)	(b)	(c) = (a)-(b)
Neither past due nor impaired	8,048	6,469	1,579
Past due but not impaired:			
- less than 30 days	2,208	1,752	456
- 31 to 60 days	1,723	1,486	237
- 61 to 90 days	790	340	450
- over 90 days	724	724	-
	5,445	4,302	1,143
	13,493	10,771	2,722

12. FINANCIAL INFORMATION (Cont'd)

As at 31 December 2025, our total trade receivables stood at RM13.5 million, of which 59.6% of the trade receivables are within the normal credit period. As at LPD, we have collected RM10.8 million or 79.8% of our trade receivables balance as at 31 December 2025.

Our Group has not encountered any major disputes with our trade receivables. With respect to overdue debts, we have generally been able to collect payment eventually as evident by our subsequent collections after 31 December 2025. We have continuously undertaken recovery efforts for the collection and these include monthly meetings to identify and to follow up closely on overdue amounts, as well as issuing letters of demand to customers to pursue recovery of payments from them.

12.8.2 Trade payables turnover

Our average trade payables turnover period for FYE 2022 to 2025 is stated as below:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Opening trade payables	3,602	5,068	4,390	4,421
Closing trade payables	5,068	4,390	4,421	3,892
Average trade payables	4,335	4,729	4,406	4,157
Cost of sales	38,130	30,032	34,433	34,024
Trade payables turnover (days)	41	57	47	45

The normal credit terms granted to us by our suppliers range from 30 to 180 days from the date of invoice. Our trade payables turnover days for FYE 2022, 2023, 2024 and 2025 was 41 days, 57 days, 47 days and 45 days respectively, which 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 up to LPD	Balance as at LPD
	RM'000	RM'000	RM'000
	Percentage of trade payables (a)/total of (a)		
	(a)	(b)	(c) = (a)-(b)
Within credit period	1,052	819	233
Exceeding credit period:			
- 1 to 30 days	1,155	1,115	40
- 31 to 60 days	437	400	37
- over 60 days	1,248	1,161	87
	2,840	2,676	164
	3,892	3,495	397

12. FINANCIAL INFORMATION (Cont'd)

As at 31 December 2025, our total trade payables stood at RM3.9 million, with RM2.8 million exceeding the normal credit period. As at LPD, we have paid RM3.5 million or 89.8% of our total outstanding trade payables as at 31 December 2025.

As at LPD, there are no outstanding disputes in respect of our trade payables and there is no legal action initiated by our suppliers to demand for payment from us.

12.8.3 Inventory turnover

Our inventories comprise mainly raw materials such as steel materials, rectangular bar rails, components and accessories, which are purchased on a project-to-project basis. Our average inventory turnover period for FYE 2022 to 2025 is stated as below:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Opening inventories	4,979	6,760	6,717	7,305
Closing inventories	6,760	6,717	7,305	9,339
Average inventories	5,870	6,739	7,011	8,322
Cost of sales	38,130	30,032	34,433	34,024
Inventory turnover (days)	56	82	75	89

Our inventory turnover period for FYE 2022 to 2025 was 56 days, 82 days, 75 days and 89 days. Our inventory turnover period for FYE 2022 was relatively lower at 56 days, mainly contributed by the lower average inventories in FYE 2022 which resulted from the lower opening inventories brought forward from FYE 2021. Additionally, higher global steel prices in FYE 2022 have resulted in a higher cost of sales, further contributing to the low inventory turnover period in FYE 2022.

Following the decline in global steel prices in FYE 2023 and higher average inventories kept during FYE 2023, our inventory turnover period for FYE 2023 increased to 82 days (FYE 2022: 56 days). Our inventory turnover period for FYE 2024 remained relatively consistent at 75 days (FYE 2023: 82 days). For FYE 2025, our inventory turnover period increased to 89 days (FYE 2024: 75 days), mainly due to accumulation of raw materials inventories for our ongoing projects as at FYE 2025, coupled with higher purchases of steels materials as our Group took advantage to stock up the materials at the lower steel prices.

12. FINANCIAL INFORMATION (Cont'd)**12.8.4 Current ratio**

Our current ratio throughout FYE 2022 to 2025 is as follows:

	As at 31 December			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Current assets	21,652	25,638	33,557	37,409
Current liabilities	11,417	12,294	18,017	16,902
Net current assets	10,235	13,344	15,540	20,507
Current ratio (times)	1.9	2.1	1.9	2.2

For FYE 2022 to 2025, our current ratio ranged from 1.9 times to 2.2 times. This indicates that our Group is capable of meeting short-term obligations as our net current assets, such as trade receivables and inventories, which can be readily converted to cash, together with our cash and cash equivalents, are enough to meet our current liabilities.

12.8.5 Gearing ratio

Our gearing ratio throughout FYE 2022 to 2025 is as follows:

	As at 31 December			
	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000
Total borrowings ⁽¹⁾	3,209	8,203	7,633	18,768
Total equity	20,354	26,772	33,015	40,064
Gearing ratio (times)	0.2	0.3	0.2	0.5

Note:

- ⁽¹⁾ Computed based on our total outstanding borrowings and indebtedness (excluding lease liabilities arising from leasing of workshops and hostels).

Our gearing ratio ranged from 0.2 times to 0.3 times and did not fluctuate significantly for FYE 2022 to 2024.

Our gearing ratio increased from 0.2 times in FYE 2024 to 0.5 times for FYE 2025, mainly due to increase in total borrowings of RM11.4 million, attributable to additional term loan drawdown to finance the acquisitions of New Bukit Minyak Facility and the New Kota Kinabalu Facility.

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 have materially affected our financial performance during FYE 2022 to 2025. There is no assurance that our financial performance will not be adversely affected by the impact of further changes in government, economic, fiscal or monetary policies or factors moving forward.

Risks relating to government, economic, fiscal or monetary policies or factors which may adversely and materially affect our operations are set out in Section 9.

12.10 IMPACT OF INFLATION

During FYE 2022 to 2025, our financial performance was not materially affected by the impact of inflation. However, there is no assurance that our financial performance will not be adversely affected by the impact of inflation 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 GROUP'S OPERATIONS**(a) Impact of foreign exchange rates**

Our proportion of sales and purchases 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:								
RM	51,777	98.5	48,916	99.6	57,201	99.2	57,759	99.8
USD	809	1.5	130	0.3	258	0.5	-	-
EUR	-	-	54	0.1	-	-	-	-
RMB	-	-	-	-	196	0.3	99	0.2
	52,586	100.0	49,100	100.0	57,655	100.0	57,858	100.0

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Purchases denominated in:								
RM	21,532	66.4	15,894	71.0	16,900	69.3	14,992	61.3
RMB	7,327	22.6	5,869	26.2	5,979	24.5	5,060	20.7
EUR	1,216	3.8	533	2.4	966	4.0	4,224	17.2
USD	2,348	7.2	92	0.4	196	0.8	178	0.7
AUD	-	-	-	-	-	-	16	0.1
SGD	1	<0.1	2	<0.1	2	<0.1	-	-
THB	-	-	-	-	353	1.4	-	-
	32,424	100.0	22,390	100.0	24,396	100.0	24,470	100.0

12. FINANCIAL INFORMATION (Cont'd)

Our Group's gain or loss from foreign exchange fluctuations for FYE 2022 to 2025 are as follows:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Realised gain on foreign exchange	179	36	98	209
Unrealised gain/ (loss) on foreign exchange	3	(44)	(15)	62
Net gain/ (loss)	182	(8)	83	271

Based on the table above, our Group has not been materially impacted by the foreign exchange fluctuations.

(b) Impact of interest rates

Our exposure to changes in interest rate risk relates primarily to our loans and borrowings.

A sensitivity analysis performed on our Group for the floating rate instruments as at 31 December 2025 indicates that our PAT for FYE 2025 would increase or decrease by approximately RM0.07 million, as a result of increase or decrease in interest rates by 50 basis points on these borrowings.

Our financial results for FYE 2022 to 2025 were not materially affected by fluctuations in interest rates.

(c) Impact of commodity prices

The raw materials used in the manufacturing of our industrial lifting and handling equipment are steel materials. For FYE 2022 to 2025, our purchases of steel materials accounted for 28.7%, 21.4%, 23.5% and 21.2% of our total purchases respectively. For FYE 2022 and 2023, our financial performance, particularly our GP margins were impacted by the fluctuations of global steel prices as explained in Section 12.2.3(b) above. Save as disclosed, we have not encountered other major fluctuations in the price of steel which materially or adversely impacted our financial performance. However, there can be no assurance that such incidents will not occur in the future and that our financial performance will not be materially or adversely affected.

12. FINANCIAL INFORMATION (Cont'd)**12.12 ORDER BOOK**

Our revenue is generated by way of purchase orders from our customers on an ongoing basis. As such, our order book primarily arises from unfulfilled purchase orders where the products and services are typically delivered to customers within 6 to 9 months upon receipt of the purchase orders.

As at LPD, details of our unbilled order book are as follows:

	RM'000
Design, manufacturing, installation and commissioning of industrial lifting and handling equipment	39,613
Provision of maintenance, repair and other related services	1,341
Trading of components, accessories and other industrial lifting and handling equipment	664
	41,618

12.13 SIGNIFICANT CHANGES

There are no significant changes which may have a material effect on the financial position and results of our Group subsequent to FYE 2025 and up to LPD.

12.14 DIRECTORS' STATEMENT ON OUR GROUP'S FINANCIAL PERFORMANCE

Our Board is of the opinion that:

- (a) our revenue will remain sustainable with an upward growth trend, in line with positive outlook of the industrial lifting and handling equipment industry as set out in the IMR Report in Section 8;
- (b) our liquidity will improve subsequent to the Public Issue, given the additional funds to be raised for our Group to carry out our business strategies and future plans as stated in Section 7.16; and
- (c) our capital resources will strengthen, considering the proceeds to be raised from the Public Issue as well as internally generated funds. We may consider debt funding for our business 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. FINANCIAL INFORMATION (Cont'd)

12.15 TREND INFORMATION

As at LPD, after all reasonable enquiries, our Board confirms that our operations have not been and are not expected to be affected by any of the following:

- (a) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have, a material impact on our Group's financial performance, position and operations other than those discussed in Sections 7.7, 8, 9, 12.2, 12.9, 12.10 and 12.11;
- (b) material commitments for capital expenditure as disclosed in Section 12.6;
- (c) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group save as discussed in Sections 7.7, 9, 12.2, 12.9, 12.10 and 12.11; and
- (d) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our Group's historical combined financial statements not necessarily indicative of the future financial performance and position other than those discussed in Sections 7.7, 9, 12.2, 12.9, 12.10 and 12.11.

Based on the above, our Board is optimistic about the future prospects of our Group given the long term positive outlook of the industrial lifting and handling equipment industry in Malaysia as set out in the IMR Report in Section 8, our Group's competitive strengths set out in Section 7.15 and our Group's intention to implement the business strategies as set out in Section 7.16.

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12. FINANCIAL INFORMATION (Cont'd)**12.16 DIVIDEND POLICY**

Our Group presently does not have any formal dividend policy and the declaration of dividends are subject to the discretion of our Board. It is our intention to pay dividends to shareholders in the future; however, such payments will depend upon several factors, including our Group's financial performance, capital expenditure requirements and any other factors considered relevant by our Board.

As our Company is an investment holding company, our income and therefore our ability to pay dividends is dependent upon the dividends we receive from our subsidiaries, present or future. Our subsidiaries will require their financiers' consent (if any) as set out in the respective facility agreements to pay dividends to our Company. Save for compliance with the solvency requirement under the Act, which is applicable to all Malaysian companies, there are no legal, financial, or economic restrictions on the ability of our existing subsidiaries to transfer funds in the form of cash dividends, loans or advances to us.

During FYE 2022 to 2025 and up to LPD, we declared and paid the following dividends:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025	1 January 2026 up to LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Dividends declared	300	300	350	2,500	-
Dividends paid	300	300	350	2,500	-
PAT	5,429	6,718	6,583	6,863	-
Dividend payout ratio (times) ⁽¹⁾	0.1	<0.1	0.1	0.4	-

Note:

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

The dividends declared and paid in FYE 2022 to 2025 and up to LPD were funded via internally generated funds of the respective subsidiaries. Further to the above, we do not intend to declare or pay any dividends from LPD up to our Listing.

You should take note that this dividend policy merely describes our current intention and shall not constitute legally binding statements in respect of our future dividends that are subject to our Board's discretion.

12. FINANCIAL INFORMATION (Cont'd)**12.17 CAPITALISATION AND INDEBTEDNESS**

The table below summarises our capitalisation and indebtedness:

- (a) Based on latest unaudited consolidated financial information of our Group as at 30 April 2026; and
- (b) After adjusting for the effects of the other significant subsequent events as well as the Public Issue and utilisation of proceeds.

	Unaudited	I	II
	As at 30 April 2026	After Public Issue	After I and utilisation of proceeds
	RM'000	RM'000	RM'000
Capitalisation			
Share capital	22,924	45,902	45,072
Total capitalisation	22,924	45,902	45,072
Indebtedness			
<u>Current</u>			
<i>Secured and guaranteed</i>			
Term loans	683	683	683
Hire purchase facilities	494	494	494
<u>Non-current</u>			
<i>Secured and guaranteed</i>			
Term loans	14,322	14,322	1,054
Hire purchase facilities	1,054	1,054	572
Total indebtedness	16,553	16,553	2,803
Total capitalisation and indebtedness	39,477	62,455	47,875
Debt-to-capital ratio (times) ⁽¹⁾	0.72	0.36	0.06

Note:

- (1) Calculated based on total indebtedness divided by total capitalisation.

13. ACCOUNTANTS' REPORT



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SST No: P11-1809-32000112

The Board of Directors
Liftech Group Berhad
No. 10 & 12, Jalan TPP5/8,
Taman Perindustrian Puchong,
47100 Puchong,
Selangor, Malaysia.

Date: 15 MAY 2026

Our ref: BDO/ANSK/LCL/kyz

Dear Sirs,

Reporting Accountants' Opinion on the Financial Information Contained in the Accountants' Report ("this Report") of Liftech Group Berhad ("Liftech" or "the Company")

Opinion

We have audited the financial information of Liftech Group Berhad and its combining entities/subsidiaries ("the Group"). The financial information comprises:

- (a) The combined statements of financial position as at 31 December 2022 and 31 December 2023 of Liftech Group Berhad, Liftech Engineering (K.L) Sdn. Bhd., Liftech Engineering (PG) Sdn. Bhd., Liftech Engineering (Ipoh) Sdn. Bhd., Liftech Engineering Sdn. Bhd., Liftech Engineering (Borneo) Sdn. Bhd. and Liftech Crane & Safety Academy Sdn. Bhd. (formerly known as SK Crane Engineering Sdn. Bhd.) and combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows of Liftech Group Berhad, Liftech Engineering (K.L) Sdn. Bhd., Liftech Engineering (PG) Sdn. Bhd., Liftech Engineering (Ipoh) Sdn. Bhd., Liftech Engineering Sdn. Bhd., Liftech Engineering (Borneo) Sdn. Bhd. and Liftech Crane & Safety Academy Sdn. Bhd. (formerly known as SK Crane Engineering Sdn. Bhd.) for the financial years ended 31 December 2022 and 31 December 2023;
- (b) The consolidated statements of financial position as at 31 December 2024 and 31 December 2025 of the Group and consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows of the Group for the financial years ended 31 December 2024 and 31 December 2025; and
- (c) Material accounting policies and other explanatory information, as set out in this report.

This financial information has been prepared for inclusion in the prospectus of the Company ("Prospectus") in connection with the admission of Liftech to the official List of Bursa Malaysia Securities Berhad ("Bursa Securities") and listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Securities ("the Listing"). This report is given for the purposes of complying with the ACE Market Listing Requirements of Bursa Securities ("Listing Requirements"), the Prospectus Guidelines issued by the Securities Commission Malaysia and for no other purpose.

In our opinion, the financial information 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 their financial performance and cash flows for the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 in accordance with the Malaysian Financial Reporting Standards ("MFRSs") and IFRS Accounting Standards.

13. ACCOUNTANTS' REPORT (Cont'd)**Basis for Opinion**

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Reporting Accountants' Responsibilities for the Audit of the Financial Information* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis 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.

Directors' Responsibility for the Financial Information

The Directors of the Company ("Directors") are responsible for the preparation of the financial information that give a true and fair view in accordance with MFRSs and IFRS Accounting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial information that are free from material misstatement, whether due to fraud or error.

In preparing the financial information, the Directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Reporting Accountants' Responsibilities for the Audit of the Financial Information

Our objectives are to obtain reasonable assurance about whether the financial information 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial information.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial information, 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;

13. ACCOUNTANTS' REPORT (*Cont'd*)



Reporting Accountants' Responsibilities for the Audit of the Financial Information (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (continued)

- (b) 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 internal control of the Group;
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- (d) 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 ability of the Group 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 financial information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- (e) Evaluate the overall presentation, structure and content of the financial information, including the disclosures, and whether the financial information represent the underlying transactions and events in a manner that achieves fair presentation; and
- (f) 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 financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We 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.

13. ACCOUNTANTS' REPORT (Cont'd)



Other Matter

This report has been prepared solely to comply with Appendix 3B, Part A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and Chapter 10, Part II Division 1: Equity of the Prospectus Guidelines issued by the Securities Commission Malaysia and for inclusion in the Prospectus in connection with the Listing and for no other purposes. As such, this report should not be used for any other purpose without our prior written consent. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to read 'BDO PLT'.

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Ng Soe Kei'.

Ng Soe Kei
02982/08/2027 J
Chartered Accountant

Penang

Dated: 15 MAY 2026

13. ACCOUNTANTS' REPORT (Cont'd)

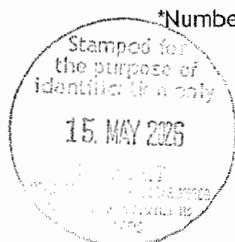
Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Accountants' Report

STATEMENTS OF FINANCIAL POSITION

The combined statements of financial position as at 31 December 2022 and 31 December 2023 and consolidated statements of financial position as at 31 December 2024 and 31 December 2025 are set out below:

	Note	2022 RM	2023 RM	2024 RM	2025 RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	7,815,620	15,546,382	17,476,194	25,093,370
Right-of-use assets	6	3,801,505	4,141,386	5,399,027	8,740,122
Investment properties	7	447,624	438,666	429,708	420,751
Deferred tax assets	8	163,220	187,761	845,055	769,489
		<u>12,227,969</u>	<u>20,314,195</u>	<u>24,149,984</u>	<u>35,023,732</u>
Current assets					
Inventories	9	6,759,423	6,717,283	7,304,968	9,339,330
Trade and other receivables	10	9,328,091	9,514,266	12,569,078	14,616,911
Other investments	11	250,000	-	-	-
Contract assets	12	1,643,883	1,781,168	2,492,182	5,090,472
Current tax assets		153,332	40,292	120,367	589,432
Cash and bank balances	13	3,517,227	7,585,056	11,070,046	7,773,031
		<u>21,651,956</u>	<u>25,638,065</u>	<u>33,556,641</u>	<u>37,409,176</u>
TOTAL ASSETS		<u>33,879,925</u>	<u>45,952,260</u>	<u>57,706,625</u>	<u>72,432,908</u>
EQUITY AND LIABILITIES					
Equity attributable to common controlling shareholders of the combining entities/equity holders of the Company					
Invested equity*	14(a)	4,570,010	4,570,010	-	-
Share capital	14(b)	-	2	20,237,802	22,923,802
Reserves	15	15,783,827	22,201,907	12,776,695	17,140,023
TOTAL EQUITY		<u>20,353,837</u>	<u>26,771,919</u>	<u>33,014,497</u>	<u>40,063,825</u>

*Number of ordinary shares on combined basis.



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
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STATEMENTS OF FINANCIAL POSITION (continued)

The combined statements of financial position as at 31 December 2022 and 31 December 2023 and consolidated statements of financial position as at 31 December 2024 and 31 December 2025 are set out below: (continued)

	Note	2022 RM	2023 RM	2024 RM	2025 RM
LIABILITIES					
Non-current liabilities					
Borrowings	16	1,501,470	6,135,934	5,456,859	14,471,080
Lease liabilities	17	540,258	606,876	1,206,106	995,619
Deferred tax liabilities	8	67,801	142,855	12,119	-
		<u>2,109,529</u>	<u>6,885,665</u>	<u>6,675,084</u>	<u>15,466,699</u>
Current liabilities					
Borrowings	16	852,545	1,198,290	522,515	2,864,345
Lease liabilities	17	321,220	299,101	522,496	489,852
Trade and other payables	18	8,450,324	8,453,080	11,315,442	7,411,998
Contract liabilities	12	1,260,510	1,657,593	4,964,408	5,749,593
Current tax liabilities		531,960	686,612	692,183	386,596
		<u>11,416,559</u>	<u>12,294,676</u>	<u>18,017,044</u>	<u>16,902,384</u>
TOTAL LIABILITIES		<u>13,526,088</u>	<u>19,180,341</u>	<u>24,692,128</u>	<u>32,369,083</u>
TOTAL EQUITY AND LIABILITIES		<u>33,879,925</u>	<u>45,952,260</u>	<u>57,706,625</u>	<u>72,432,908</u>

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13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
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STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The combined statements of profit or loss and other comprehensive income as at 31 December 2022 and 31 December 2023 and consolidated statements of profit or loss and other comprehensive income as at 31 December 2024 and 31 December 2025 are set out below:

	Note	2022 RM	2023 RM	2024 RM	2025 RM
Revenue	19	52,586,280	49,100,368	57,655,316	57,858,500
Cost of sales		<u>(38,129,922)</u>	<u>(30,031,826)</u>	<u>(34,432,772)</u>	<u>(34,024,129)</u>
Gross profit		14,456,358	19,068,542	23,222,544	23,834,371
Other operating income	20	846,071	838,121	714,356	941,094
Administrative and distribution expenses		(8,399,671)	(9,433,698)	(12,542,369)	(13,453,871)
Finance costs	21	(125,573)	(133,642)	(246,611)	(449,394)
Net gains/(losses) on impairment of financial assets		<u>100,499</u>	<u>(1,259,526)</u>	<u>(2,092,979)</u>	<u>(943,314)</u>
Profit before tax		6,877,684	9,079,797	9,054,941	9,928,886
Tax expense	23	<u>(1,448,403)</u>	<u>(2,361,717)</u>	<u>(2,472,353)</u>	<u>(3,065,558)</u>
Profit for the financial years		5,429,281	6,718,080	6,582,588	6,863,328
Other comprehensive income, net of tax		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the financial years		<u>5,429,281</u>	<u>6,718,080</u>	<u>6,582,588</u>	<u>6,863,328</u>
Profit attributable to common controlling shareholders of the combining entities/equity holders of the Company		<u>5,429,281</u>	<u>6,718,080</u>	<u>6,582,588</u>	<u>6,863,328</u>
Total comprehensive income, attributable to common controlling shareholders of the combining entities/equity holders of the Company		<u>5,429,281</u>	<u>6,718,080</u>	<u>6,582,588</u>	<u>6,863,328</u>
Earnings per ordinary share attributable to common controlling shareholders of the combining entities/equity holders of the Company:					
Basic and diluted (sen)	24	<u>1.72</u>	<u>2.13</u>	<u>2.09</u>	<u>2.18</u>



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Accountants' Report

STATEMENTS OF CHANGES IN EQUITY

The combined statements of changes in equity for the financial years ended 31 December 2022 and 31 December 2023 and consolidated statements of changes in equity for the financial years ended 31 December 2024 and 31 December 2025 are set out below:

	Note	Invested equity RM	Share capital RM	Retained earnings RM	Total equity RM
Balance at 1 January 2022		4,070,010	-	10,654,546	14,724,556
Issuance of ordinary shares	14	500,000	-	-	500,000
Profit for the financial year		-	-	5,429,281	5,429,281
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income		-	-	5,429,281	5,429,281
Transaction with common controlling shareholders of the combining entities:					
Dividends paid	25	-	-	(300,000)	(300,000)
Total transaction with common controlling shareholders of the combining entities		-	-	(300,000)	(300,000)
Balance as at 31 December 2022		4,570,010	-	15,783,827	20,353,837
Balance at 1 January 2023		4,570,010	-	15,783,827	20,353,837
Issuance of ordinary shares	14	-	2	-	2
Profit for the financial year		-	-	6,718,080	6,718,080
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income		-	-	6,718,080	6,718,080
Transaction with common controlling shareholders of combining entities:					
Dividends paid	25	-	-	(300,000)	(300,000)
Total transaction with common controlling shareholders of the combining entities		-	-	(300,000)	(300,000)
Balance as at 31 December 2023		4,570,010	2	22,201,907	26,771,919



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
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STATEMENTS OF CHANGES IN EQUITY (continued)

The combined statements of changes in equity for the financial years ended 31 December 2022 and 31 December 2023 and consolidated statements of changes in equity for the financial years ended 31 December 2024 and 31 December 2025 are set out below: (continued)

	Note	Invested equity RM	Share capital RM	Merger reserve RM	Retained earnings RM	Total equity RM
Balance at 1 January 2024		4,570,010	2	-	22,201,907	26,771,919
Profit for the financial year		-	-	-	6,582,588	6,582,588
Other comprehensive income, net of tax		-	-	-	-	-
Total comprehensive income		-	-	-	6,582,588	6,582,588
Transactions with equity holders of the Company:						
Issuance of ordinary shares for cash	14(b)	-	10,000	-	-	10,000
Effects of acquisition of subsidiaries in business combinations under common control		(4,570,000)	20,227,800	(15,657,800)	-	-
Elimination of issued share capital of the subsidiary acquired via cash consideration	4(b)(vi)	(10)	-	-	-	(10)
Dividends paid by subsidiary prior business combinations	25	-	-	-	(350,000)	(350,000)
Total transactions with equity holders of the Company		(4,570,010)	20,237,800	(15,657,800)	(350,000)	(340,010)
Balance as at 31 December 2024		-	20,237,802	(15,657,800)	28,434,495	33,014,497



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
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STATEMENTS OF CHANGES IN EQUITY (continued)

The combined statements of changes in equity for the financial years ended 31 December 2022 and 31 December 2023 and consolidated statements of changes in equity for the financial years ended 31 December 2024 and 31 December 2025 are set out below: (continued)

	Note	Share capital RM	Merger reserve RM	Retained earnings RM	Total equity RM
Balance at 1 January 2025		20,237,802	(15,657,800)	28,434,495	33,014,497
Profit for the financial year		-	-	6,863,328	6,863,328
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income		-	-	6,863,328	6,863,328
Transactions with equity holders of the Company:					
Issuance of ordinary shares					
- for cash	14(c)(i)	686,000	-	-	686,000
- by way of capitalisation of amounts owing to Directors	14(c)(ii)	2,000,000	-	-	2,000,000
Dividends paid	25	-	-	(2,500,000)	(2,500,000)
Total transactions with equity holders of the Company		2,686,000	-	(2,500,000)	186,000
Balance as at 31 December 2025		22,923,802	(15,657,800)	32,797,823	40,063,825

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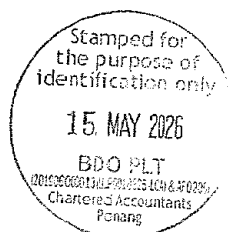
13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
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STATEMENTS OF CASH FLOWS

The combined statements of cash flows for the financial years ended 31 December 2022 and 31 December 2023 and consolidated statements of cash flows for the financial years ended 31 December 2024 and 31 December 2025 are set out below:

	Note	2022 RM	2023 RM	2024 RM	2025 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		6,877,684	9,079,797	9,054,941	9,928,886
Adjustments for:					
Amortisation of right-of-use assets	6	472,587	343,041	613,106	735,310
Bad debts recovered	20	-	(5,070)	-	-
Bad debts written off		147,221	-	-	1,600
Depreciation of:					
- property, plant and equipment	5	513,868	489,487	610,298	932,878
- investment properties	7	8,958	8,958	8,958	8,957
Gain on disposal of:					
- property, plant and equipment	20	(66,898)	(234,999)	(113,196)	(76,999)
- other investments	20	-	(3,839)	-	-
Gain on early lease termination	17(c)	-	(26)	(1,247)	(318)
Net (gains)/losses on impairment of trade receivables		(100,499)	1,259,526	2,092,979	943,314
Property, plant and equipment written off		-	13,022	5,695	17,582
Interest expense		123,756	132,416	244,642	449,394
Interest income	20	(14,966)	(76,209)	(114,504)	(165,538)
Impairment loss in right-of-use assets	6	-	-	54,462	-
Unrealised (gain)/loss on foreign exchange		(2,830)	43,575	15,455	(62,209)
Operating profit before changes in working capital		7,958,881	11,049,679	12,471,589	12,712,857
Changes in working capital:					
Inventories		(1,780,462)	42,140	(587,685)	(2,034,362)
Trade and other receivables		(4,203,036)	(1,433,465)	(5,157,098)	(2,996,517)
Trade and other payables		1,635,299	(47,011)	2,876,508	(1,842,201)
Contract assets		(647,945)	(137,285)	(711,014)	(2,598,290)
Contract liabilities		(228,636)	397,083	3,306,815	785,185
Cash generated from operations		2,734,101	9,871,141	12,199,115	4,026,672
Interest received		14,966	76,209	114,504	165,538
Tax refunded		-	23,573	-	159,818
Tax paid		(1,665,183)	(2,067,085)	(3,355,181)	(3,936,581)
Net cash from operating activities		1,083,884	7,903,838	8,958,438	415,447



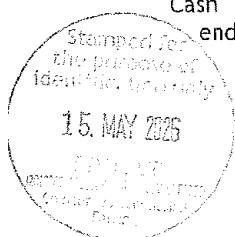
13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
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Accountants' Report

STATEMENTS OF CASH FLOWS (continued)

The combined statements of cash flows for the financial years ended 31 December 2022 and 31 December 2023 and consolidated statements of cash flows for the financial years ended 31 December 2024 and 31 December 2025 are set out below: (continued)

	Note	2022 RM	2023 RM	2024 RM	2025 RM
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from disposal of:					
- property, plant and equipment		69,000	235,000	113,200	77,000
- other investments		-	253,839	-	-
Purchase of:					
- property, plant and equipment	5	(728,090)	(8,233,263)	(2,545,805)	(8,230,571)
- right-of-use assets	6(e)	(95,202)	(289,582)	(689,140)	(3,970,114)
Purchase of other investments		(50,000)	-	-	-
Net changes in deposits with maturity period more than three (3) months		-	(2,307,107)	(1,934,021)	1,420,556
Net cash used in investing activities		(804,292)	(10,341,113)	(5,055,766)	(10,703,129)
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid	25	(300,000)	(300,000)	(350,000)	(2,500,000)
Interest paid		(15,726)	(33,640)	(11,604)	(30,807)
Drawdown of term loans		-	5,510,677	21,554	9,758,865
Repayment of:					
- term loans		(309,711)	(657,313)	(797,482)	(834,235)
- lease liabilities	17	(536,330)	(382,747)	(481,287)	(780,740)
Acquisition of subsidiary satisfied via cash consideration	4(b)(vi)	-	-	(10)	-
Proceeds from issuance of ordinary shares	14	500,000	2	10,000	686,000
Net cash (used in)/from financing activities		(661,767)	4,136,979	(1,608,829)	6,299,083
Net (decrease)/increase in cash and cash equivalents		(382,175)	1,699,704	2,293,843	(3,988,599)
Effects of exchange rate changes on cash and cash equivalents		11,279	(974)	-	4,736
Cash and cash equivalents at beginning of financial years		3,207,241	2,836,345	4,535,075	6,828,918
Cash and cash equivalents at end of financial years	13(c)	2,836,345	4,535,075	6,828,918	2,845,055



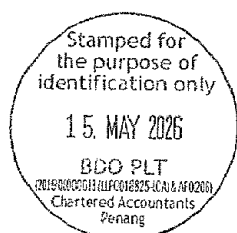
13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
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Accountants' Report

STATEMENTS OF CASH FLOWS (continued)*Reconciliation of Liabilities Arising from Financing Activities*

	Lease liabilities (Note 17) RM	Term loans (Note 16) RM
Audited		
Balance as at 1 January 2022	1,158,877	1,918,745
Cash flows	(536,330)	(309,711)
Non-cash flows:		
- Additions	195,000	-
- Unwinding of interest	43,931	64,099
Balance as at 31 December 2022	<u>861,478</u>	<u>1,673,133</u>
Balance as at 1 January 2023	861,478	1,673,133
Cash flows		
- Drawdown	-	5,510,677
- Repayment	(382,747)	(657,313)
Non-cash flows:		
- Additions	394,023	-
- Early termination	(700)	-
- Unwinding of interest	33,923	64,853
Balance as at 31 December 2023	<u>905,977</u>	<u>6,591,350</u>
Balance as at 1 January 2024	905,977	6,591,350
Cash flows		
- Drawdown	-	21,554
- Repayment	(481,287)	(797,482)
Non-cash flows:		
- Additions	1,249,628	-
- Early termination	(15,838)	-
- Lease modification	1,036	-
- Unwinding of interest	69,086	163,952
Balance as at 31 December 2024	<u>1,728,602</u>	<u>5,979,374</u>
Balance as at 1 January 2025	1,728,602	5,979,374
Cash flows		
- Drawdown	-	9,758,865
- Repayment	(780,740)	(834,235)
Non-cash flows:		
- Additions of right-of-use assets	467,194	-
- Early termination	(24,155)	-
- Unwinding of interest	94,570	324,017
Balance as at 31 December 2025	<u>1,485,471</u>	<u>15,228,021</u>

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13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025****1. CORPORATE INFORMATION**

The Company was incorporated in Malaysia under the Companies Act 2016 on 27 January 2023 as a private limited liability company under the name Liftech Group Sdn. Bhd.. On 17 September 2025, the Company converted its legal form to a public limited liability company, and assumed its current name, Liftech Group Berhad.

The registered office of the Company is located at 12th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya Selangor.

The principal place of business of the Company is located at 10 & 12, Jalan TPP 5/8, Taman Perindustrian Puchong, Seksyen 5, 47100 Puchong, Selangor.

2. PRINCIPAL ACTIVITIES

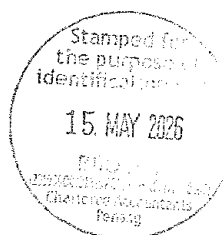
The principal activity of the Company is investment holding. The principal activities of the subsidiaries are mainly involved in design, manufacturing, installation, commissioning, maintenance, repair and other related services of industrial lifting and handling equipment, as well as trading of components, accessories and other industrial lifting and handling equipment. Further details of the subsidiaries are disclosed in Note 4 to the financial statements.

3. BASIS OF PREPARATION

The Accountants' Report comprises the combined financial statements for the financial years ended ("FYE(s)") 31 December 2022 and 31 December 2023 and consolidated financial statements for the financial years ended 31 December 2024 and 31 December 2025. The combined/consolidated financial statements are prepared solely for inclusion in the Prospectus of the Company in connection with the Listing.

The combined/consolidated financial statements of the Group are prepared using the audited financial statements of the respective companies within the Group for the relevant financial years are as follows:

Company	Relevant Financial Period/Years	Auditors
Liftech Group Berhad	For the financial period from 27 January 2023 (Date of Incorporation) to 31 December 2023 FYE 31 December 2024 FYE 31 December 2025	BDO PLT BDO PLT BDO PLT
Liftech Engineering (K.L) Sdn. Bhd. ("LTKL")	FYE 31 December 2022 FYE 31 December 2023 FYE 31 December 2024 FYE 31 December 2025	BDO PLT BDO PLT BDO PLT BDO PLT
Liftech Engineering Sdn. Bhd. ("LTJB")	FYE 31 December 2022 FYE 31 December 2023 FYE 31 December 2024 FYE 31 December 2025	BDO PLT BDO PLT BDO PLT BDO PLT
Liftech Engineering (PG) Sdn. Bhd. ("LTPG")	FYE 31 December 2022 FYE 31 December 2023 FYE 31 December 2024 FYE 31 December 2025	BDO PLT BDO PLT BDO PLT BDO PLT



13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

3. BASIS OF PREPARATION (continued)

The combined/consolidated financial statements of the Group are prepared using the audited financial statements of the respective companies within the Group for the relevant financial years are as follows: (continued)

Company	Relevant Financial Period/Years	Auditors
Liftech Engineering (Ipoh) Sdn. Bhd. ("LTIP")	FYE 31 December 2022 FYE 31 December 2023 FYE 31 December 2024 FYE 31 December 2025	BDO PLT BDO PLT BDO PLT BDO PLT
Liftech Crane & Safety Academy Sdn. Bhd. ("LT Crane"), (formerly known as SK Crane Engineering Sdn. Bhd.)	FYE 31 December 2022 FYE 31 December 2023 FYE 31 December 2024 FYE 31 December 2025	BDO PLT BDO PLT BDO PLT BDO PLT
Liftech Engineering (Borneo) Sdn. Bhd.	FYE 31 December 2022 FYE 31 December 2023 FYE 31 December 2024 FYE 31 December 2025	WTC & Associates BDO PLT BDO PLT BDO PLT

The audited financial statements of the respective companies within the Group for the Relevant Financial Years reported above were not subject to any qualification, modification or disclaimer.

The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and IFRS Accounting Standards.

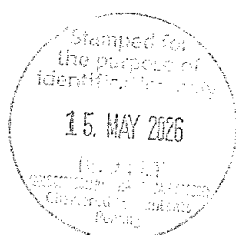
The accounting policies adopted are consistent with those of the previous financial years except for the effects of adoption of new Amendments to MFRSs during the financial year. The new Amendments to MFRSs adopted during the financial year is disclosed in Note 33.1 to the consolidated financial statements.

All information, including the financial information, have been extracted from the audited financial statements of the Group during the relevant reporting periods.

3.1 Combined financial statements for the financial years ended 31 December 2022 and 31 December 2023

The combined financial statements for the financial years ended 31 December 2022 and 31 December 2023 consist of the financial statements of the combining entities as disclosed in Note 4 to the financial statements, which were under common control throughout the financial years under review by virtue of common controlling shareholder namely, Mr. Ng Sea Kai being the principal Director, principal shareholder and promoter of the combining entities.

The financial information to this Report is based on the respective audited financial statements of the combining entities with applicable appropriate adjustments and reclassifications made for the purpose of this Report.



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
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NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

3. BASIS OF PREPARATION (continued)

3.1 Combined financial statements for the financial years ended 31 December 2022 and 31 December 2023 (continued)

The combined financial statements consist of the financial statements of combining entities, which are prepared in accordance with MFRSs, IFRS Accounting Standards and based on the Guidance Note on "Combined Financial Statements" issued by the Malaysian Institute of Accountants in relation to the Listing.

Entities under common control are entities which are ultimately controlled by the same parties and that control is not transitory. Control exists when the same parties have, as a result of contractual agreements, ultimate collective power to govern the financial and operating policies of each of the combining entities so as to obtain benefits from their activities, and that ultimate collective power is not transitory. The financial statements of commonly controlled entities are included in the combined financial statements from the day that control commences until the date that control ceases.

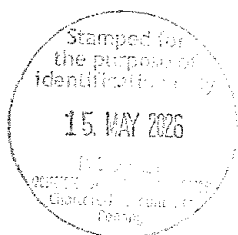
The financial information as presented in the combined financial statements for the financial years ended 31 December 2022 and 31 December 2023 may not correspond with the consolidated financial statements of the Group, after incorporating/effecting the relevant acquisitions as the combined financial statements reflect business combination under common control for the purpose of the Listing. Consequently, such financial information from the combined financial statements does not purport to predict the financial positions, results of operations and cash flows of the combining entities.

The combining entities has consistently applied the same accounting policies in its opening MFRS combined statements of financial position as at 1 January 2022 and throughout all financial years presented, as if these policies had always been in effect.

3.2 Consolidated financial statements for the financial years ended 31 December 2024 and 31 December 2025

The consolidated financial statements of the Group have been prepared in accordance with MFRSs and IFRS Accounting Standards.

During the financial year ended 31 December 2024, the Group applied merger method of accounting on a retrospective basis arising from the acquisition of the entire equity interest of LTKL, LTJB, LTPG, LTIP, LT Crane and LTBN by the Company in business combinations under common control.



13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

3. BASIS OF PREPARATION (continued)

3.2 Consolidated financial statements for the financial years ended 31 December 2024 and 31 December 2025 (continued)

The following accounting treatment had been applied in the consolidated financial statements arising from the business combinations under common control:

- (a) Assets and liabilities of LTKL, LTJB, LTPG, LTIP, LT Crane and LTBN are recognised and measured at their pre-business combinations carrying amounts without restatement to fair value;
- (b) Retained earnings of the Group as at 1 January 2024 are those of the Company, LTKL, LTJB, LTPG, LTIP, LT Crane and LTBN;
- (c) Share capital as at 1 January 2024 reflects the share capital of the Company, LTKL, LTJB, LTPG, LTIP, LT Crane and LTBN; and
- (d) The statements of financial position as at 31 December 2024 represent the financial position of the Group after reflecting the effects of the acquisitions during the financial year.

3.3 Basis of measurement

The combined/consolidated financial statements have been prepared under the historical cost basis unless otherwise stated in the financial statements.

3.4 Functional and presentation currency

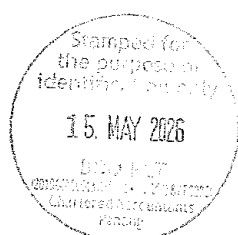
These financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's functional currency.

3.5 Use of estimates and judgements

The preparation of financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in Notes 10 for measurement of impairment losses of trade receivables.



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
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Accountants' Report

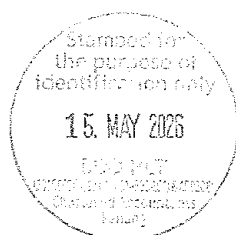
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

4. LIST OF COMBINING ENTITIES/SUBSIDIARIES

(a) Details of combining entities/subsidiaries are as follows:

Name of company	Principal place of business/ Country of incorporation	Effective interest in equity				Principal activities
		2022 %	2023 %	2024 %	2025 %	
Liftech Engineering (K.L.) Sdn. Bhd. ("LTKL")	Malaysia	100	100	100	100	Design, manufacturing, installation and commissioning of industrial lifting and handling equipment; Maintenance, repair and other related services; and Trading of components, accessories and other industrial lifting and handling equipment
Liftech Engineering (PG) Sdn. Bhd. ("LTPG")	Malaysia	100	100	100	100	Maintenance, repair and other related services, as well as trading of components, accessories and other industrial lifting and handling equipment
Liftech Engineering (Ipoh) Sdn. Bhd. ("LTIP")	Malaysia	100	100	100	100	
Liftech Engineering Sdn. Bhd. ("LTJB")	Malaysia	100	100	100	100	
Liftech Engineering (Borneo) Sdn. Bhd. ("LTBN")	Malaysia	100	100	100	100	
Liftech Crane & Safety Academy Sdn. Bhd. ("LT Crane") (formerly known as SK Crane Engineering Sdn. Bhd.)	Malaysia	100	100	100	100	Dormant (previously involved in crane and mechanical engineering work)



13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

4. LIST OF COMBINING ENTITIES/SUBSIDIARIES (continued)**(b) Changes in shareholdings in subsidiaries:**

- (i) As of 13 March 2025, the Company acquired additional 99,990 ordinary shares at an issue price of RM1 each in LTBN, for a total cash consideration of RM99,990.
- As of 5 June 2025, the Company acquired additional 100,000 ordinary shares at an issue price of RM1 each in LTBN, for a total cash consideration of RM100,000.
- As of 22 September 2025, the Company acquired additional 50,000 ordinary shares at an issue price of RM1 each in LTBN, for a total cash consideration of RM50,000.
- There are no changes to the percentage of shareholding of the Group on the subsidiary arising from the additional investments.
- (ii) As of 15 May 2024, the Company has entered into a share sale agreement to acquire entire issued share capital of LTKL, for a purchase consideration of RM10,974,000 which was satisfied via the issuance of 109,740,000 new ordinary shares in the capital of the Company at an issue price of RM0.10 per share. The acquisition was completed on 30 October 2024. Following this, the Company regards LTKL as its wholly owned subsidiary.
- (iii) As of 15 May 2024, the Company has entered into a share sale agreement to acquire entire issued share capital of LTPG, for a purchase consideration of RM2,070,000 which was satisfied via the issuance of 20,700,000 new ordinary shares in the capital of the Company at an issue price of RM0.10 per share. The acquisition was completed on 30 October 2024. Following this, the Company regards LTPG as its wholly owned subsidiary.
- (iv) As of 15 May 2024, the Company has entered into a share sale agreement to acquire entire issued share capital of LTIP, for a purchase consideration of RM4,155,000 which was satisfied via the issuance of 41,550,000 new ordinary shares in the capital of the Company at an issue price of RM0.10 per share. The acquisition was completed on 30 October 2024. Following this, the Company regards LTIP as its wholly owned subsidiary.
- (v) As of 15 May 2024, the Company has entered into a share sale agreement to acquire entire issued share capital of LTJB, for a purchase consideration of RM2,850,000 which was satisfied via the issuance of 28,500,000 new ordinary shares in the capital of the Company at an issue price of RM0.10 per share. The acquisition was completed on 30 October 2024. Following this, the Company regards LTJB as its wholly owned subsidiary.
- (vi) As of 5 June 2024, the Company has entered into a share sale agreement to acquire entire issued share capital of LTBN, for a purchase consideration of RM10 which was satisfied via cash consideration. The acquisition was completed on 25 November 2024. Following this, the Company regards LTBN as its wholly owned subsidiary.
- (vii) As of 15 May 2024, the Company has entered into a share sale agreement to acquire 10% issued share capital of LT Crane, for a purchase consideration of RM178,800 which was satisfied via the issuance of 1,788,000 new ordinary shares in the capital of the Company at an issue price of RM0.10 per share.

As of 1 August 2024, the Company acquired 90% issued share capital of LT Crane from LTKL, LTIP and LTPG, for total purchase consideration of RM1,440,000 which was satisfied via the capitalisation of amounts owing by subsidiaries arising from dividends distribution. Upon completion of shares transfer, LT Crane became a 90% owned subsidiary of the Group on the same date.

Upon completion of the above share sale agreement, the Company regards LT Crane as wholly-owned subsidiary of the Group on 30 October 2024.



13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE FINANCIAL STATEMENTS
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5. PROPERTY, PLANT AND EQUIPMENT

Cost	Balance as at 1.1.2022 RM	Additions RM	Transfer from right-of-use assets^ (Note 6) RM	Disposals RM	Balance as at 31.12.2022 RM
Freehold land	603,417	-	-	-	603,417
Buildings and renovation	8,313,365	194,716	-	-	8,508,081
Computer and printer	381,821	108,460	-	-	490,281
Furniture and fittings	303,302	640	-	-	303,942
Signboard	18,536	-	-	-	18,536
Office equipment	169,583	2,650	-	-	172,233
Motor vehicles	2,038,417	164,490	827,206	(182,636)	2,847,477
Machineries	1,046,247	8,120	-	-	1,054,367
Factory equipment	334,700	-	-	-	334,700
Tools and equipment	3,558	8,500	-	-	12,058
Fire extinguisher	390	-	-	-	390
Capital work-in-progress	-	240,514	-	-	240,514
	13,213,336	728,090	827,206	(182,636)	14,585,996



13. ACCOUNTANTS' REPORT (Cont'd)

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	Balance as at 1.1.2022 RM	Depreciation charge RM	Transfer from right-of-use assets^ (Note 6) RM	Disposals RM	Balance as at 31.12.2022 RM
Accumulated depreciation					
Buildings and renovation	2,070,793	225,213	-	-	2,296,006
Computer and printer	289,762	41,826	-	-	331,588
Furniture and fittings	227,362	17,073	-	-	244,435
Signboard	11,823	1,438	-	-	13,261
Office equipment	116,235	10,557	-	-	126,792
Motor vehicles	1,818,441	108,227	827,202	(180,534)	2,573,336
Machineries	750,444	105,447	-	-	855,891
Factory equipment	321,034	3,450	-	-	324,484
Tools and equipment	3,558	637	-	-	4,195
Fire extinguisher	388	-	-	-	388
	5,609,840	513,868	827,202	(180,534)	6,770,376



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
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NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	[----- Balance as at 31.12.2022 -----]		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Freehold land	603,417	-	603,417
Buildings and renovation	8,508,081	(2,296,006)	6,212,075
Computer and printer	490,281	(331,588)	158,693
Furniture and fittings	303,942	(244,435)	59,507
Signboard	18,536	(13,261)	5,275
Office equipment	172,233	(126,792)	45,441
Motor vehicles	2,847,477	(2,573,336)	274,141
Machineries	1,054,367	(855,891)	198,476
Factory equipment	334,700	(324,484)	10,216
Tools and equipment	12,058	(4,195)	7,863
Fire extinguisher	390	(388)	2
Capital work-in-progress	240,514	-	240,514
	<u>14,585,996</u>	<u>(6,770,376)</u>	<u>7,815,620</u>



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Cost	Balance as at 1.1.2023 RM	Additions RM	Transfer from right-of-use assets^ (Note 6) RM	Written off RM	Disposals RM	Balance as at 31.12.2023 RM
Freehold land	603,417	-	-	-	-	603,417
Buildings and renovation	8,508,081	482,873	-	(29,358)	-	8,961,596
Computer and printer	490,281	108,206	-	(149,602)	-	448,885
Furniture and fittings	303,942	110,620	-	(178,286)	-	236,276
Signboard	18,536	-	-	(4,161)	-	14,375
Office equipment	172,233	1,520	-	(43,095)	-	130,658
Motor vehicles	2,847,477	52,000	1,345,848	-	(646,228)	3,599,097
Machineries	1,054,367	40,600	-	(96,884)	-	998,083
Factory equipment	334,700	38,000	-	-	-	372,700
Tools and equipment	12,058	-	-	(3,560)	-	8,498
Fire extinguisher	390	-	-	-	-	390
Capital work-in-progress	240,514	7,399,444	-	-	-	7,639,958
	14,585,996	8,233,263	1,345,848	(504,946)	(646,228)	23,013,933



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Accountants' Report

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	Balance as at 1.1.2023 RM	Depreciation charge RM	Transfer from right-of-use assets^ (Note 6) RM	Written off RM	Disposals RM	Balance as at 31.12.2023 RM
Accumulated depreciation						
Buildings and renovation	2,296,006	258,612	-	(29,350)	-	2,525,268
Computer and printer	331,588	68,843	-	(144,970)	-	255,461
Furniture and fittings	244,435	16,969	-	(170,896)	-	90,508
Signboard	13,261	1,322	-	(4,160)	-	10,423
Office equipment	126,792	10,238	-	(42,720)	-	94,310
Motor vehicles	2,573,336	94,483	1,345,839	-	(646,227)	3,367,431
Machineries	855,891	34,570	-	(96,268)	-	794,193
Factory equipment	324,484	3,599	-	-	-	328,083
Tools and equipment	4,195	851	-	(3,560)	-	1,486
Fire extinguisher	388	-	-	-	-	388
	6,770,376	489,487	1,345,839	(491,924)	(646,227)	7,467,551



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Accountants' Report

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	[----- Balance as at 31.12.2023 -----]		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Freehold land	603,417	-	603,417
Buildings and renovation	8,961,596	(2,525,268)	6,436,328
Computer and printer	448,885	(255,461)	193,424
Furniture and fittings	236,276	(90,508)	145,768
Signboard	14,375	(10,423)	3,952
Office equipment	130,658	(94,310)	36,348
Motor vehicles	3,599,097	(3,367,431)	231,666
Machineries	998,083	(794,193)	203,890
Factory equipment	372,700	(328,083)	44,617
Tools and equipment	8,498	(1,486)	7,012
Fire extinguisher	390	(388)	2
Capital work-in-progress	7,639,958	-	7,639,958
	<u>23,013,933</u>	<u>(7,467,551)</u>	<u>15,546,382</u>



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Cost	Balance as at 1.1.2024 RM	Additions RM	Transfer from right-of-use assets^ (Note 6) RM	Reclassification RM	Written off RM	Disposals RM	Balance as at 31.12.2024 RM
Freehold land	603,417	-	-	-	-	-	603,417
Buildings and renovation	8,961,596	792,984	-	8,764,055	-	-	18,518,635
Computer and printer	448,885	122,091	-	-	(32,179)	-	538,797
Furniture and fittings	236,276	14,246	-	-	(20,657)	-	229,865
Signboard	14,375	-	-	-	-	-	14,375
Office equipment	130,658	15,287	-	-	(10,386)	-	135,559
Motor vehicles	3,599,097	373,100	330,586	-	-	(505,213)	3,797,570
Machineries	998,083	70,535	-	-	(63,181)	-	1,005,437
Factory equipment	372,700	33,465	-	-	-	-	406,165
Tools and equipment	8,498	-	-	-	-	-	8,498
Fire extinguisher	390	-	-	-	(390)	-	-
Capital work-in-progress	7,639,958	1,124,097	-	(8,764,055)	-	-	-
	23,013,933	2,545,805	330,586	-	(126,793)	(505,213)	25,258,318



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Accountants' Report

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	Balance as at 1.1.2024 RM	Depreciation charge RM	Transfer from right-of-use assets^ (Note 6) RM	Written off RM	Disposals RM	Balance as at 31.12.2024 RM
Accumulated depreciation						
Buildings and renovation	2,525,268	361,627	-	-	-	2,886,895
Computer and printer	255,461	62,176	-	(31,261)	-	286,376
Furniture and fittings	90,508	19,895	-	(20,266)	-	90,137
Signboard	10,423	1,552	-	-	-	11,975
Office equipment	94,310	9,125	-	(10,379)	-	93,056
Motor vehicles	3,367,431	109,576	330,582	-	(505,209)	3,302,380
Machineries	794,193	38,506	-	(58,802)	-	773,897
Factory equipment	328,083	6,989	-	-	-	335,072
Tools and equipment	1,486	850	-	-	-	2,336
Fire extinguisher	388	2	-	(390)	-	-
	<u>7,467,551</u>	<u>610,298</u>	<u>330,582</u>	<u>(121,098)</u>	<u>(505,209)</u>	<u>7,782,124</u>



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Accountants' Report

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	[----- Balance as at 31.12.2024 -----]		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Freehold land	603,417	-	603,417
Buildings and renovation	18,518,635	(2,886,895)	15,631,740
Computer and printer	538,797	(286,376)	252,421
Furniture and fittings	229,865	(90,137)	139,728
Signboard	14,375	(11,975)	2,400
Office equipment	135,559	(93,056)	42,503
Motor vehicles	3,797,570	(3,302,380)	495,190
Machineries	1,005,437	(773,897)	231,540
Factory equipment	406,165	(335,072)	71,093
Tools and equipment	8,498	(2,336)	6,162
	25,258,318	(7,782,124)	17,476,194



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
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NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Cost	Balance as at 1.1.2025 RM	Additions RM	Transfer from right-of-use assets^ (Note 6) RM	Written off RM	Disposals RM	Balance as at 31.12.2025 RM
Freehold land	603,417	-	-	-	-	603,417
Buildings and renovation	18,518,635	7,617,439	-	(21,450)	-	26,114,624
Computer and printer	538,797	91,769	-	-	-	630,566
Furniture and fittings	229,865	17,665	-	-	-	247,530
Signboard	14,375	-	-	-	-	14,375
Office equipment	135,559	13,838	-	-	-	149,397
Motor vehicles	3,797,570	142,664	1,101,802	-	(461,160)	4,580,876
Machineries	1,005,437	238,024	-	-	-	1,243,461
Factory equipment	406,165	-	-	-	-	406,165
Tools and equipment	8,498	16,990	-	-	-	25,488
Capital work-in-progress	-	92,182	-	-	-	92,182
	25,258,318	8,230,571	1,101,802	(21,450)	(461,160)	34,108,081



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	Balance as at 1.1.2025 RM	Depreciation charge RM	Transfer from right-of-use assets^ (Note 6) RM	Written off RM	Disposals RM	Balance as at 31.12.2025 RM
Accumulated depreciation						
Buildings and renovation	2,886,895	551,457	-	(3,868)	-	3,434,484
Computer and printer	286,376	80,542	-	-	-	366,918
Furniture and fittings	90,137	20,814	-	-	-	110,951
Signboard	11,975	730	-	-	-	12,705
Office equipment	93,056	11,037	-	-	-	104,093
Motor vehicles	3,302,380	231,869	764,736	-	(461,159)	3,837,826
Machineries	773,897	21,627	-	-	-	795,524
Factory equipment	335,072	13,380	-	-	-	348,452
Tools and equipment	2,336	1,422	-	-	-	3,758
	7,782,124	932,878	764,736	(3,868)	(461,159)	9,014,711



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
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NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	[----- Balance as at 31.12.2025 -----]		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Freehold land	603,417	-	603,417
Buildings and renovation	26,114,624	(3,434,484)	22,680,140
Computer and printer	630,566	(366,918)	263,648
Furniture and fittings	247,530	(110,951)	136,579
Signboard	14,375	(12,705)	1,670
Office equipment	149,397	(104,093)	45,304
Motor vehicles	4,580,876	(3,837,826)	743,050
Machineries	1,243,461	(795,524)	447,937
Factory equipment	406,165	(348,452)	57,713
Tools and equipment	25,488	(3,758)	21,730
Capital work-in-progress	92,182	-	92,182
	<u>34,108,081</u>	<u>(9,014,711)</u>	<u>25,093,370</u>

^ The assets previously acquired under hire purchase arrangements were reclassified from right-of-use assets as the lease liabilities for those assets have been fully settled during the financial years.



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Accountants' Report

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

- (a) All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset. After initial recognition, property, plant and equipment except for freehold land and capital work-in-progress are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Land and buildings shall be accounted for separately, even when they are acquired together.

- (b) Freehold land has unlimited useful life and is not depreciated.

Capital work-in-progress represents renovation in progress (2024, 2023 and 2022: building under construction). Capital work-in-progress is not depreciated until such time commences when the asset is available for use.

Depreciation on other property, plant and equipment is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The principal annual depreciation rates are as follows:

Buildings and renovation	2% - 20%
Computer and printer	10% - 20%
Furniture and fittings	8% - 10%
Signboard	10%
Office equipment	10% - 20%
Motor vehicles	12% - 20%
Machineries	10%
Factory equipment	10% - 20%
Tools and equipment	10%
Fire extinguisher	10%

Depreciation methods, useful lives and residual values are reviewed at end of the reporting period and adjusted as appropriate.

- (c) At the end of each reporting period, the carrying amount of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount.
- (d) The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amount is included in profit or loss.
- (e) As at end of each reporting period, freehold land, certain buildings and capital work-in-progress of the Group with a total carrying amount of RM20,498,983 (2024: RM14,716,600; 2023: RM13,437,996; 2022: RM6,077,229) have been charged to financial institution for credit facilities to the Group as disclosed in Note 16(c) to the financial statements.



13. ACCOUNTANTS' REPORT (Cont'd)

*Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Accountants' Report*

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

- (f) Motor vehicle with carrying amount of RMNil (2024: RMNil; 2023: RM1; 2022: RM10,489) was registered under the name of Director.
- (g) The Group leases out motor vehicles (2024, 2023 and 2022: part of a building and motor vehicles) to third parties. The motor vehicles were leased on a short-term basis while continuing to be used in the Group's business operation. These leases are classified as operating leases as there is no substantial transfer of risks and rewards incidental to ownership.

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13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
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Accountants' Report

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

6. RIGHT-OF-USE ASSETS

The Group as lessee

Carrying amount	Balance as at 1.1.2022 RM	Additions RM	Transfer to property, plant and equipment ^ (Note 5) RM	Amortisation for the financial year RM	Balance as at 31.12.2022 RM
Leasehold lands	2,801,285	-	-	(32,564)	2,768,721
Motor vehicles	1,168,418	290,202	(4)	(431,914)	1,026,702
Hostels	14,191	-	-	(8,109)	6,082
	<u>3,983,894</u>	<u>290,202</u>	<u>(4)</u>	<u>(472,587)</u>	<u>3,801,505</u>

Carrying amount	Balance as at 1.1.2023 RM	Additions RM	Early termination RM	Transfer to property, plant and equipment ^ (Note 5) RM	Amortisation for the financial year RM	Balance as at 31.12.2023 RM
Leasehold lands	2,768,721	-	-	-	(34,351)	2,734,370
Motor vehicles	1,026,702	639,582	-	(9)	(294,219)	1,372,056
Hostels	6,082	44,023	(674)	-	(14,471)	34,960
	<u>3,801,505</u>	<u>683,605</u>	<u>(674)</u>	<u>(9)</u>	<u>(343,041)</u>	<u>4,141,386</u>



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
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Accountants' Report

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

The Group as lessee (continued)

Carrying amount	Balance as at 1.1.2024 RM	Additions RM	Impairment loss for the financial year RM	Lease modification RM	Transfer to property plant and equipment ^ (Note 5) RM	Amortisation for the financial year RM	Early termination RM	Balance as at 31.12.2024 RM
Leasehold lands	2,734,370	133,320	-	-	-	(40,530)	-	2,827,160
Workshop	-	34,465	-	-	-	(8,616)	-	25,849
Machinery	-	560,000	-	-	-	(22,467)	-	537,533
Motor vehicles	1,372,056	1,160,820	(54,462)	1,036	(4)	(519,668)	-	1,959,778
Hostels	34,960	50,163	-	-	-	(21,825)	(14,591)	48,707
	<u>4,141,386</u>	<u>1,938,768</u>	<u>(54,462)</u>	<u>1,036</u>	<u>(4)</u>	<u>(613,106)</u>	<u>(14,591)</u>	<u>5,399,027</u>

Carrying amount	Balance as at 1.1.2025 RM	Additions RM	Transfer to property plant and equipment ^ (Note 5) RM	Amortisation for the financial year RM	Early termination RM	Balance as at 31.12.2025 RM
Leasehold lands	2,827,160	3,781,703	-	(49,148)	-	6,559,715
Workshop	25,849	-	-	(17,232)	-	8,617
Machinery	537,533	-	-	(56,000)	-	481,533
Motor vehicles	1,959,778	606,411	(337,066)	(582,032)	-	1,647,091
Hostels	48,707	49,194	-	(30,898)	(23,837)	43,166
	<u>5,399,027</u>	<u>4,437,308</u>	<u>(337,066)</u>	<u>(735,310)</u>	<u>(23,837)</u>	<u>8,740,122</u>

The assets previously acquired under hire purchase arrangements were reclassified to property, plant and equipment as the lease liabilities for those assets have been fully settled during the financial year.



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
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Accountants' Report

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025****6. RIGHT-OF-USE ASSETS (continued)**

- (a) The Group leases lands, workshop, motor vehicles, machinery and hostels. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases. After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liabilities.

- (b) Right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:

Leasehold lands	32 - 890 years
Workshop	2 years
Machinery	10 years
Motor vehicles	5 years
Hostels	2 years

- (c) The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low-value assets of RM20,000 and below. Short-term leases are leases with a lease term of twelve (12) months or less. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

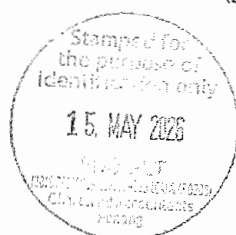
- (d) At the end of each reporting period, the carrying amount of an item of right-of-use assets is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount.

- (e) During the financial year, the Group made the following cash payments to purchase right-of-use assets:

	2022 RM	2023 RM	2024 RM	2025 RM
Purchase of right-of-use assets	290,202	683,605	1,938,768	4,437,308
Financed by lease liabilities (Note 17)	(195,000)	(394,023)	(1,249,628)	(467,194)
Cash payment on purchase of right-of-use assets	95,202	289,582	689,140	3,970,114

- (f) Certain leasehold lands of the Group with carrying amount of RM6,103,363 (2024: RM2,365,427; 2023: RM2,663,119; 2022: RM2,696,283) has been pledged to a licensed bank for banking facilities granted to the Group as disclosed in Note 16(c) to the financial statements.

- (g) Motor vehicles with carrying amount of RMNil (2024: RM234,495; 2023: RM298,492; 2022: RM388,332) were registered under the name of Directors of the Company and of the Subsidiary.



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
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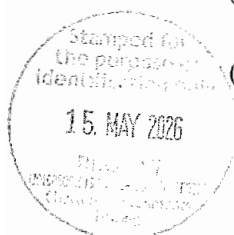
NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

7. INVESTMENT PROPERTIES

	Shophouse RM	Shoplot factory RM	Total RM
At cost			
Balance as at 1 January 2022/1 January 2023/1 January 2024/31 December 2025	272,826	399,020	671,846
Accumulated depreciation			
Balance as at 1 January 2022	98,218	117,046	215,264
Depreciation charge	3,638	5,320	8,958
Balance as at 31 December 2022	101,856	122,366	224,222
Depreciation charge	3,638	5,320	8,958
Balance as at 31 December 2023	105,494	127,686	233,180
Depreciation charge	3,638	5,320	8,958
Balance as at 31 December 2024	109,132	133,006	242,138
Depreciation charge	3,638	5,319	8,957
Balance as at 31 December 2025	112,770	138,325	251,095
Carrying amount 2022	170,970	276,654	447,624
Carrying amount 2023	167,332	271,334	438,666
Carrying amount 2024	163,694	266,014	429,708
Carrying amount 2025	160,056	260,695	420,751

- (a) Investment properties are properties, which are held to earn rental yields or for capital appreciation or for both and are not occupied by the Group. Investment properties are initially measured at cost, including transaction costs and borrowing costs if the investment properties meet the definition of qualifying asset. After initial recognition, investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.
- (b) Depreciation is calculated to write off the cost of the investment property to its residual value on a straight line basis over its estimated useful life of 50 years.
- (c) At the end of each reporting period, the carrying amount of an investment property is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount.
- (d) Rental income generated from renting of investment properties of the Group during the financial year amounted to RM50,400 (2024: RM50,400; 2023: RM50,400; 2022: RM37,500).
- (e) Direct operating expenses from investment properties which generated rental income to the Group during the financial year amounted to RM6,724 (2024: RM7,405; 2023: RM9,892; 2022: RM6,248).



13. ACCOUNTANTS' REPORT (Cont'd)

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7. INVESTMENT PROPERTIES (continued)

(f) As at the end of the reporting period, the investment properties have been charged to financial institution for credit facilities of the Group as disclosed in Note 16(c) to the financial statements.

(g) The fair value of the investment properties are categories as follows:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2025	-	-	1,462,000	1,462,000
2024	-	-	1,253,000	1,253,000
2023	-	-	1,253,000	1,253,000
2022	-	-	1,320,000	1,320,000

Investment properties at Level 3 fair value measurements were recommended by the Directors as at the end of the reporting period based on internal valuation performed by management (2022: external valuation performed by an independent valuer engaged by the management), using comparison approach, which made reference to observable market price from recent sales of comparable properties.

(h) Investment properties of the Group are mainly used to generate rental income. However the fair value of the investment properties reflects the highest and best use of the said properties should the investment properties be disposed. Currently management does not intend to dispose off the investment properties and the existing use of the investment properties remains for rental purposes.

8. DEFERRED TAXATION

Recognised deferred tax (assets) and liabilities are attributable to the following:

	2022 RM	2023 RM	2024 RM	2025 RM
Balance as at 1 January	66,917	(95,419)	(44,906)	(832,936)
Recognised in profit or loss (Note 23):				
- relating to origination and reversal of temporary differences	(60,197)	(21,916)	(311,034)	(10,694)
- (over)/under provision in prior years	(102,139)	72,429	(476,996)	74,141
Balance as at 31 December	(95,419)	(44,906)	(832,936)	(769,489)
Presented after appropriate offsetting:				
Deferred tax assets, net*	(163,220)	(187,761)	(845,055)	(769,489)
Deferred tax liabilities, net*	67,801	142,855	12,119	-
	(95,419)	(44,906)	(832,936)	(769,489)

* The amount of set-off between deferred tax assets and deferred tax liabilities was RM470,298 (2024: RM49,863; 2023: RM22,857; 2022: RM53,546) for the Group.



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Components and movements of deferred tax liabilities and assets of the Group during the financial years prior to offsetting are as follows:

Deferred tax assets of the Group	Property, plant and equipments RM	Other temporary differences RM	Total RM
Balance as at 1 January 2022	(12,877)	(64,103)	(76,980)
Recognised in profit or loss	8,442	(148,228)	(139,786)
Balance as at 31 December 2022/ 1 January 2023	(4,435)	(212,331)	(216,766)
Recognised in profit or loss	(8,183)	14,331	6,148
Balance as at 31 December 2023/ 1 January 2024	(12,618)	(198,000)	(210,618)
Recognised in profit or loss	(98,779)	(585,521)	(684,300)
Balance as at 31 December 2024/ 1 January 2025	(111,397)	(783,521)	(894,918)
Recognised in profit or loss	59,652	(404,521)	(344,869)
Balance as at 31 December 2025	(51,745)	(1,188,042)	(1,239,787)
Deferred tax liabilities of the Group			
Balance as at 1 January 2022	143,897	-	143,897
Recognised in profit or loss	(22,550)	-	(22,550)
Balance as at 31 December 2022/ 1 January 2023	121,347	-	121,347
Recognised in profit or loss	44,365	-	44,365
Balance as at 31 December 2023/ 1 January 2024	165,712	-	165,712
Recognised in profit or loss	(103,730)	-	(103,730)
Balance as at 31 December 2024/ 1 January 2025	61,982	-	61,982
Recognised in profit or loss	408,316	-	408,316
Balance as at 31 December 2025	470,298	-	470,298

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realised simultaneously.



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8. DEFERRED TAXATION (continued)

The amount of temporary differences for which no deferred tax assets have been recognised in the statement of financial position are as follows:

	2022 RM	2023 RM	2024 RM	2025 RM
Property, plant and equipment	(49,505)	-	-	-
Unutilised tax losses	-	-	67,374	95,194
- expiring by 31 December 2034	-	-	71,401	-
Other temporary differences	174,905	63,100	71,401	-
	<u>125,400</u>	<u>63,100</u>	<u>138,775</u>	<u>95,194</u>

Deferred tax assets of subsidiaries have not been recognised in respect of these items as it is not probable that future taxable profits will be available against which the deductible temporary differences could be utilised.

The amount and availability of these items to carried forward up to the periods as disclosed above are subject to the agreement of the local tax authority.

Any unused tax losses shall be deductible for a maximum period of ten (10) consecutive years of assessment immediately following that year of assessment. Any amount which is not deducted at the end of the period of ten (10) years of assessment shall be disregarded.

9. INVENTORIES

	2022 RM	2023 RM	2024 RM	2025 RM
At cost				
Raw materials	6,566,288	6,156,359	6,386,712	7,823,132
Work-in-progress	72,845	560,924	918,256	1,239,801
Finished goods	120,290	-	-	276,397
	<u>6,759,423</u>	<u>6,717,283</u>	<u>7,304,968</u>	<u>9,339,330</u>

During the financial year, the following are the amounts recognised as cost of sales:

	2022 RM	2023 RM	2024 RM	2025 RM
Inventories recognised as cost of sales	<u>30,116,702</u>	<u>19,262,058</u>	<u>20,764,612</u>	<u>17,600,660</u>

Inventories are stated at the lower of cost and net realisable value.

Cost is determined using the first-in, first-out method. Cost comprises all costs of purchase, cost of conversion plus other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work-in-progress included the cost of raw materials, direct labour, other direct cost and an appropriate portion of production overheads based on normal operating capacity of the production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.



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10. TRADE AND OTHER RECEIVABLES

	2022 RM	2023 RM	2024 RM	2025 RM
Trade receivables				
Third parties	8,838,819	10,385,880	13,071,114	18,421,541
Amounts owing by related parties	1,025,212	289,588	55,840	-
	9,864,031	10,675,468	13,126,954	18,421,541
Less: Impairment losses				
Third parties	(683,153)	(1,798,182)	(4,003,333)	(4,928,247)
Amounts owing by related parties	-	(142,578)	-	-
Total trade receivables	9,180,878	8,734,708	9,123,621	13,493,294
Other receivables				
Amounts owing by Directors	-	195,567	-	-
Amounts owing by related parties	-	1,734	-	-
Third parties	34,186	83,027	192,729	50,805
Deposits	71,959	111,038	947,670	244,772
Total other receivables	106,145	391,366	1,140,399	295,577
Prepayments	41,068	388,192	2,305,058	828,040
Total trade and other receivables	9,328,091	9,514,266	12,569,078	14,616,911

- (a) Trade receivables of the Group are non-interest bearing and the normal trade credit terms granted by the Group range from 30 to 210 days (2024: 30 to 120 days; 2023: 30 to 120 days; 2022: 30 to 120 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.
- (b) Trade and other receivables (excluding prepayments) are classified as financial assets measured at amortised costs.
- (c) Related parties refer to companies in which certain Directors of the Company have significant controlling and financial interests.
- (d) The non-trade amounts owing by Directors and related parties were unsecured, interest-free, and payable upon demand in cash and bank balances.
- (e) Included in the prepayments in was a total sum of RM642,223 (2024: RM1,788,686; 2023: RMNil; 2022: RMNil) paid to foreign supplier in respect to the acquisition of goods as non-refundable downpayment.
- (f) Currency exposure profile of trade and other receivables (excluding prepayments) are as follows:

	2022 RM	2023 RM	2024 RM	2025 RM
Ringgit Malaysia	9,287,023	8,994,803	8,220,744	13,746,118
Chinese Yuan	-	8,117	75,298	125
United State Dollar	-	-	208,680	42,628
Euro Dollar	-	123,154	1,759,298	-
	9,287,023	9,126,074	10,264,020	13,788,871



13. ACCOUNTANTS' REPORT (Cont'd)

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10. TRADE AND OTHER RECEIVABLES (continued)

- (g) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses ("ECL").

Lifetime ECL are the ECL that result from all possible default events over the expected life of the asset, while 12-month ECL are the portion of ECL that result from default events that are possible within the twelve (12) months after the reporting date. The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

The Group uses an allowance matrix to measure the expected credit loss of trade receivables from monthly aging. Expected loss rates are calculated using the roll rate method based on the common credit risk characteristic - by past due days.

During this process, the probability of non-payment by the trade receivables is adjusted by forward-looking information (gross domestic product index) and multiplied by the amount of the expected loss arising from default to determine the lifetime ECL for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statement of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

It requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

- (h) Lifetime expected loss allowance for trade receivables are as follows:

	Gross carrying amount RM	Impairment losses RM	Total RM
31 December 2022			
Current	1,893,230	(32,488)	1,860,742
Past due			
1 to 30 days	1,953,352	(62,796)	1,890,556
31 to 60 days	769,259	(41,545)	727,714
61 to 90 days	1,174,519	(33,880)	1,140,639
More than 90 days	1,825,726	(484,648)	1,341,078
Credit impaired			
- Individually impaired	2,247,945	(27,796)	2,220,149
	<u>9,864,031</u>	<u>(683,153)</u>	<u>9,180,878</u>



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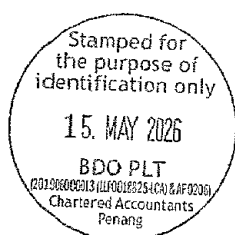
NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025****10. TRADE AND OTHER RECEIVABLES (continued)**

(h) Lifetime expected loss allowance for trade receivables are as follows: (continued)

	Gross carrying amount RM	Impairment losses RM	Total RM
31 December 2023			
Current	3,344,379	(119,878)	3,224,501
Past due			
1 to 30 days	2,730,628	(155,991)	2,574,637
31 to 60 days	1,697,938	(123,501)	1,574,437
61 to 90 days	732,440	(112,044)	620,396
More than 90 days	2,170,083	(1,429,346)	740,737
	<u>10,675,468</u>	<u>(1,940,760)</u>	<u>8,734,708</u>
31 December 2024			
Current	3,472,517	(262,378)	3,210,139
Past due			
1 to 30 days	3,379,582	(441,172)	2,938,410
31 to 60 days	1,446,635	(179,984)	1,266,651
61 to 90 days	1,641,689	(447,218)	1,194,471
More than 90 days	3,186,531	(2,672,581)	513,950
	<u>13,126,954</u>	<u>(4,003,333)</u>	<u>9,123,621</u>
31 December 2025			
Current	8,478,258	(430,051)	8,048,207
Past due			
1 to 30 days	2,357,078	(149,393)	2,207,685
31 to 60 days	1,921,149	(198,138)	1,723,011
61 to 90 days	931,407	(141,386)	790,021
More than 90 days	4,733,649	(4,009,279)	724,370
	<u>18,421,541</u>	<u>(4,928,247)</u>	<u>13,493,294</u>

Trade receivables are not secured by any collateral or credit enhancement.

During the financial year, the Group did not renegotiate the terms of any trade receivables. The Group's contracts with customers may include payment timelines that are structured or adjusted to align with project progress and milestone achievements. Such arrangements form part of the commercial terms of the contracts and do not represent renegotiation arising from credit risk, nor do they indicate a significant increase in credit risk.



13. ACCOUNTANTS' REPORT (Cont'd)

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10. TRADE AND OTHER RECEIVABLES (continued)

- (i) Impairment for other receivables is recognised based on the general approach within MFRS 9 using ECL model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset by comparing the risk of default occurring over the expected life with the risk of default since initial recognition.

For balances in which credit risk has not increased significantly since initial recognition of the financial asset, 12-month ECL along with gross interest income are recognised. For balances in which credit risk has increased significantly, lifetime ECL along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime ECL along with interest income on a net basis are recognised.

The probabilities of non-payments by other receivables are adjusted by forward looking information and multiplied by the amounts of the expected losses arising from defaults to determine the 12-month or lifetime ECL for the other receivables.

The Group defined significant increase in credit risk based on the payment trends and operational performance of other receivables.

It requires management to exercise significant judgement in determining the probabilities of default by other receivables, appropriate forward looking information and significant increase in credit risk.

No expected credit loss is recognised arising from other receivables as it is negligible.

- (j) Movement in allowance for impairment losses of trade receivables are as follows:

	2022 RM	2023 RM	2024 RM	2025 RM
Balance as at 1 January	783,652	683,153	1,940,760	4,003,333
Charge for the financial year	103,124	1,293,225	2,205,806	1,431,895
Bad debt written off	-	(1,919)	(30,406)	(18,400)
Reversal of impairment losses	(203,623)	(33,699)	(112,827)	(488,581)
Balance as at 31 December	<u>683,153</u>	<u>1,940,760</u>	<u>4,003,333</u>	<u>4,928,247</u>

- (k) Information on financial risks of trade and other receivables (excluding prepayments) is disclosed in Note 30 to the financial statements.



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11. OTHER INVESTMENTS

	2022 RM	2023 RM	2024 RM	2025 RM
Financial assets held at fair value through other comprehensive income:				
Unquoted shares in Malaysia	50,000	-	-	-
Financial assets held at fair value through profit or loss:				
Unit trusts	200,000	-	-	-
	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

- (a) The Group have irrevocably elected to recognise equity securities that are not held for trading at fair value through other comprehensive income. These are strategic investments for which the Group consider this classification to be appropriate and relevant.
- (b) Unit trusts held at fair value through profit or loss, is held for trading purpose.
- (c) The other investments were denominated at RM.
- (d) In the financial year ended 31 December 2022, the investment of the Group with amount of RM50,000 was registered under the name of the Director of the subsidiary.
- (e) Unquoted shares of the Group are categorised as Level 3 in the fair value hierarchy. Fair value of investments in unquoted shares are estimated based on the price to book valuation model, for which the price to book ratio is a significant unobservable input.

Unit trusts of the Group were categorised as Level 1 in fair value hierarchy. Fair value of unit trusts is determined by reference to closing price in an active market at the end of the reporting period.

There was no transfer between levels in the fair value hierarchy during the financial years.

- (f) Sensitivity analysis for investments in unquoted shares are not disclosed as it is not material to the Group.

12. CONTRACT ASSETS/LIABILITIES

	2022 RM	2023 RM	2024 RM	2025 RM
Contract assets	<u>1,643,883</u>	<u>1,781,168</u>	<u>2,492,182</u>	<u>5,090,472</u>
Contract liabilities				
- Deferred revenue	129,139	652,888	245,403	2,943,875
- Advanced received from customers	<u>1,131,371</u>	<u>1,004,705</u>	<u>4,719,005</u>	<u>2,805,718</u>
	<u>1,260,510</u>	<u>1,657,593</u>	<u>4,964,408</u>	<u>5,749,593</u>



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12. CONTRACT ASSETS/LIABILITIES (continued)

- (a) Contract assets and contract liabilities represent the timing differences in revenue recognition and the milestone billings. The milestone billings are structured and/or negotiated with customers to reflect physical completion of the contracts.

Contract assets are transferred to receivables when the rights to economic benefits become unconditional. This usually occurs when the Group issues billings to the customers. Contract liabilities are recognised as revenue when performance obligations are satisfied.

- (b) There were no significant changes in the contract assets and liabilities during the financial years.
- (c) Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period, are as follows:

	2023 RM	2024 RM	2025 RM	2026 RM
31 December 2025	-	-	-	23,025,943
31 December 2024	-	-	14,425,062	-
31 December 2023	-	6,734,572	-	-
31 December 2022	<u>6,492,605</u>	<u>-</u>	<u>-</u>	<u>-</u>

- (d) Impairment for contract assets is assessed based on the simplified approach of MFRS 9 as disclosed in Note 10(g) to the financial statements. No expected credit loss is recognised arising from contract assets as the amount is negligible.

13. CASH AND BANK BALANCES

	2022 RM	2023 RM	2024 RM	2025 RM
Cash and bank balances	3,267,227	5,017,113	4,795,916	3,043,734
Deposits with licensed banks	<u>250,000</u>	<u>2,567,943</u>	<u>6,274,130</u>	<u>4,729,297</u>
	<u>3,517,227</u>	<u>7,585,056</u>	<u>11,070,046</u>	<u>7,773,031</u>

- (a) Cash and bank balances are classified as financial assets measured at amortised costs.
- (b) Currency exposure profile of cash and bank balances are as follows:

	2022 RM	2023 RM	2024 RM	2025 RM
Ringgit Malaysia	3,248,086	7,452,058	10,853,560	7,699,401
United States Dollar	2,344	63,840	147,377	52,070
Chinese Yuan	-	65,773	67,568	758
Euro Dollar	<u>266,797</u>	<u>3,385</u>	<u>1,541</u>	<u>20,802</u>
	<u>3,517,227</u>	<u>7,585,056</u>	<u>11,070,046</u>	<u>7,773,031</u>



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13. CASH AND BANK BALANCES (continued)

- (c) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of the reporting year:

	2022 RM	2023 RM	2024 RM	2025 RM
Cash and bank balances	3,267,227	5,017,113	4,795,916	3,043,734
Deposits with licensed banks	250,000	2,567,943	6,274,130	4,729,297
As per statements of financial position	3,517,227	7,585,056	11,070,046	7,773,031
Less:				
Deposits with maturity period more than three (3) months	-	(2,307,107)	(4,241,128)	(2,820,572)
Bank overdrafts (Note 16)	(680,882)	(742,874)	-	(2,107,404)
As per statements of cash flows	2,836,345	4,535,075	6,828,918	2,845,055

- (d) No expected credit loss is recognised arising from the cash and bank balances because the probability of default by these financial institutions is negligible.
- (e) Information on financial risks of cash and bank balances is disclosed in Note 30 to the financial statements.

14. INVESTED EQUITY/ SHARE CAPITAL**(a) Invested equity**

	Number of ordinary shares	Amount RM
Issued and fully paid-up with no par value		
Balance as at 1 January 2022	4,070,010	4,070,010
Issuance of ordinary shares	500,000	500,000
Balance as at 31 December 2022/31 December 2023	4,570,010	4,570,010
Acquisition of subsidiaries in business combinations under common control:		
- elimination of issued share capital of LTKL	(2,950,000)	(2,950,000)
- elimination of issued share capital of LTPG	(500,000)	(500,000)
- elimination of issued share capital of LTIP	(500,000)	(500,000)
- elimination of issued share capital of LTJB	(500,000)	(500,000)
- elimination of issued share capital of LTBN (Note 4(b)(vi))	(10)	(10)
- elimination of issued share capital of LT Crane	(120,000)	(120,000)
Balance as at 31 December 2024/31 December 2025	-	-



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14. INVESTED EQUITY/SHARE CAPITAL (continued)**(b) Share capital**

	Number of ordinary shares	Amount RM
Issued and fully paid-up with no par value		
Balance as at 27 January 2023 (date of incorporation)/31 December 2023	2	2
Issuance of ordinary shares:		
- for cash	10,000,000	10,000
- pursuant to acquisition of subsidiaries in business combinations under common control	202,278,000	20,227,800
Balance as at 31 December 2024/1 January 2025	212,278,002	20,237,802
Issuance of ordinary shares:		
- for cash	3,430,000	686,000
- by way of capitalisation of amounts owing to Directors	20,000,000	2,000,000
Balance as at 31 December 2025	235,708,002	22,923,802

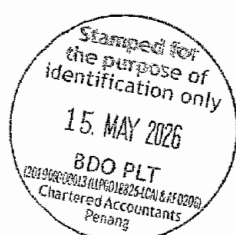
- (c) During the financial year ended 31 December 2025, the issued and fully paid-up ordinary share capital of the Company was increased from 212,278,002 to 235,708,002 by way of issuance of 23,430,000 new ordinary shares pursuant to the following:

- (i) issuance of 3,430,000 new ordinary shares at an issue price of RM0.20 each by cash consideration; and
- (ii) issuance of 20,000,000 new ordinary shares at an issue price of RM0.10 each by way of capitalisation of amounts owing to Directors.

Newly issued ordinary shares rank *pari passu* in all respects with the existing ordinary shares of the Company.

- (d) During the financial year ended 31 December 2024, the issued and fully paid-up ordinary share of the Company was increased from 2 to 212,278,002 by way of issuance of 212,278,000 new ordinary shares pursuant to the following:

- (i) Issuance of 109,740,000 new ordinary shares at an issue price of RM0.10 each pursuant to acquisition of LTKL as disclosed in Note 4(b)(ii) to the financial statements;
- (ii) Issuance of 20,700,000 new ordinary shares at an issue price of RM0.10 each pursuant to acquisition of LTPG as disclosed in Note 4(b)(iii) to the financial statements;
- (iii) Issuance of 41,550,000 new ordinary shares at an issue price of RM0.10 each pursuant to acquisition of LTIP as disclosed in Note 4(b)(iv) to the financial statements;
- (iv) Issuance of 28,500,000 new ordinary shares at an issue price of RM0.10 each pursuant to acquisition of LTJB as disclosed in Note 4(b)(v) to the financial statements;
- (v) Issuance of 1,788,000 new ordinary shares at an issue price of RM0.10 each pursuant to acquisition of LT Crane as disclosed in Note 4(b)(vii) to the financial statements; and
- (vi) Issuance of 10,000,000 new ordinary shares at an issue price of RM0.001 each.



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14. INVESTED EQUITY/ SHARE CAPITAL (continued)

- (e) During the financial year ended 31 December 2023, the Company is incorporated with issued and fully paid-up share capital of RM2, which consists of 2 ordinary shares at an issue price of RM1 each with cash.
- (f) During the financial year ended 31 December 2022, the issued and fully paid-up invested equity of the Group was increased from RM4,070,010 to RM4,570,010 by way of issuance of 500,000 LTKL's new ordinary shares at an issue price of RM1 each by way of cash.
- (g) As at 31 December 2022 and 31 December 2023, the number of ordinary shares of invested equity is presented on a combined basis.
- (h) The common controlling shareholders of the combining entities/equity holders of the Company are entitled to receive dividends as and when declared by the Group and are entitled to one (1) vote per ordinary share at meetings of the Group. All ordinary shares rank pari passu with regard to the residual assets of the Group.

15. RESERVES

	2022 RM	2023 RM	2024 RM	2025 RM
Non-distributable:				
Merger reserve	-	-	(15,657,800)	(15,657,800)
Distributable:				
Retained earnings	15,783,827	22,201,907	28,434,495	32,797,823
	<u>15,783,827</u>	<u>22,201,907</u>	<u>12,776,695</u>	<u>17,140,023</u>

Merger reserve arose as a result of the difference between consideration paid over the share capital and reserves of LTKL, LTPG, LTIP, LTJB, LTBN and LT Crane pursuant to business combinations under common control.

16. BORROWINGS

	2022 RM	2023 RM	2024 RM	2025 RM
Non-current				
<i>Secured</i>				
Term loans	1,501,470	6,135,934	5,456,859	14,471,080
Current				
<i>Secured</i>				
Bank overdrafts	680,882	742,874	-	2,107,404
Term loans	171,663	455,416	522,515	756,941
	<u>852,545</u>	<u>1,198,290</u>	<u>522,515</u>	<u>2,864,345</u>
Total borrowings				
Bank overdrafts	680,882	742,874	-	2,107,404
Term loans	<u>1,673,133</u>	<u>6,591,350</u>	<u>5,979,374</u>	<u>15,228,021</u>
	<u>2,354,015</u>	<u>7,334,224</u>	<u>5,979,374</u>	<u>17,335,425</u>



13. ACCOUNTANTS' REPORT (*Cont'd*)

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16. BORROWINGS (continued)

- (a) Borrowings are classified as financial liabilities measured at amortised cost.
- (b) Borrowings are denominated in RM.
- (c) Borrowings of the Group are secured by way of:
 - (i) legal charge over the Group's property, plant and equipment, right-of-use assets, and investment properties, as disclosed in Note 5, Note 6, and Note 7 to the financial statements; and
 - (ii) joint and several guarantee by the Directors of the Company and its subsidiaries (2024: the Directors of the Company and its subsidiaries; 2023: the Directors of the combining entities; 2022: the Directors of the combining entities).
- (d) Information on financial risks of borrowings is disclosed in Note 30 to the financial statements.

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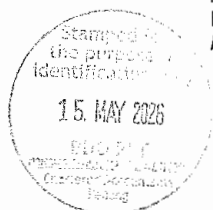
NOTES TO THE FINANCIAL STATEMENTS
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17. LEASE LIABILITIES

Carrying amount	Balance as at 1.1.2022 RM	Additions RM	Lease payments RM	Interest expense RM	Balance as at 31.12.2022 RM
Hostels	14,252	-	(8,400)	360	6,212
Motor vehicles	1,144,625	195,000	(527,930)	43,571	855,266
	1,158,877	195,000	(536,330)	43,931	861,478

Carrying amount	Balance as at 1.1.2023 RM	Additions RM	Early termination RM	Lease payments RM	Interest expense RM	Balance as at 31.12.2023 RM
Hostels	6,212	44,023	(700)	(13,580)	1,006	36,961
Motor vehicles	855,266	350,000	-	(369,167)	32,917	869,016
	861,478	394,023	(700)	(382,747)	33,923	905,977

Carrying amount	Balance as at 1.1.2024 RM	Additions RM	Lease modification RM	Early termination RM	Lease payments RM	Interest expense RM	Balance as at 31.12.2024 RM
Workshop	-	34,465	-	-	(9,000)	654	26,119
Machinery	-	400,000	-	-	(47,170)	10,327	363,157
Hostels	36,961	50,163	-	(15,838)	(23,850)	1,480	48,916
Motor vehicles	869,016	765,000	1,036	-	(401,267)	56,625	1,290,410
	905,977	1,249,628	1,036	(15,838)	(481,287)	69,086	1,728,602



13. ACCOUNTANTS' REPORT (Cont'd)

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17. LEASE LIABILITIES (continued)

Carrying amount	Balance as at 1.1.2025 RM	Additions RM	Early termination RM	Lease payments RM	Interest expense RM	Balance as at 31.12.2025 RM
Workshop	26,119	-	-	(18,000)	773	8,892
Machinery	363,157	-	-	(113,208)	20,204	270,153
Hostels	48,916	49,194	(24,155)	(32,700)	2,713	43,968
Motor vehicles	1,290,410	418,000	-	(616,832)	70,880	1,162,458
	1,728,602	467,194	(24,155)	(780,740)	94,570	1,485,471

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13. ACCOUNTANTS' REPORT (Cont'd)

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17. LEASE LIABILITIES (continued)

	2022 RM	2023 RM	2024 RM	2025 RM
Represented by:				
Current liabilities	321,220	299,101	522,496	489,852
Non-current liabilities	<u>540,258</u>	<u>606,876</u>	<u>1,206,106</u>	<u>995,619</u>
	<u>861,478</u>	<u>905,977</u>	<u>1,728,602</u>	<u>1,485,471</u>
Lease liabilities owing to financial institutions	855,266	869,016	1,653,567	1,432,611
Lease liabilities owing to non-financial institutions	<u>6,212</u>	<u>36,961</u>	<u>75,035</u>	<u>52,860</u>
	<u>861,478</u>	<u>905,977</u>	<u>1,728,602</u>	<u>1,485,471</u>

- (a) Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate implicit in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. The incremental borrowing rates used are based on prevailing market borrowing rates over similar lease terms, of similar value as the right-of-use asset in a similar economic environment.

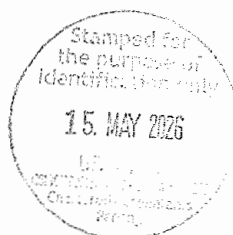
On initial recognition, the carrying value of the lease liabilities also include:

- (i) amounts expected to be payable under any residual value guarantee;
- (ii) the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to exercise that option; and
- (iii) any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

- (b) In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

Several lease contracts of the Group include extension and termination options. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.



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17. LEASE LIABILITIES (continued)

(b) (continued)

The following are the undiscounted potential future rental payments that are not included in the lease term:

	2022 RM	2023 RM	2024 RM	2025 RM
Extension options expected not to be exercised:				
Within five (5) years	-	28,200	45,600	51,000

(c) The following are the amounts recognised in profit or loss:

	2022 RM	2023 RM	2024 RM	2025 RM
Included in cost of sales:				
Amortisation charge of right-of-use assets	16,342	-	17,940	-
Expenses relating to short-team leases	535,594	875,280	1,052,165	1,135,140
Included in administrative and distribution expenses:				
Amortisation charge of right-of-use assets	456,245	343,041	595,166	735,310
Expenses relating to leases of low-value assets	5,871	23,274	23,001	17,133
Expenses relating to short-team leases	4,200	-	15,897	26,254
Impairment losses of right-of-use assets	-	-	54,462	-
Included in finance costs:				
Interest expenses on lease liabilities	43,931	33,923	69,086	94,570
Included in other operating income:				
Gain on early lease termination	-	(26)	(1,247)	(318)
	<u>1,062,183</u>	<u>1,275,492</u>	<u>1,826,470</u>	<u>2,008,089</u>



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17. LEASE LIABILITIES (continued)

(d) The following are total cash outflows for leases as a lessee:

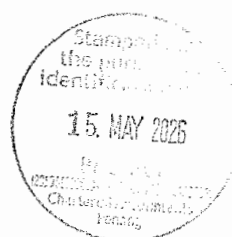
	2022 RM	2023 RM	2024 RM	2025 RM
Included in net cash from operating activities:				
Payments relating to short-term leases and low-value assets	545,665	898,554	1,091,063	1,178,527
Included in net cash from investing activities:				
Purchase of right-of-use assets	95,202	289,582	689,140	3,970,114
Included in net cash from financing activities:				
Payment of lease liabilities	<u>536,330</u>	<u>382,747</u>	<u>481,287</u>	<u>780,740</u>
Total cash outflows for leases	<u>1,177,197</u>	<u>1,570,883</u>	<u>2,261,490</u>	<u>5,929,381</u>

(e) The Group as lessor

The Group has entered into non-cancellable lease agreements on certain properties for terms of three (3) years and renewable at the end of the lease period. The Group classified these leases as operating lease because they do not transfer substantially all of the risks and rewards incidental to the ownership of these assets. Lease income (net of any incentives given to lessees) is recognised over the term of the lease on a straight-line basis. The following is the maturity analysis of the undiscounted lease payments to be received after the reporting date.

	2022 RM	2023 RM	2024 RM	2025 RM
Less than one (1) year	36,750	58,750	43,600	20,400
One (1) to two (2) years	22,750	36,000	9,000	-
Two (2) to three (3) years	-	9,000	-	-
	<u>59,500</u>	<u>103,750</u>	<u>52,600</u>	<u>20,400</u>

(f) Information on financial risks of lease liabilities is disclosed in Note 30 to the financial statements.



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18. TRADE AND OTHER PAYABLES

	2022 RM	2023 RM	2024 RM	2025 RM
Trade payables				
Third parties	4,840,335	3,903,175	4,420,832	3,891,656
Amounts owing to related parties	227,375	486,994	-	-
	5,067,710	4,390,169	4,420,832	3,891,656
Other payables				
Third parties	134,899	406,872	1,594,071	981,675
Amounts owing to Directors	2,557,254	2,455,251	2,000,000	-
Amounts owing to related parties	-	-	437,310	-
Accruals	690,461	1,200,788	2,863,229	2,538,667
	3,382,614	4,062,911	6,894,610	3,520,342
Total trade and other payables	<u>8,450,324</u>	<u>8,453,080</u>	<u>11,315,442</u>	<u>7,411,998</u>

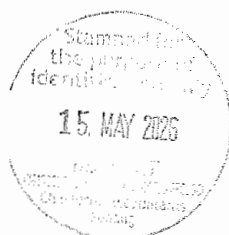
- (a) Trade and other payables are classified as financial liabilities measured at amortised cost.
- (b) Trade payables (including amounts owing to related parties) are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 180 days.
- (c) Related parties refer to companies in which certain Directors of the Group have significant controlling and financial interest. The non-trade portion of amounts owing to related parties were unsecured, interest-free and payable upon demand in cash and cash equivalents.
- (d) As of the end of the previous reporting period ended 31 December 2024, included in the other payables are amounts owing to third parties and Directors of the Group, totalling RM686,000 and RM2,000,000 respectively. The new share subscriptions by third parties and the capitalisation of debts owing to Directors have been completed as disclosed in Note 14(c) of the financial statements.

The amounts owing to Directors of the Group as of the end of previous reporting periods ended 31 December 2022 and 31 December 2023 were unsecured, interest-free and payable upon demand in cash and cash equivalents.

- (e) Currency exposure profile of trade and other payables are as follows:

	2022 RM	2023 RM	2024 RM	2025 RM
Ringgit Malaysia	7,006,140	7,657,139	10,039,986	6,206,551
United States Dollar	-	3,594	3,444	-
Euro Dollar	194,836	107,552	342,970	40,613
Chinese Yuan	1,249,348	684,795	903,874	1,139,666
Thai Baht	-	-	25,168	25,168
	<u>8,450,324</u>	<u>8,453,080</u>	<u>11,315,442</u>	<u>7,411,998</u>

- (f) Information on financial risks of trade and other payables is disclosed in Note 30 to the financial statements.



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19. REVENUE

	2022 RM	2023 RM	2024 RM	2025 RM
<i>Revenue from contracts with customers:</i>				
Sales of goods	11,067,751	12,512,790	14,889,023	12,052,103
Rendering of service	4,002,565	5,160,076	4,855,073	7,339,591
Project sale	37,515,964	31,427,502	37,911,220	38,466,806
	<u>52,586,280</u>	<u>49,100,368</u>	<u>57,655,316</u>	<u>57,858,500</u>
<i>Timing of revenue recognition:</i>				
Over time	36,649,577	31,326,324	37,655,285	37,932,806
At a point in time	15,936,703	17,774,044	20,000,031	19,925,694
	<u>52,586,280</u>	<u>49,100,368</u>	<u>57,655,316</u>	<u>57,858,500</u>

Revenue from contracts with customers is disaggregated in Note 28 to the financial statements by geographical area.

(a) Sale of goods

Revenue from the sale of goods is recognised at a point in time when the Group satisfies a performance obligation by transferring a promised goods to a customer. An asset is transferred as and when the customer obtains control of that asset, which coincides with the delivery of goods and acceptance by customers.

There is no significant financing component in the revenue arising from sale of goods as the sales are made on the normal credit terms not exceeding twelve (12) months.

No provision for warranty or return obligations arising from the sale of products is recognised by the Group, as such obligations are contractually borne by the suppliers.

(b) Project sale

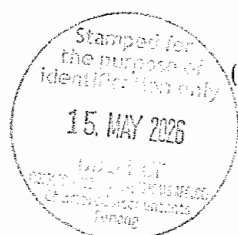
Revenue from projects that represents a series of deliverables such as design, manufacture and installation of heavy lifting equipment are recognised over time, using input method to measure progress towards complete satisfaction of the project based on labour and material cost incurred to date relative to the total expected cost to the satisfaction of the project.

Revenue from projects with related parties are recognised at a point in time when the Group satisfy a performance obligation by transferring a promised goods to a customer. An asset is transferred as and when the customer obtains control of that asset, which coincides with the delivery of goods and acceptance by customers.

There is no significant financing component in the revenue arising from project sale as the sales are made on the normal credit terms not exceeding twelve (12) months. No provision for warranty or return obligations arising from the project sale is recognised by the Group, as such obligations are contractually borne by the suppliers.

(c) Rendering of services

Revenue from rendering of services is recognised at a point in time upon the performance of a services.



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19. REVENUE (continued)**(c) Rendering of services (continued)**

There is no significant financing component in the revenue arising from rendering of services as the sales are made on the normal credit terms not exceeding twelve (12) months. There is no right of return and warranty provided to the customers on the services rendered.

20. OTHER OPERATING INCOME

	2022 RM	2023 RM	2024 RM	2025 RM
Bad debt recovered	-	5,070	-	-
Discount received	2,092	-	-	-
Gain on disposal of other investment	-	3,839	-	-
Gain on disposal of property plant and equipment	66,898	234,999	113,196	76,999
Gain on early lease termination	-	26	1,247	318
Insurance claim	10,874	24,347	19,904	76,508
Interest income	14,966	76,209	114,504	165,538
Management fee	4,819	1,484	12,021	-
Realised gain on foreign exchange	179,100	35,582	97,808	209,269
Rental of forklift	349,160	161,600	164,300	119,777
Rental of factory	109,985	86,900	90,400	50,400
Scrap sales	56,876	75,231	80,546	111,049
Sundry income	10,671	132,834	20,430	69,027
Unrealised gain on foreign exchange	2,830	-	-	62,209
Wages subsidy	37,800	-	-	-
	<u>846,071</u>	<u>838,121</u>	<u>714,356</u>	<u>941,094</u>

(a) Interest income

Interest income is recognised as it accrues, using the effective interest method.

(b) Rental income

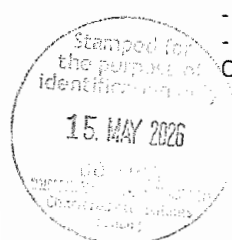
Rental income is recognised on a straight-line basis over the lease term of an ongoing lease.

(c) Management fee income

Management fee income is recognised when service is rendered.

21. FINANCE COSTS

	2022 RM	2023 RM	2024 RM	2025 RM
Interest expenses on:				
- bank overdrafts	15,726	33,640	11,604	30,807
- lease liabilities (Note 17)	43,931	33,923	69,086	94,570
- term loans	64,099	64,853	163,952	324,017
Others	1,817	1,226	1,969	-
	<u>125,573</u>	<u>133,642</u>	<u>246,611</u>	<u>449,394</u>



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22. EMPLOYEE BENEFITS

	2022 RM	2023 RM	2024 RM	2025 RM
Directors' remuneration	2,108,001	2,726,906	2,858,850	3,392,479
Wages, bonuses and allowances	5,674,918	6,832,089	9,074,895	10,264,741
Commissions, incentives and allowances	85,453	12,560	17,006	89,620
Contributions to defined contribution plan	507,920	672,084	849,512	927,875
Social security contributions	71,879	90,265	120,082	225,028
Other benefits	192,693	154,162	154,713	912,847
	<u>8,640,864</u>	<u>10,488,066</u>	<u>13,075,058</u>	<u>15,812,590</u>

Included in the Directors' remuneration is contributions to defined contribution plan amounting to RM282,402 (2024: RM261,522; 2023: RM256,923; 2022: RM202,458). Estimated monetary value of benefits-in-kind provided to the Directors of the Group are RM166,008 (2024: RM152,208; 2023: RM137,158; 2022: RM129,358).

23. TAX EXPENSE

	2022 RM	2023 RM	2024 RM	2025 RM
Current tax expense based on profit for the financial year	1,620,702	2,302,509	3,084,120	2,976,628
(Over)/Under provision of tax expense in prior years	(9,963)	8,695	176,263	25,483
	1,610,739	2,311,204	3,260,383	3,002,111
Deferred tax expense (Note 8):				
- relating to origination and reversal of temporary differences	(60,197)	(21,916)	(311,034)	(10,694)
- (over)/under provision in prior years	(102,139)	72,429	(476,996)	74,141
	<u>(162,336)</u>	<u>50,513</u>	<u>(788,030)</u>	<u>63,447</u>
	<u>1,448,403</u>	<u>2,361,717</u>	<u>2,472,353</u>	<u>3,065,558</u>

- (a) The Malaysian income tax is calculated at the statutory tax rate of twenty-four per centum (24%) (2024: 24%; 2023: 24%; 2022: 24%) of the estimated taxable profits for the fiscal year.



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23. TAX EXPENSE (continued)

- (b) The numerical reconciliation between the tax expense and the product of accounting profit multiplied by the applicable tax rates of the Group are as follows:

	2022 RM	2023 RM	2024 RM	2025 RM
Profit before tax	<u>6,877,684</u>	<u>9,079,797</u>	<u>9,054,941</u>	<u>9,928,886</u>
Tax at Malaysian statutory tax rate of 24%	1,650,600	2,179,200	2,173,200	2,382,900
Tax effects in respect of:				
- non-allowable expenses	193,847	381,637	823,372	620,300
- non-taxable income	(87,726)	(57,585)	(23,564)	(26,807)
Different tax rate for first chargeable income of RM600,000	(223,119)	(207,707)	(218,084)	-
Deferred tax asset not recognised	35,450	15,144	33,306	-
Utilisation of deferred tax assets previously not recognised	(8,547)	(30,096)	(15,144)	(10,459)
(Over)/Under provision of tax expense in prior years	(9,963)	8,695	176,263	25,483
(Over)/Under provision of deferred tax in prior years	<u>(102,139)</u>	<u>72,429</u>	<u>(476,996)</u>	<u>74,141</u>
	<u>1,448,403</u>	<u>2,361,717</u>	<u>2,472,353</u>	<u>3,065,558</u>

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24. EARNINGS PER ORDINARY SHARE**(a) Basic**

Basic earnings per ordinary share for the financial years is calculated by dividing the profit for the financial years attributable to the common controlling shareholders of the combining entities/equity holders of the Company by the expected number of ordinary shares of the Company pursuant to the Listing.

	2022	2023	2024	2025
Profit attributable to common controlling shareholders of the combining entities/the equity holders of the Company (RM)	<u>5,429,281</u>	<u>6,718,080</u>	<u>6,582,588</u>	<u>6,863,328</u>
Expected number of shares upon completion of the Listing (unit)	<u>314,942,002</u>	<u>314,942,002</u>	<u>314,942,002</u>	<u>314,942,002</u>
Basic earnings per ordinary share (sen)	<u>1.72</u>	<u>2.13</u>	<u>2.09</u>	<u>2.18</u>

(b) Diluted

Diluted earnings per ordinary share equals basic earnings per ordinary share, as the Group does not have any potential dilutive ordinary share in issue during and at the end of the financial years.

25. DIVIDENDS

	2022 Dividend per share RM	Amount of dividend RM
In respect of financial year ended 31 December 2021		
Final single tier dividend, paid on 27 January 2022	0.40	200,000
In respect of financial year ended 31 December 2022		
Interim single tier dividend, paid on 30 December 2022	1.00	<u>100,000</u>
		<u>300,000</u>
	2023 Dividend per share RM	Amount of dividend RM
In respect of financial year ended 31 December 2022		
Final single tier dividend, paid on 6 January 2023	0.20	100,000
Final single tier dividend, paid on 13 January 2023	0.30	150,000
In respect of financial year ended 31 December 2023		
Interim single tier dividend, paid on 17 June 2023	5,000.00	<u>50,000</u>
		<u>300,000</u>



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25. DIVIDENDS (continued)

	2024	
	Dividend per share RM	Amount of dividend RM
In respect of financial year ended 31 December 2024		
Final single tier dividend, paid on 30 June 2024	30,000.00	300,000
Second single tier dividend, paid on 3 December 2024	5,000.00	50,000
		<u>350,000</u>
	2025	
	Dividend per share RM	Amount of dividend RM
In respect of financial year ended 31 December 2025		
Final single tier dividend, paid on 29 September 2025	0.01	<u>2,500,000</u>

26. CAPITAL COMMITMENTS

	2022 RM	2023 RM	2024 RM	2025 RM
Capital expenditure				
- Approved but not contracted	-	-	-	2,419,631
- Contracted but not provided	7,050,000	1,083,011	8,033,150	733,500
	<u>7,050,000</u>	<u>1,083,011</u>	<u>8,033,150</u>	<u>3,153,131</u>

27. RELATED PARTY DISCLOSURES**(a) Identities of related parties**

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties could be individuals or other parties.

Related parties of the Group includes:

- (i) Companies in which a Director has a substantial financial interest; and
- (ii) Key management personnel which comprises persons (including the Directors of the Group) having authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly.



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27. RELATED PARTY DISCLOSURES (continued)**(b) Significant related parties transactions**

In addition to the transactions and balances detailed elsewhere in the financial statements, the Group had the following significant transactions with related parties during the financial years:

	2022 RM	2023 RM	2024 RM	2025 RM
Transactions with related parties:				
- Sales of goods and services	1,781,967	513,405	876,265	534,000
- Sales of asset to Directors	-	85,000	5,000	-
- Legal services rendered	-	-	-	432
- Management fee	4,819	1,484	12,021	-
- Advances from Director	-	200,000	-	-
- Repayment from Directors	12,000	2,000	280,703	-
- Purchase of goods and services	(49,202)	(237,228)	(415,624)	-
- Purchase of assets	-	-	(631,300)	-
- Advances to Directors	(14,000)	(195,567)	(85,136)	-
- Rental of machineries	-	(450)	-	-
- Rental paid	(300)	(1,800)	(12,000)	(22,000)
- Repayment to Directors	-	(299,998)	(449,051)	-
- Subcontractor charges	(836,190)	(941,923)	-	-
- Interest income	7,978	5,471	-	-

The related party transactions described above were carried out in the ordinary course of business and have been established under negotiated and mutually agreed terms.

Outstanding balances with related parties at the end of the financial years are disclosed in Notes 10 and 18 to the financial statements.

(c) Compensation of key management personnel

The remuneration of the Directors and other key management personnel of the Group during the financial years are as follows:

<i>Directors and key management personnels</i>	2022 RM	2023 RM	2024 RM	2025 RM
Salaries and other emoluments	2,028,081	2,596,915	2,793,495	3,359,275
Contributions to defined contribution plan	219,231	274,985	290,034	320,706
Social security contribution	9,775	10,896	12,253	15,765
Other benefit	6,939	33,204	56,695	59,779
	<u>2,264,026</u>	<u>2,916,000</u>	<u>3,152,477</u>	<u>3,755,525</u>

Included in the compensation of key management personnel are Directors' remuneration of the Group as disclosed in Note 22 of the financial statements.



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28. OPERATING SEGMENTS

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely crane and mechanical engineering work.

No separate segment information is presented as the Directors view the Group as a single reportable segment.

(a) Geographical information

All the assets and liabilities of the Group are derived from Malaysia. Hence, no additional disclosure is made on geographical breakdown details of the segment assets of the Group.

Revenue information based on geographical location of customers is as follows:

	2022 RM	2023 RM	2024 RM	2025 RM
Revenue from external customers:				
Malaysia	51,707,339	48,505,258	55,803,665	57,183,696
Thailand	76,218	397,102	1,386,458	463,429
China	-	-	196,596	148,515
Singapore	-	-	-	350
Indonesia	802,723	152,257	261,514	62,510
Luxembourg	-	-	7,083	-
Australia	-	7,351	-	-
Saudi Arabia	-	38,400	-	-
	<u>52,586,280</u>	<u>49,100,368</u>	<u>57,655,316</u>	<u>57,858,500</u>

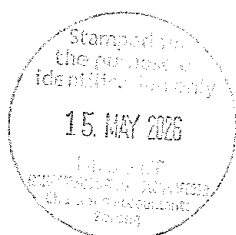
(b) Major customers

The following is the major customer with revenue equal or more than ten percent (10%) of revenue of the Group:

	2022 RM	2023 RM	2024 RM	2025 RM
Customer A	-	-	-	6,246,225
Customer B	<u>12,647,363</u>	<u>-</u>	<u>-</u>	<u>-</u>

29. CAPITAL MANAGEMENT

The primary objective of the capital management of the Group is to ensure that the Group would be able to continue as going concerns whilst maximising the return to shareholders through the optimisation of the debt and equity ratios. The overall strategy of the Group remains unchanged throughout the reporting period.



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29. CAPITAL MANAGEMENT (continued)

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, borrowings and lease liabilities owing to financial institutions less cash and bank balances. Capital represents equity attributable to the common controlling shareholders of the combining entities/equity holders of the Company. The gearing ratios as at the financial years are as follows:

	2022 RM	2023 RM	2024 RM	2025 RM
Borrowings (Note 16)	2,354,015	7,334,224	5,979,374	17,335,425
Lease liabilities owing to financial institutions (Note 17)	855,266	869,016	1,653,567	1,432,611
Total liabilities	3,209,281	8,203,240	7,632,941	18,768,036
Less:				
Cash and bank balances (Note 13)	(3,517,227)	(7,585,056)	(11,070,046)	(7,773,031)
(Net cash)/Net debt	(307,946)	618,184	(3,437,105)	10,995,005
Total capital	20,353,837	26,771,919	33,014,497	40,063,823
(Net cash)/Net debt	(307,946)	618,184	(3,437,105)	10,995,005
Total capital plus (net cash)/net debt	20,045,891	27,390,103	29,577,392	51,058,828
Gearing ratio	*	2%	*	22%

* Capital gearing ratio is not presented as the Group is in net cash position.

The Group is not subject to any externally imposed capital requirements.

30. FINANCIAL RISK MANAGEMENT

The financial risk management objective of the Group is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from fluctuations in foreign currency exchange and interest rates and the unpredictability of the financial markets.

The Group is exposed mainly to foreign currency risk, credit risk, liquidity and cash flow risk and interest rate risk. Information on the management of the related exposures is detailed below.

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rates.

The Group are exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of entities within the Group. The currency giving rise to this risk is primarily in United States Dollar ("USD"), Euro Dollar ("EUR") and Chinese Yuan ("CNY").



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30. FINANCIAL RISK MANAGEMENT (continued)**(a) Foreign currency risk (continued)**

The following table demonstrates the sensitivity analysis of the profit after tax of the Group to a reasonably possible change in USD, EUR and CNY exchange rate against the functional currency of the Group, with all other variables held constant:

	2022 RM	2023 RM	2024 RM	2025 RM
Profit after tax				
USD/RM				
- Strengthen by 5%	89	2,289	13,399	3,599
- Weaken by 5%	(89)	(2,289)	(13,399)	(3,599)
EUR/RM				
- Strengthen by 5%	2,735	722	53,879	(42,517)
- Weaken by 5%	(2,735)	(722)	(53,879)	42,517
CNY/RM				
- Strengthen by 5%	(47,475)	(23,214)	(28,918)	(1,510)
- Weaken by 5%	47,475	23,514	28,918	1,510

Sensitivity analysis of other foreign currencies are not disclosed as they are not material to the Group.

The effect to the equity of the Group are not presented as they are not affected by the changes in the exchange rates.

(b) Credit risk

Exposure to credit risk arises mainly from sales made on credit terms and deposits with licensed banks. The Group controls the credit risk on sales by ensuring that its customers have sound financial position and credit history. The Group also seeks to invest cash assets safely and profitably with approved financial institutions in line with the policy of the Group.

Exposure to credit risk

At the end of the reporting period, the maximum exposure of the Group to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Credit risk concentration profile

At the end of the reporting period, approximately 18% (2024: none; 2023: none; 2022: 33%) of the trade receivables of the Group were due from one (1) (2024: none; 2023: none; 2022: two (2)) major customer.

(c) Liquidity and cash flow risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, borrowings and lease liabilities.



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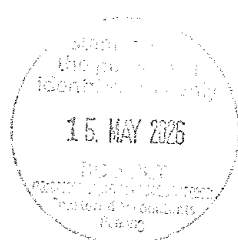
NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025****30. FINANCIAL RISK MANAGEMENT (continued)****(c) Liquidity and cash flow risk (continued)**

The Group actively manages its debt maturity profile, operating cash flows and availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group.

The Group also manages liquidity risk by minimising the mismatch of financial assets and financial liabilities whilst maintaining sufficient cash to meet working capital requirement.

The table below summaries the maturity profile of the liabilities of the Group at the end of the reporting period based on contractual undiscounted repayment obligations:

	On demand or within one (1) year RM	One (1) to five (5) years RM	More than five (5) years RM	Total RM
Financial liabilities				
31 December 2025				
Trade and other payables	7,411,998	-	-	7,411,998
Borrowings	3,373,475	5,422,388	13,080,595	21,876,458
Lease liabilities	560,780	1,054,924	-	1,615,704
Total undiscounted financial liabilities	11,346,253	6,477,312	13,080,595	30,904,160
31 December 2024				
Trade and other payables	11,315,442	-	-	11,315,442
Borrowings	717,928	2,578,358	3,888,532	7,184,818
Lease liabilities	618,350	1,343,528	-	1,961,878
Total undiscounted financial liabilities	12,651,720	3,921,886	3,888,532	20,462,138
31 December 2023				
Trade and other payables	8,453,080	-	-	8,453,080
Borrowings	1,473,794	2,891,561	4,363,073	8,728,428
Lease liabilities	334,663	646,314	-	980,977
Total undiscounted financial liabilities	10,261,537	3,537,875	4,363,073	18,162,485
31 December 2022				
Trade and other payables	8,450,324	-	-	8,450,324
Borrowings	896,205	969,176	742,957	2,608,338
Lease liabilities	357,709	573,458	-	931,167
Total undiscounted financial liabilities	9,704,238	1,542,634	742,957	11,989,829



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30. FINANCIAL RISK MANAGEMENT (continued)

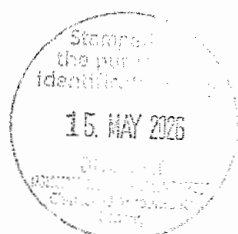
(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market interest rates.

The primary interest rate risk of the Group relates to interest-bearing deposits with licensed bank, borrowings from financial institutions and lease liabilities.

As at the end of the reporting period, the Group does not engage any interest hedging instruments in respect of such interest rate fluctuations.

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30. FINANCIAL RISK MANAGEMENT (continued)

(d) Interest rate risk (continued)

The following table sets out the carrying amounts, the incremental borrowing rates ("IBR")/weighted average effective interest rates ("WAEIR") as at the end of the reporting period and the remaining maturities of the financial instruments of the Group that are exposed to interest rate risk:

	Note	IBR/ WAEIR %	Within 1 year RM	1 - 2 years RM	2 - 3 years RM	3 - 4 years RM	4 - 5 years RM	More than 5 years RM	Total RM
As at 31 December 2022									
Fixed rates									
Deposits with licensed banks	13	2.40	(250,000)	-	-	-	-	-	(250,000)
Lease liabilities	17	2.60	321,220	273,158	160,269	83,163	23,668	-	861,478
Term loans	16	3.50	41,619	42,950	44,477	46,059	47,698	16,953	239,756
Floating rates									
Overdrafts	16	6.47	680,882	-	-	-	-	-	680,882
Term loans	16	4.74	130,044	145,956	146,760	152,854	159,213	698,550	1,433,377
As at 31 December 2023									
Fixed rates									
Deposits with licensed banks	13	3.64	(2,567,943)	-	-	-	-	-	(2,567,943)
Lease liabilities	17	3.20	299,101	259,680	170,782	106,228	70,186	-	905,977
Term loans	16	3.50	42,950	44,477	46,059	47,698	16,953	-	198,137
Floating rates									
Overdraft	16	7.22	742,874	-	-	-	-	-	742,874
Term loans	16	4.28	412,466	489,768	506,171	524,282	543,062	3,917,464	6,393,213



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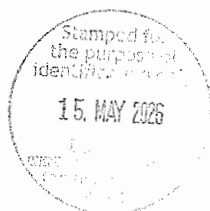
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30. FINANCIAL RISK MANAGEMENT (continued)

(d) Interest rate risk (continued)

The following table sets out the carrying amounts, the incremental borrowing rates ("IBR")/weighted average effective interest rates ("WAEIR") as at the end of the reporting period and the remaining maturities of the financial instruments of the Group that are exposed to interest rate risk: (continued)

	Note	IBR/ WAEIR %	Within 1 year RM	1 - 2 years RM	2 - 3 years RM	3 - 4 years RM	4 - 5 years RM	More than 5 years RM	Total RM
As at 31 December 2024									
Fixed rates									
Deposits with licensed banks	13	3.29	(6,274,130)	-	-	-	-	-	(6,274,130)
Lease liabilities	17	2.92	522,496	453,807	369,740	300,393	82,166	-	1,728,602
Term loans	16	3.50	44,482	46,064	47,703	16,807	-	-	155,056
Floating rate									
Term loans	16	4.27	478,033	444,617	458,468	474,649	491,432	3,477,119	5,824,318
As at 31 December 2025									
Fixed rates									
Deposits with licensed banks	13	1.98	(4,729,297)	-	-	-	-	-	(4,729,297)
Lease liabilities	17	3.20	489,852	426,507	360,208	174,597	34,307	-	1,485,471
Term loans	16	3.50	46,070	47,708	16,647	-	-	-	110,425
Floating rate									
Overdrafts	16	6.95	2,107,404	-	-	-	-	-	2,107,404
Term loans	16	4.00	710,871	747,610	774,532	802,476	819,791	11,262,316	15,117,596



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30. FINANCIAL RISK MANAGEMENT (continued)**(d) Interest rate risk (continued)**Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity analysis for floating rate instruments of the profit after tax of the Group if interest rates at the end of the reporting period changed by fifty (50) basis points with all other variables held constant:

	2022 RM	2023 RM	2024 RM	2025 RM
Profit after tax				
- Increase by 0.5%	(8,034)	(27,117)	(22,132)	(65,455)
- Decrease by 0.5%	8,034	27,117	22,132	65,455

The Group does not account for any fixed rate financial instruments at fair value through profit or loss, and the carrying amount of fixed rate financial instruments of the Group are measured at amortised cost. Therefore, no sensitivity analysis for fixed rate instruments was prepared as the change in market interest rate at the end of the reporting period would not affect profit or loss.

The effect to the equity of the Group are not presented as they are not affected by the changes in the interest rates.

31. FINANCIAL INSTRUMENTSMethods and assumptions used to estimate fair value

The carrying amounts of financial assets and financial liabilities, such as cash and bank balances, trade and other receivables, trade and other payables and borrowings, are reasonable approximation of fair values, either due to their short-term nature or they are floating rate instruments that are re-priced to market interest rates on or near the end of each reporting period.

32. SIGNIFICANT EVENTS DURING THE YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

- (a) As at 3 February 2025, the Group has entered into a Sale and Purchase agreement with a third party for the purchase of a double storey shoplot for a total consideration of RM395,000, which the transaction has been completed on 10 March 2026.
- (b) As at 28 August 2025, the Group has entered into a letter of offer with third parties for the purchase of one (1) unit of double-storey terrace house for a total consideration of RM420,000. Subsequently, both parties have entered into sales and purchase agreement on 20 January 2026. As at the date of this report, the acquisition has yet to be completed.



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32. SIGNIFICANT EVENTS DURING THE YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD (continued)

- (c) The Company is seeking to list its ordinary shares on the ACE Market of Bursa Malaysia Securities Berhad via a proposed Initial Public Offering exercise.

The Bursa Malaysia Securities Berhad has vide its letter dated 26 February 2026, approved amongst others, the admission of the Company to the Official List and the listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad.

- (d) Subsequent to financial year ended 31 December 2025, the Group has acquired a motor vehicle with total purchase consideration of RM369,541. The acquisition is settled via cash payment of RM109,541, with the balance of RM260,000 being financed through hire purchase.
- (e) Subsequent to the reporting date and up to the date of authorisation of the financial statements, geopolitical tensions in the Middle East have continued and/or escalated, contributing to heightened volatility in global energy markets and increases in oil prices.

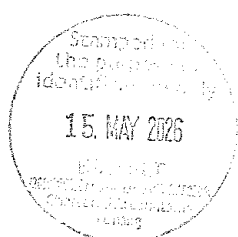
Given that the geopolitical situation in the Middle East remains uncertain, and as at the date of this report, the Group has not experienced any material adverse impact on its operations or financial position arising directly from these developments. Nevertheless, the Group will continue to monitor developments and assess the potential operational and financial implications of the conflict.

33. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs**33.1 New Amendments to MFRSs adopted during the financial year**

The Group adopted the following Amendments to the Standards of the MFRSs that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025

Adoption of the above Amendments to the Standards did not have any material effect on the financial performance or position of the Group during the financial year.



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Accountants' Report

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

33. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (continued)**33.2 New MFRSs and Amendments to MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2026**

The following are Standards and Amendments to Standards of the MFRSs that have been issued by the MASB but have not been early adopted by the Group:

Title	Effective Date
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 121 <i>Translation to Hyperinflationary Presentation Currency</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group is in the process of assessing the impact of implementing these Standards and Amendments to the Standards, since the effects would only be observable for future financial years.



13. ACCOUNTANTS' REPORT (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Accountants' Report

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

STATEMENT BY DIRECTORS

We, Ng Sea Kai and Eng Peng Hong, being two of the Directors of Liftech Group Berhad, state that, in the opinion of the Directors, the financial information set out on pages 5 to 73 are drawn up so as to give a true and fair view of the financial position of the Group as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 and of the financial performance and cash flows of the Group for the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and Chapter 10, Part II Division 1: Equity of the Prospectus Guidelines issued by the Securities Commission Malaysia.

Signed on behalf of the Board,



Ng Sea Kai
Managing Director

Dated: 15 MAY 2026



Eng Peng Hong
Executive Director



14. REPORTING ACCOUNTANTS' REPORT ON PRO FORMA CONSOLIDATED FINANCIAL INFORMATION



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SST No: P11-1809-32000112

The Board of Directors
Liftech Group Berhad
No.10 & 12, Jalan TPP5/8,
Taman Perindustrian Puchong,
47100 Puchong,
Selangor, Malaysia.

Date: 15 MAY 2026

Our ref: BDO/ANSK/LCL/kyz

Dear Sirs

LIFTECH GROUP BERHAD ("LIFTECH" OR "COMPANY") AND ITS SUBSIDIARIES ("LIFTECH GROUP" OR "GROUP")

REPORT ON THE COMPILATION OF THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 ("This Report")

We have completed our assurance engagement to report on the compilation of the Pro Forma Consolidated Statements of Financial Position of the Group prepared by the Board of Directors of the Company ("Board of Directors"). The Pro Forma Consolidated Statements of Financial Position as at 31 December 2025 together with the accompanying notes thereon, for which we have stamped for the purpose of identification only, have been prepared for inclusion in the prospectus of the Company ("Prospectus") in connection with the listing of and quotation for the entire enlarged issued share capital of Liftech on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("the Listing").

The applicable criteria on the basis of which the Board of Directors has compiled the Pro Forma Consolidated Statements of Financial Position are described in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position and are specified in paragraphs 9.18 and 9.20 of Chapter 9, Part II Division 1: Equity of the Prospectus Guidelines issued by the Securities Commission Malaysia ("Prospectus Guidelines").

The Pro Forma Consolidated Statements of Financial Position have been compiled by the Board of Directors to illustrate the impact of the transactions as set out in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position as at 31 December 2025 had the transactions been effected as at 31 December 2025. As part of this process, information about the consolidated financial position of the Group has been extracted by the Board of Directors from the audited consolidated statements of financial position of the Group as at 31 December 2025.

Directors' Responsibility for the Pro Forma Consolidated Statements of Financial Position

The Board of Directors is solely responsible for compiling the Pro Forma Consolidated Statements of Financial Position on the basis as described in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

14. REPORTING ACCOUNTANTS' REPORT ON PRO FORMA CONSOLIDATED FINANCIAL INFORMATION (*Cont'd*)



Reporting Accountants' Independence and Quality Management

The Firm applies Malaysian Approved Standard on Quality Management, ISQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* and accordingly, the Firm is required to design, implement and operate a system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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.

Reporting Accountants' Responsibility

Our responsibility is to express an opinion, as required by the Prospectus Guidelines, about whether the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, by the Board of Directors on the basis described in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position.

We conducted our engagement in accordance with 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 Board and adopted by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Board of Directors has compiled, in all material respects, the Pro Forma Consolidated Statements of Financial Position on the basis set out in the Notes to the Pro Forma Consolidated Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Consolidated Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Consolidated Statements of Financial Position. In providing this opinion, we do not accept any responsibility for such reports or opinions beyond that owed to those whom those reports or opinion were addressed by us at the dates of their issue.

The purpose for inclusion of the Pro Forma Consolidated Statements of Financial Position in the Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted statements of financial position of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions as at 31 December 2025, would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, on the basis set out in the Notes to the Pro Forma Consolidated Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines involves performing procedures to assess whether the applicable criteria used by the Board of Directors in the compilation of the Pro Forma Consolidated 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:

- (a) the related pro forma adjustments give appropriate effect to those criteria; and
- (b) the Pro Forma Consolidated Statements of Financial Position reflect the proper application of those adjustments to the unadjusted financial information.

14. REPORTING ACCOUNTANTS' REPORT ON PRO FORMA CONSOLIDATED FINANCIAL INFORMATION (Cont'd)



Reporting Accountants' Responsibility (continued)

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the Pro Forma Consolidated Statements of Financial Position has been compiled and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Consolidated Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Pro Forma Consolidated Statements of Financial Position of the Group has been compiled, in all material respects, on the basis described in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

Other Matter

This Report has been prepared solely for the purpose stated above, in connection with the Listing. 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.

Yours faithfully,

A stylized signature in black ink, appearing to read 'BDO PLT'.

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Penang
15 MAY 2026

A stylized signature in black ink, appearing to read 'Ng Soe Kei'.

Ng Soe Kei
02982/08/2027 J
Chartered Accountant

14. REPORTING ACCOUNTANTS' REPORT ON PRO FORMA CONSOLIDATED FINANCIAL INFORMATION (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Pro Forma Consolidated Statements of Financial Position

1. PRO FORMA GROUP AND BASIS OF PREPARATION**1.1 Pro Forma Group**

The Pro Forma Consolidated Statements of Financial Position of Liftech Group Berhad ("Liftech" or "Company") and its subsidiaries (collectively referred to as "Liftech Group" or "Group") as at 31 December 2025 ("Pro Forma Consolidated SOFP") together with the notes thereon, for which the Directors of the Company are solely responsible, have been prepared for illustrative purposes only for the purpose of inclusion in the prospectus in connection with the listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("the Listing").

1.2 Basis of Preparation

The Pro Forma Consolidated SOFP has been prepared based on the audited consolidated statements of financial position of the Group as of 31 December 2025, which were prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards, the requirements of the Prospectus Guidelines, and in a manner consistent with the format of financial statements and accounting policies adopted by the Group in the preparation of its audited financial statements for the financial year ended 31 December 2025 and the adoption of the following new accounting policies, which had been adopted by the Group as group's accounting policies.

The audited consolidated financial statements of the Group for the financial year ended 31 December 2025 used in preparation of the Pro Forma Consolidated SOFP were not subject to any audit qualification, modification or disclaimer.

The Pro Forma Consolidated SOFP of the Group comprise Pro Forma Consolidated SOFP as at 31 December 2025, adjusted for the impact of the events or transactions as set out in Note 2 and Note 3 to the Pro Forma Consolidated SOFP.

Due to its nature, the Pro Forma Consolidated SOFP is not necessarily indicative of the financial position of the Group that would have attained had the effects of the transactions as set in Note 3 actually occurred at the respective dates. Further, such information does not predict the Group's future financial position.

2. SUBSEQUENT EVENTS OCCURRING**2.1 Acquisition of property, plant and equipment and right-of-use assets**

- (i) As at 3 February 2025, Liftech Engineering (K.L) Sdn. Bhd. ('LTKL'), a subsidiary of the Company, has entered into Sale and Purchase Agreement for the acquisition of one (1) unit of double-storey shoplot with a total consideration of RM395,000. As at 31 December 2025, a deposit of RM39,500 had been paid towards the acquisition and the transaction was successfully completed on 10 March 2026.
- (ii) During the financial year ended 31 December 2025, a total deposit of RM42,000 has been paid by a subsidiary of the Company, Liftech Engineering Sdn. Bhd. ('LTJB') prior to the execution of the Sale and Purchase Agreement dated 20 January 2026, to purchase of one (1) unit of double storey terrace house for a total consideration of RM420,000. The total consideration will be funded via internally generated funds.

As of date of this report, the acquisition has yet to be completed.

- (iii) Subsequent to the financial year ended 31 December 2025, the Group has acquired a motor vehicle with total purchase consideration of RM369,541. The acquisition is settled via cash payment of RM109,541, with the balance of RM260,000 being financed through hire purchase.



14. REPORTING ACCOUNTANTS' REPORT ON PRO FORMA CONSOLIDATED FINANCIAL INFORMATION (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Pro Forma Consolidated Statements of Financial Position

3. LISTING EXERCISE

In conjunction with, and as an integral part of the Listing, the Company proposed to undertake the following:

3.1 Initial Public Offering ("IPO")**3.1.1 Public Issue**

Public issue of 79,234,000 new Shares representing approximately 25% of the enlarged total number of issued shares of the Company, at an issue price of RM0.29 per Share.

3.1.2 Listing

Admission to the Official List of Bursa Securities and the listing of and quotation for the Company's entire enlarged issued share capital of RM45,901,662 (prior to the use of proceeds from the Public Issue) comprising 314,942,002 Shares on the ACE Market of Bursa Securities.

3.2 Use of Proceeds from the Public Issue

The gross proceeds from the Public Issue of RM22,977,860 are expected to be used in the following manner:

	RM
Repayment of existing bank borrowings	13,750,000
Business expansion/establishment of facilities ¹	1,010,000
Purchase of machinery and equipment ¹	1,720,000
Working capital requirements ¹	1,997,860
Estimated listing expenses ²	4,500,000
	<u>22,977,860</u>

Notes:

- (1) As at latest practicable date of the prospectus, the Group has yet to enter into any contracted binding agreement or issued any purchase order in relation to the proceeds earmarked for renovation and purchase of new equipment, together with proceeds earmarked for working capital purposes, except for acquisition of equipment amounting to RM218,187 and renovation costs amounting to RM139,430 has been incurred. As such, the amount of gross proceeds have been included in cash and bank balances for purposes of illustration in the Pro Forma Consolidated SOFP.
- (2) The estimated listing expenses totaling RM4,500,000 to be borne by the Company comprise, amongst others, underwriting, placement and brokerage fees, professional fees and miscellaneous expenses. A total of RM829,676 is assumed to be directly attributable to the Public Issue and as such, will be debited against the share capital of the Company and the remaining expenses of RM3,670,324 are assumed to be attributable to the Listing and as such, will be expensed off to the statement of profit or loss and other comprehensive income. During the FYE 31 December 2025, listing expenses amounted to RM1,824,597 have been expensed off to the statements of profit or loss and other comprehensive income of the Group.



14. REPORTING ACCOUNTANTS' REPORT ON PRO FORMA CONSOLIDATED FINANCIAL INFORMATION (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Pro Forma Consolidated Statements of Financial Position

4. PRO FORMA CONSOLIDATED SOFP AS AT 31 DECEMBER 2025

The Pro Forma Consolidated SOFP as at 31 December 2025 has been prepared for illustrative purposes only to show the effects on the audited consolidated statement of financial position of the Group as at 31 December 2025 based on the assumptions that the transactions as set out in Note 2 and Note 3 had been effected on 31 December 2025, and should be read in conjunction with the notes accompanying the Pro Forma Consolidated SOFP.

		<u>Audited</u>		<u>Pro Forma I</u>		<u>Pro Forma II</u>		<u>Pro Forma III</u>
	Note	As at 31 December 2025 RM'000	Adjustments for subsequent events RM'000	After subsequent events RM'000	Adjustments for IPO RM'000	After Pro Forma I and IPO RM'000	Adjustments for Use of Proceeds from the Public Issue RM'000	After Pro Forma II and Use of Proceeds from the Public Issue RM'000
ASSETS								
Non-current assets								
Property, plant and equipment	4.2.1	25,093	263	25,356	-	25,356	-	25,356
Right-of-use assets	4.2.1	8,740	502	9,242	-	9,242	-	9,242
Investment properties	4.2.1	421	420	841	-	841	-	841
Deferred tax assets		770	-	770	-	770	-	770
		35,024	1,185	36,209	-	36,209	-	36,209
Current assets								
Inventories		9,339	-	9,339	-	9,339	-	9,339
Trade and other receivables	4.2.2	14,617	(82)	14,535	-	14,535	-	14,535
Contract assets		5,090	-	5,090	-	5,090	-	5,090
Current tax assets		590	-	590	-	590	-	590
Cash and bank balances	4.2.3	7,773	(843)	6,930	22,978	29,908	(16,425)	13,483
		37,409	(925)	36,484	22,978	59,462	(16,425)	43,037
TOTAL ASSETS		72,433	260	72,693	22,978	95,671	(16,425)	79,246
EQUITY AND LIABILITIES								
Equity attributable to equity holders of the Company								
Share capital	4.2.4	22,924	-	22,924	22,978	45,902	(830)	45,072
Reserves	4.2.5	17,140	-	17,140	-	17,140	(1,845)	15,295
		40,064	-	40,064	22,978	63,042	(2,675)	60,367



14. REPORTING ACCOUNTANTS' REPORT ON PRO FORMA CONSOLIDATED FINANCIAL INFORMATION (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Pro Forma Consolidated Statements of Financial Position

4. PRO FORMA CONSOLIDATED SOFP AS AT 31 DECEMBER 2025 (continued)

The Pro Forma Consolidated SOFP as at 31 December 2025 has been prepared for illustrative purposes only to show the effects on the audited consolidated statement of financial position of the Group as at 31 December 2025 based on the assumptions that the transactions as set out in Note 2 and Note 3 had been effected on 31 December 2025, and should be read in conjunction with the notes accompanying the Pro Forma Consolidated SOFP (continued).

		<u>Audited</u>		<u>Pro Forma I</u>		<u>Pro Forma II</u>		<u>Pro Forma III</u>
	Note	As at 31 December 2025 RM'000	Adjustments for subsequent events RM'000	After subsequent events RM'000	Adjustments for IPO RM'000	After Pro Forma I and IPO RM'000	Adjustments for Use of Proceeds from the Public Issue RM'000	After Pro Forma II and Use of Proceeds from the Public Issue RM'000
LIABILITIES								
Non-current liabilities								
Borrowings	4.2.6	14,471	-	14,471	-	14,471	(13,750)	721
Lease liabilities	4.2.7	996	221	1,217	-	1,217	-	1,217
		15,467	221	15,688	-	15,688	(13,750)	1,938
Current liabilities								
Borrowings		2,864	-	2,864	-	2,864	-	2,864
Lease liabilities	4.2.7	490	39	529	-	529	-	529
Trade and other payables		7,411	-	7,411	-	7,411	-	7,411
Contract liabilities		5,750	-	5,750	-	5,750	-	5,750
Current tax liabilities		387	-	387	-	387	-	387
		16,902	39	16,941	-	16,941	-	16,941
TOTAL LIABILITIES		32,369	260	32,629	-	32,629	(13,750)	18,879
TOTAL EQUITY AND LIABILITIES		72,433	260	72,693	22,978	95,671	(16,425)	79,246
Net assets (RM'000)		40,064		40,064		63,042		60,367
Number of ordinary shares assumed in issue ('000)		235,708		235,708		314,942		314,942
Net assets attributable to equity holders per ordinary share (RM)		0.17		0.17		0.20		0.19



14. REPORTING ACCOUNTANTS' REPORT ON PRO FORMA CONSOLIDATED FINANCIAL INFORMATION (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Pro Forma Consolidated Statements of Financial Position

4. PRO FORMA CONSOLIDATED SOFP AS AT 31 DECEMBER 2025 (continued)**4.1 Pro Forma Adjustments to the Pro Forma Consolidated SOFP as at 31 DECEMBER 2025****4.1.1 Pro Forma I**

Pro Forma I is stated after incorporating the effects for the subsequent events as set out in Note 2.1.

4.1.2 Pro Forma II

Pro Forma II is stated after incorporating the effects of Pro Forma I and effect after the completion of the IPO as set out in Note 3.1.

4.1.3 Pro Forma III

Pro Forma III is stated after incorporating the effects of Pro Forma II and effect after the use of proceeds from the Public Issue as set out in Note 3.2.

4.2 Notes to the Pro Forma Consolidated SOFP as at 31 December 2025**4.2.1 Property, plant and equipment and right-of-use assets**

The movements of property, plant and equipment and right-of-use assets are as follows:

	Property, plant and equipment RM'000	Right-of- use assets RM'000	Investment properties RM'000	Total RM'000
As at 31 December 2025	25,093	8,740	421	34,254
Addition of property, plant and equipment				
- Purchase of double storey shoplot by LTKL (Note 2.1(i))	263	132	-	395
- Purchase of double storey terrace house (Note 2.1(ii))	-	-	420	420
- Purchase of motor vehicles (Note 2.1(iii))	-	370	-	370
Pro Forma I/Pro Forma II/Pro Forma III	25,356	9,242	841	35,439

4.2.2 Trade and other receivables

The movements of trade and other receivables are as follows:

	RM'000
As at 31 December 2025	14,617
Utilisation of deposits paid	
- Deposit paid for purchase of double storey shoplot by LTKL (Note 2.1(i))	(40)
- Deposit paid for purchase of double storey terrace house by LTJB (Note 2.1(ii))	(42)
Pro Forma I/Pro Forma II/Pro Forma III	14,535



14. REPORTING ACCOUNTANTS' REPORT ON PRO FORMA CONSOLIDATED FINANCIAL INFORMATION (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Pro Forma Consolidated Statements of Financial Position

4. PRO FORMA CONSOLIDATED SOFP AS AT 31 DECEMBER 2025 (continued)**4.2 Notes to the Pro Forma Consolidated SOFP as at 31 December 2025 (continued)****4.2.3 Cash and Bank Balances**

The movements of cash and bank balances are as follows:

	RM'000
As at 31 December 2025	7,773
Remaining consideration of double storey shoplot purchased by LTKL (Note 2.1(i))	(355)
Remaining consideration of terrace house by LTJB (Note 2.1(ii))	(378)
Cash payment for purchase of motor vehicles by the Group (Note 2.1(iii))	(110)
Pro Forma I	6,930
Proceeds from the Public Issue	22,978
Pro Forma II	29,908
Use of proceeds from the Public Issue	
- Estimated listing expenses ¹	(2,675)
- Repayment of bank borrowings	(13,750)
Pro Forma III	13,483

Note:

(1) The estimated listing expenses totaling RM4,500,000 to be borne by the Company comprise, amongst others, underwriting, placement and brokerage fees, professional fees and miscellaneous expenses. As at 31 December 2025, listing expenses amounted to RM1,824,597 had been paid and expensed off. The remaining listing expenses payable are RM2,675,403.

4.2.4 Share Capital

The movements of share capital are as follows:

	RM'000
As at 31 December 2025/Pro Forma I	22,924
Proceeds from the Public Issue	22,978
Pro Forma II	45,902
Use of proceeds from the Public Issue	
- Estimated listing expenses which are directly attributable to the Public Issue	(830)
Pro Forma III	45,072

Upon completion of the transactions as mentioned in Note 2 and Note 3 respectively, the enlarged issued share capital of the Company will be RM45,901,662 comprising 314,942,002 Shares.



14. REPORTING ACCOUNTANTS' REPORT ON PRO FORMA CONSOLIDATED FINANCIAL INFORMATION (Cont'd)

Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Pro Forma Consolidated Statements of Financial Position

4. PRO FORMA CONSOLIDATED SOFP AS AT 31 DECEMBER 2025 (continued)**4.2 Notes to the Pro Forma Consolidated SOFP as at 31 December 2025 (continued)****4.2.5 Retained Earnings**

The movements of retained earnings are as follows:

	RM'000
As at 31 December 2025/ Pro Forma I/Pro Forma II	17,140
Use of proceeds from the Public Issue	
- Estimated listing expenses	(1,845)
Pro Forma III	15,295

4.2.6 Borrowings

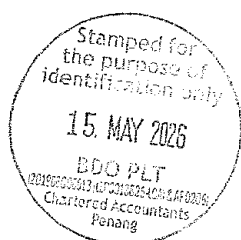
The movements of borrowings are as follows:

	RM'000
<u>Non-current</u>	
As at 31 December 2025/ Pro Forma I/Pro Forma II	14,471
Use of proceeds from the Public Issue	
- Repayment of existing bank borrowings of LTKL	(4,500)
- Partial repayment of borrowings entered by LTPG	(7,750)
- Partial repayment of borrowings entered by LTN	(1,500)
Pro Forma III	721

4.2.7 Lease liabilities

The movements of lease liabilities are as follows:

	RM'000
<u>Non-current</u>	
As at 31 December 2025	996
Purchase of motor vehicles (Note 2.1(iii))	221
Pro Forma I/Pro Forma II/Pro Forma III	1,217
<u>Current</u>	
As at 31 December 2025	490
Purchase of motor vehicles (Note 2.1(iii))	39
Pro Forma I/Pro Forma II/Pro Forma III	529



14. REPORTING ACCOUNTANTS' REPORT ON PRO FORMA CONSOLIDATED FINANCIAL INFORMATION (Cont'd)

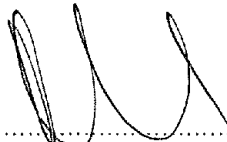
Liftech Group Berhad
Registration No. 202301002993 (1496912-A)
Pro Forma Consolidated Statements of Financial Position

APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted on behalf by the Board of Directors of the Company in accordance with a resolution dated
15 MAY 2026



.....
NG SEA KAI
MANAGING DIRECTOR



.....
ENG PENG HONG
EXECUTIVE DIRECTOR

Penang
Date: **15 MAY 2026**



15. STATUTORY AND OTHER INFORMATION**15.1 SHARE CAPITAL**

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

15.2 SHARE CAPITAL OF OUR SUBSIDIARIES

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

15.2.1 Liftech KL

Liftech KL's issued share capital as at LPD is RM2,950,000 comprising 2,950,000 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital RM
3 December 1996	10	RM10/ Subscribers' shares	10
1 October 1997	199,990	RM199,990/ Cash	200,000
5 February 1998	300,000	RM300,000/ Cash	500,000
27 December 2002	500,000	RM500,000/ Cash	1,000,000
30 December 2005	500,000	RM500,000/ Cash	1,500,000
22 December 2006	500,000	RM500,000/ Cash	2,000,000
18 September 2007	250,000	RM250,000/ Cash	2,250,000

15. STATUTORY AND OTHER INFORMATION (Cont'd)

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital RM
1 September 2020	200,000	RM200,000/ Cash	2,450,000
16 March 2022	500,000	RM500,000/ Cash	2,950,000

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

15.2.2 Liftech Penang

Liftech Penang's issued share capital as at LPD is RM500,000 comprising 500,000 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital RM
15 May 1997	3	RM3/ Subscribers' share	3
29 January 1999	99,997	RM99,997/ Cash	100,000
3 August 2004	100,000	RM100,000/ Cash	200,000
10 October 2007	100,000	RM100,000/ Cash	300,000
11 May 2015	100,000	RM100,000/ Cash	400,000
14 March 2016	100,000	RM100,000/ Cash	500,000

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

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15. STATUTORY AND OTHER INFORMATION (Cont'd)**15.2.3 Liftech Ipoh**

Liftech Ipoh's issued share capital as at LPD is RM500,000 comprising 500,000 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital RM
28 April 1997	4	RM4/ Subscribers' share	4
9 September 1998	99,996	RM99,996/ Cash	100,000
2 January 2002	100,000	RM100,000/ Cash	200,000
30 July 2004	100,000	RM100,000/ Cash	300,000
12 April 2016	200,000	RM200,000/ Cash	500,000

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

15.2.4 Liftech JB

Liftech JB's issued share capital as at LPD is RM500,000 comprising 500,000 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital RM
8 August 1992	2	RM2/ Cash	2
28 April 1994	50,000	RM50,000/ Cash	50,002
27 December 1994	49,998	RM49,998/ Cash	100,000
19 May 2000	100,000	RM100,000/ Cash	200,000
26 February 2004	300,000	RM300,000/ Cash	500,000

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

15. STATUTORY AND OTHER INFORMATION (Cont'd)**15.2.5 Liftech Borneo**

Liftech Borneo's issued share capital as at LPD is RM250,000 comprising 250,000 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital RM
5 December 2016	2	RM2/ Subscribers' share	2
5 March 2019	8	RM8/ Cash	10
14 March 2025	99,990	RM99,990/ Cash	100,000
5 June 2025	100,000	RM100,000/ Cash	200,000
22 September 2025	50,000	RM50,000/ Cash	250,000

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

15.2.6 Liftech Academy

Liftech Academy issued share capital as at LPD is RM1,560,000 comprising 1,200,000 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital RM
26 March 1997	3	RM3/ Subscribers' share	3
13 October 1997	99,997	RM99,997/ Cash	100,000
31 July 2012	900,000	RM900,000/ Cash	1,000,000
31 December 2021	40,000	RM400,000/ Otherwise than cash	1,400,000
31 December 2021	140,000	RM140,000/ Otherwise than cash	1,540,000
31 December 2021	20,000	RM20,000/ Cash	1,560,000

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

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

15.3 CONSTITUTION

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

15.3.1 Share capital and variation of class rights

Clause 14 – Variation of Rights

"Subject to the provisions of Sections 71 and 91 of the Act, if at any time the share capital is divided into different classes of shares, the rights attached to shares in any class of shares (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with:-

- (a) a special resolution passed at a separate meeting of the shareholders of that class; or
- (b) where necessary majority of such a special resolution is not obtained at the meeting, consent in writing if obtained from the holders of not less than seventy-five per centum (75%) of the total voting rights of the shareholders of that class within two (2) months of the meeting,

shall be as valid and effectual as a special resolution carried at the meeting. To every such separate general meeting, the provisions of this Constitution relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two (2) persons who are shareholders present in person or represented by proxy holding at least one-third (1/3) of the number of issued shares of the class, excluding any shares of that class held as treasury shares and that any holder of shares of the class present in person or by proxy may demand a poll.

If that class of shares only has one (1) holder, a quorum is constituted by one (1) person present holding shares of such class. For adjourned meeting, quorum is one (1) person present holding shares of such class. To every such special resolution, the provisions of Section 292 of the Act shall with such adaptations as are necessary, apply."

Clause 11 – Issue of Securities

"Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares and subject to the provisions of this Constitution, the Act and the provisions of any resolution of the Company, shares in the Company may be issued by the Directors, who may allot, or otherwise dispose of such shares to such persons, on such terms and conditions, with such preferred, deferred or other special rights, and subject to such restrictions and at such times as the Directors may determine but the Directors in making any issue of shares shall comply with the following conditions:-

- (a) in the case of shares of a class, other than ordinary shares, no special rights shall be attached until the same have been expressed in this Constitution and in the resolution creating the same;
- (b) no shares shall be issued which shall have the effect of transferring a controlling interest in the Company without the prior approval of the members in general meeting;

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

- (c) no Director shall participate in a share scheme for employees unless the members in general meeting have approved of the specific allotment to be made to such Director (including Non-Executive Directors);
- (d) except in the case of an issue of securities on a pro rata basis to shareholders or pursuant to a back-to-back placement undertaken in compliance with the Listing Requirements, a Director, major shareholders, Chief Executive or person connected to any Director, major shareholder or Chief Executive of the Company shall not participate, directly or indirectly, in an issue of ordinary shares or other securities with rights of conversion to ordinary shares unless the shareholders of the Company in general meeting have approved the specific allotment to be made to the Director, major shareholders, Chief Executive or person connected to any Director, major shareholder or Chief Executive and the Director, major shareholders, Chief Executive or person connected to any Director, major shareholder or Chief Executive has abstained from voting on the relevant resolution;

In this clause, "Major Shareholder", "Chief Executive" and "Person connected to any Director, major shareholder or Chief Executive" shall have the same meaning described thereto in the Listing Requirements.

- (e) subject to the Listing Requirements and without limiting the generality of Sections 75 and 76 of the Act, the Company must not issue any ordinary shares or other securities with rights of conversion to ordinary shares, except where the shares or securities are issued with the prior shareholders' approval in a general meeting of the precise terms and conditions of the issue; and
- (f) in working out the number of shares or securities that may be issued by the Company, if the security is a convertible security, each such security is counted as the maximum number of shares into which it can be converted or exercised."

Clause 67 – Issue of new shares or securities to 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 issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new share or security which (by reason of the ratio which the new shares or securities bear to the shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Clause."

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

Clause 69 – Alteration of Capital

"The Company may by ordinary resolution:

- (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 capital or any part thereof, whatever is in the subdivision; the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the shares from which the subdivided share is derived;
- (d) cancel any shares which at the date of the passing of the resolution which resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled; or
- (e) subject to the provisions of this Constitution and the Act, convert and/or re-classify any class of shares into any other class of shares."

Clause 70 – Reduction of share capital

"The Company may reduce its share capital by:-

- (a) a Special Resolution and confirmation by the Court in accordance with Section 116 of the Act; or
- (b) a Special Resolution supported by a solvency statement in accordance with Section 117 of the Act."

Clause 72 – Purchase of own shares

"Subject to the provisions of the Act, the Listing Requirements and any other requirements of the Bursa Securities and such other relevant laws, regulations or guidelines, and/ or authorities, the Company may from time to time by resolution of a General Meeting, acquire by purchase in good faith and in the best interests of the Company, the Company's own shares through the Bursa Securities on which the shares are quoted provided always that the Company is solvent at the date of purchase of the Company's shares and will not become insolvent by incurring the debt arising from the obligation to pay for the shares so purchased. Any shares in the Company so purchased by the Company and/ or any person shall be dealt with in accordance with the Act, the requirements of Bursa Securities and/ or any relevant authority."

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

15.3.2 Transfer of Securities

Clause 40 – Transfer of Securities

"The instrument of transfer of any securities lodged with the Company shall be in writing and in the form approved in the Rules and shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the securities until the name of the transferee is entered in the Record of Depositors in respect thereof. The transfer of any listed securities or class of listed securities of the Company, shall be made by way of book entry by the Bursa Depository in accordance with the Rules and, notwithstanding Sections 105, 106 and 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such listed securities."

15.3.3 Remuneration of Directors

Clause 119 – Remuneration of Directors

"The fees and any benefits payable to the Directors of the Company and its subsidiaries including any compensation for loss of employment of Director or former Director shall from time to time be determined by the Company in general meeting and such remuneration shall be divided among the Directors in such proportions and manner as the Directors may determine PROVIDED ALWAYS that:-

- (a) fee payable to Non-Executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover and which shall not exceed the amount approved by shareholders in general meeting;
- (b) remuneration and other emoluments (including salary, bonus, benefits or any other elements) payable to Executive Directors who hold an executive office in the Company pursuant to a contract of service need not be determined by the Company in general meeting but such salaries and emoluments may not include a commission on or percentage of turnover. Nothing herein shall prejudice the powers of the Directors to appoint any of their members to be the employee or agent of the Company at such remuneration and upon such terms as they think fit provided that such remuneration shall not include commission on or percentage of turnover;
- (c) fees of Directors and any benefits payable to Directors shall be subject to annual approval at a general meeting;
- (d) any fee paid to an alternate Director shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter; and
- (e) the monetary fees and/or benefits payable to Non-Executive Directors of the Company, including those who are also Director of the subsidiaries includes fees, meeting allowances, travelling allowances, benefits, gratuity and compensation for loss of employment of Director or former Director of the Company provided by the Company and subsidiaries, but does not include insurance premium or any issue of securities."

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

15.3.4 Voting and borrowing powers of the Directors

Clause 125 – Powers of Directors

"The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, 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 subsidiary company or associate company or any related third party subject to the law including but not limited to the provisions of the Act and the Listing Requirements, as they may think fit."

Clause 151 – Directors' Interest in Contracts

"A Director shall not participate in any discussion or vote in regard to any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest (and if he shall do so his vote shall not be counted)."

Clause 147 – Voting at Board Meetings

"Subject to this Constitution, any questions arising at any meeting of Directors shall be decided by a majority of votes and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote. The Chairman of the meeting shall however not have a second or casting vote where two (2) Directors form a quorum and only such a quorum is present at the meeting or only two (2) Directors are competent to vote on the question at issue. A Director present at a meeting of the Directors is presumed to have agreed to, and to have voted in favour of, a resolution of the Directors unless he expressly dissents from or votes to object against the resolution at the meeting."

Clause 147 – Casting Vote

"Subject to this Constitution, any question arising at any meeting of Directors shall be decided by a majority of votes and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote. The Chairman of the meeting shall however not have a second or casting vote where two (2) Directors form a quorum and only such a quorum is present at the meeting or only two (2) Directors are competent to vote on the question at issue. A Director present at a meeting of the Directors is presumed to have agreed to, and to have voted in favour of, a resolution of the Directors unless he expressly dissents from or votes to object against the resolution at the meeting."

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

15.4 GENERAL INFORMATION

- (a) Save for the dividends paid to our shareholders for FYE 2022 to 2025 and up to LPD, and Directors', Promoters' and/ or key senior management's remuneration as disclosed in Sections 5.1.5, 5.2.4 and 5.3.5 respectively, no other amount or benefit has been paid or given within the past 2 years immediately preceding the date of this Prospectus, nor is it intended to be paid or given, to any of our Promoters, Directors or substantial shareholders.
- (b) Save for the related party transactions as set out in Section 10.1, none of our Promoters, Directors and/ or substantial shareholders have any interest, direct or indirect, in any contract or arrangement subsisting at the date of this Prospectus and which is significant in relation to the business of our Group.
- (c) The manner in which copies of this Prospectus together with the official application forms and envelopes may be obtained and the details of the summarised procedures for application of our Shares are set out in Section 16.
- (d) There is no limitation on the right to own securities including limitation on the right of non-residents or foreign shareholders to hold or exercise their voting rights on our Shares.
- (e) Our Group has not established any other place of business outside of Malaysia and is not subject to governmental laws, decrees, regulations or other legislations that may affect the repatriation of capital and remittance of profits by or to our Group.

15.5 CONSENTS

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

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

15.6 DOCUMENTS FOR INSPECTION

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

- (a) Constitution;
- (b) Audited financial statements of Liftech Group Berhad since the date of incorporation up to 31 December 2023, FYE 2024 and FYE 2025;
- (c) Audited financial statements of Liftech KL, Liftech Penang, Liftech Ipoh, Liftech JB, Liftech Borneo and Liftech Academy for FYE 2022 to 2025;
- (d) Accountants' Report as set out in Section 13;
- (e) Reporting Accountants' Report relating to our pro forma consolidated statements of financial position as set out in Section 14;
- (f) IMR Report as set out in Section 8;
- (g) Material contracts as set out in Section 6.5; and
- (h) Letters of consent as set out in Section 15.5.

15.7 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. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

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

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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 PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT THE ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used 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 APPLICATION PERIOD

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 8 JUNE 2026

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 16 JUNE 2026

In the event there is any change to the date or time for closing, we will advertise the notice of changes in a widely circulated English and Bahasa Malaysia newspaper in Malaysia, and make an announcement on Bursa Securities' website.

Late applications will not be accepted.

16.2 METHODS OF APPLICATIONS**16.2.1 Retail Offering**

Application must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

Types of Application and category of investors	Application Method
Applications by our eligible Directors, employees and persons who have contributed to the success of our Group	Pink Application Form only
Applications by the Malaysian Public:	
(a) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(b) Non-Individuals	White Application Form only

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

16.2.2 Placement

Types of Application

Applications by selected investors

Application Method

The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.

Applications by Bumiputera investors approved by MITI

MITI will contact the Bumiputera investors directly. They should follow MITI's instructions.

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

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 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. PERSONS SUBMITTING APPLICATION BY WAY OF APPLICATION FORMS MAY NOT SUBMIT APPLICATIONS BY WAY OF ELECTRONIC SHARE APPLICATION OR INTERNET SHARE APPLICATION AND VICE VERSA.

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

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

16.3.2 Application by Malaysian Public

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

- (a) You must be one of the following:
 - (i) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares; or
 - (ii) 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
 - (iii) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.
- (b) 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
- (c) You must submit Applications by using only one of the following methods:
 - (i) White Application Form; or
 - (ii) Electronic Share Application; or
 - (iii) Internet Share Application.

16.3.3 Application by Eligible Persons

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation as well as detailed procedures on how to subscribe to the allocated IPO Shares. Applicants must follow the notes and instructions on the said documents and where relevant, in this Prospectus. All duly completed Pink Application Forms should be submitted to our Group through the Human Resources or Finance Department.

16.4 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 RM0.29 for each IPO Share.

Payment must be made out in favour of **"MIH SHARE ISSUE ACCOUNT NO. 706"** 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:

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

Malaysian Issuing House Sdn Bhd
(199301003608 (258345-X))
11th Floor, Menara Symphony
5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor

Or

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

- (b) **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at Ground Floor at the front portion of Menara Symphony, 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor,

so as to arrive not later than 5.00 p.m. on 16 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.

The abovementioned methods are not applicable to the submission of Pink Application Forms. All duly completed Pink Application Forms should be submitted to our Group through the HR or Finance Department.

16.5 APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

Only Malaysian individuals may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Participating Financial Institutions.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

16.6 APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS

Only Malaysian individuals may use the Internet Share Application to apply for our IPO Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, CGS International Securities Malaysia Sdn Bhd, Hong Leong Investment Bank Berhad, iFAST Capital Sdn Bhd, Kenanga Investment Bank Berhad, Malacca Securities Sdn Bhd, Malayan Banking Berhad, Moomoo Securities Malaysia Sdn Bhd, Public Bank Berhad, RHB Bank Berhad, TA Securities Holdings Berhad and UOB Kay Hian (M) Sdn Bhd. A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions or Participating Securities Firms.

16.7 AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE

The Issuing House, on the authority of our Board reserves the right to:

- (a) reject Applications which:
 - (i) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
 - (ii) are illegible, incomplete or inaccurate; or
 - (iii) are accompanied by an improperly drawn up or improper form of remittance; or
- (b) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (c) 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. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

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 shares and the balloting results in connection therewith will be furnished by the Issuing House to the SC, Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on the Issuing House's website at www.mih.com.my within 1 market day after the balloting date.

Under the Listing Requirements, at least 25.0% of our enlarged share capital for which listing is sought must be in the hands of a minimum 200 public shareholders, each holding not less than 100 Shares each upon our admission to the ACE Market. We expect to meet the said requirement at the point of our Listing. If we fail to meet the said requirement, we may not be allowed to proceed with our Listing. In such an event, we will return in full, without interest, all monies paid in respect of all Applications. If any such monies are not paid within 14 days after we become liable to do so, the provision of sub-section 243(2) of the CMSA shall apply accordingly.

In the event of an under-subscription of our IPO Shares by the Malaysian Public and/ or Eligible Persons, subject to the underwriting arrangements and reallocation as set out in Section 4.3.3, any of the abovementioned IPO Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

16.9 UNSUCCESSFUL/ PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful/ partially successful in your Application, your Application Monies (without interest) will be refunded to you in the following manner.

16.9.1 For applications by way of Application Forms

- (a) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/ distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary/ registered post to your last address maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.
- (b) If your Application is rejected because you did not provide a CDS Account number, your Application monies will be refunded via banker's draft sent by ordinary/ registered post to your address as stated in the NRIC or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (*Cont'd*)

- (c) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected, which is subject to Bursa Depository final verification. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (a) and (b) above (as the case may be).
- (d) 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 last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (b) above (as the case may be).

16.9.2 For applications by way of Electronic Share Application and Internet Share Application

- (a) 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.
- (b) You may check your account on the 5th Market Day from the balloting date.
- (c) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected, which is subject to Bursa Depository final verification. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

16.10 SUCCESSFUL APPLICANTS

If you are successful in your application:

- (a) Our IPO Shares allotted to you will be credited into your CDS Account.
- (b) A notice of allotment will be despatched to you at your last address maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (c) 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.
- (d) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS Accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

16.11 ENQUIRIES

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services Telephone at 03-7890 4700
Electronic Share Application	Participating Financial Institutions
Internet Share Application	Internet Participating Financial Institutions or Participating Securities Firms or Authorised Financial Institutions

You may also check the status of your Application at the Issuing House's website at www.mih.com.my, by entering your CDS Account Number on the site after the allotment date. The status of your Application will be available by 3.00 p.m. Alternatively, you may contact any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF LIFTECH GROUP BERHAD ("LIFTECH" OR THE "COMPANY") DATED 8 JUNE 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., 8 June 2026

Closing of the application period: 5.00 p.m., 16 June 2026

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

Late Applications will not be accepted.

2. METHODS OF APPLICATION

2.1 Application for our IPO Shares by the Malaysian Public and Eligible Persons

Application must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that your Application will succeed. You agree to be bound by our Constitution.

Types of Application and category of investors

Application Method

Applications by Eligible Persons

Pink Application Form only

Applications by the Malaysian Public:-

(a) Individuals

- White Application Form; or
- Electronic Share Application; or
- Internet Share Application

(b) Non-individuals

White Application Form only

2.2 Placement portion

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

Types of Application and category of investors

Application Method

Applications by selected investors

The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.

Applications by Bumiputera investors approved by MITI

MITI will contact the Bumiputera investors directly. They should follow MITI's instructions.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

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

3. ELIGIBILITY

3.1 General

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in **Section 12** of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our Prospectus on the website of Bursa Securities. The CDS account must be in your own name. Invalid, nominee or third party CDS accounts will not be accepted for the Applications.

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

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

3.2 Application by the Malaysian Public

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

- (i) You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs listed in **Section 12** below;
- (ii) You must be one of the following: -
 - (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares; or

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (b) a corporation/institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
- (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.
- (iii) You must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and
- (iv) You must submit an Application by using only one of the following methods: -
 - (a) White Application Form; or
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

3.2 Application by Eligible Persons

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation as well as detailed procedures on how to subscribe to the allocated IPO shares. Applicants must follow the notes and instructions in the said document and where relevant, in this Prospectus. All duly completed Pink Application Forms should be submitted to our Group through the Human Resources or Finance Department.

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.
- (ii) The **White Application Form** together with our Prospectus, can be obtained subject to availability from (Investment Bank), participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association, the Issuing House and our Company.
- (iii) In accordance with Section 232(2) of the CMSA, the **White Application Form** is accompanied by our Prospectus. You are advised to read and understand our Prospectus before making your Application.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (iv) Complete the **White Application Form** legibly and **STRICTLY** in accordance with the notes and instructions printed on it and in our Prospectus, including: -
- (a) ensuring that your personal particulars submitted in your Application are identical with the records maintained by Bursa Depository. You are required to inform Bursa Depository promptly of any change to your personal particulars as the notification letter of successful allocation will be sent to your registered or correspondence address last maintained with Bursa Depository;
 - (b) stating your CDS Account number in the space provided in the **White Application Form**. Invalid or nominee or third-party CDS Accounts will **not** be accepted;
 - (c) Stating the details of your payment in the appropriate boxes provided in the **White Application Form**; and
 - (d) Stating the number of shares applied. Applications must be for at least 100 IPO Shares or multiples of 100 IPO Shares.
- (v) Prepare the appropriate form of payment in RM for the FULL amount payable based on the IPO Price of RM0.00 for each IPO Share.

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

Payment must be made out in favour of "**MIH SHARE ISSUE ACCOUNT NO. 706**" and crossed "**A/C PAYEE ONLY**" and endorsed on the reverse side with your name and address.

Only Banker's Draft or Cashier's Order drawn on a bank in Kuala Lumpur, Money or Postal Orders (for applicants from Sabah and Sarawak only) and Guaranteed Giro Order from Bank Simpanan Nasional Malaysia Berhad will be accepted.

We will not accept Applications with excess or insufficient remittances or inappropriate forms of payment. Remittances must be completed in the appropriate boxes provided in the **White Application Form**.

- (vi) Insert the **White Application Form** together with payment and a legible photocopy of your identification document (national registration identity card ("**NRIC**") or official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) or certificate of incorporation or the certificate of change of name for corporate or institutional applicant (where applicable)) into the Official "A" envelope and seal it. You must write your name and address on the outside of the Official "A" and "B" envelopes.

Affix an RM1.50 stamp on the Official "A" envelope and insert the Official "A" envelope into the Official "B" envelope.

The name and address written must be identical to your name and address as in your NRIC or any official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) for individual applicant; or certificate of incorporation or the certificate of change of name for corporate or institutional applicant (where applicable).

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

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

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

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

or

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

(b) **DELIVERED BY HAND AND DEPOSITED** in the Drop-in Boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan so as to arrive not later than **5.00 p.m.** on **16 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.

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. BY WAY OF ELECTRONIC SHARE APPLICATION

5.1 Participating Financial Institutions

Only Malaysian individuals may apply for our IPO 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

5.2 Procedures for Electronic Share Application

The procedures for Electronic Share Application at ATMs of the Participating Financial Institutions are set out on the ATM screens of the relevant Participating Financial Institutions.

PLEASE READ THE TERMS OF OUR PROSPECTUS, THE TERMS AND CONDITIONS AND PROCEDURES FOR ELECTRONIC SHARE APPLICATIONS SET OUT BELOW AND AT THE RESPECTIVE ATMS CAREFULLY PRIOR TO MAKING AN ELECTRONIC SHARE APPLICATION.

If you encounter any problems in your Application, you may refer to the respective Participating Financial Institutions.

You must have an account with a Participating Financial Institutions and an ATM card issued by that Participating Financial Institutions to access the account. An ATM card issued by one of the Participating Financial Institutions cannot be used to apply for our IPO Shares at an ATM belonging to other Participating Financial Institutions.

You are to submit at least the following information through the ATM, where the instructions on the ATM screen require you to do so: -

- Personal Identification Number ("**PIN**");
- MIH Share Issue Account No. 706;
- Your CDS Account number;
- Number of IPO Shares applied for and the RM amount to be debited from the account; and
- Confirmation of several mandatory statements as set out in **Section 5.3** below.

Upon the completion of your Electronic Share Application transaction at the ATM, you will receive a computer-generated transaction slip ("**Transaction Record**"), confirming the details of your Electronic Share Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Share Application or any data relating to such an Electronic Share Application by our Company or the Issuing House. The Transaction Record is for your records and should not be submitted with any Application Form.

5.3 Terms and conditions for Electronic Share Application

You must have a CDS Account to be eligible to use the Electronic Share Application. Invalid, nominee or third-party CDS Accounts will not be accepted.

YOU MUST ENSURE THAT YOU USE YOUR OWN CDS ACCOUNT NUMBER WHEN MAKING AN ELECTRONIC SHARE APPLICATION. IF YOU OPERATE A JOINT ACCOUNT WITH ANY PARTICIPATING FINANCIAL INSTITUTIONS, YOU MUST ENSURE THAT YOU ENTER YOUR OWN CDS ACCOUNT NUMBER WHEN USING AN ATM CARD ISSUED TO YOU IN YOUR OWN NAME. YOUR APPLICATION WILL BE REJECTED IF YOU FAIL TO COMPLY WITH THE ABOVE.

The Electronic Share Application shall be made on, and subject to, the above terms and conditions as well as the terms and conditions appearing below: -

- (i) The Electronic Share Application shall be made in relation to and subject to the terms of our Prospectus and our Company's Constitution.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (ii) You are required to confirm the following statements (by pressing pre-designated keys or buttons on the ATM keyboard) and undertake that the following information given are true and correct: -
- (a) You are at least 18 years old as at the date of the application for our IPO Shares;
 - (b) You are a Malaysian citizen residing in Malaysia;
 - (c) You have read our Prospectus and understood and agreed with the terms and conditions of the Application;
 - (d) The Electronic Share Application is the only application that you are submitting for our IPO Shares offered to the Malaysian Public; and
 - (e) You give consent to the disclosure by the relevant Participating Financial Institutions and/or Bursa Depository, as the case may be, of your information, your Electronic Share Application or your account with the Participating Financial Institutions and Bursa Depository, to the Issuing House and other relevant authorities.

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 IPO 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 IPO Shares offered to the Malaysian Public.
- (iv) You must have sufficient funds in your account with the relevant Participating Financial Institutions at the time the Electronic Share Application, to cover and pay for our IPO 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 IPO Shares applied for as stated in the Transaction Record or any lesser number of IPO Shares that may be allotted or allocated to you in respect of your Electronic Share Application. In the event that we decide to allot or allocate a lesser number of such IPO Shares or not to allot or allocate any IPO Shares to you, you agree to accept any such decision as final. If your Electronic Share Application is successful, your confirmation of the number of IPO 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,

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

- (a) your acceptance of the number of IPO 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 IPO Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares.
- (vii) You request and authorise us:-
 - (a) to credit our IPO Shares allotted or allocated to you into your CDS Account; and
 - (b) to issue share certificate(s) representing such IPO Shares or jumbo certificates which represent, amongst others, such IPO Shares, allotted or allocated in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.
- (viii) You acknowledge that your Electronic Share Application is subject to risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond our control or the control of the Issuing House, Bursa Depository or the Participating Financial Institutions, and irrevocably agree that if: -
 - (a) our Company or the Issuing House does not receive your Electronic Share Application and/or payment; or
 - (b) any data relating to your Electronic Share Application is wholly or partially lost, corrupted, or otherwise inaccessible, or not transmitted or communicated to our Company or the Issuing House,

you will be deemed not to have made an Electronic Share Application and will not make any claim whatsoever against our Company, the Issuing House and/or the relevant Participating Financial Institutions for our IPO Shares applied for or for any compensation, loss or damage whatsoever, as a consequence thereof or arising therefrom.
- (ix) All of your particulars in the records of the relevant Participating Financial Institutions at the time of making the Electronic Share Application shall be deemed to be true and correct, and our Company, the Issuing House and the relevant Participating Financial Institutions, and all other persons who, are entitled or allowed under the law to such information or where you expressly consent to the provision of such information, shall be entitled to rely on the accuracy thereof.
- (x) You must ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institutions are correct and identical. Otherwise, your Electronic Share Application will be rejected. You must inform Bursa Depository promptly of any change in your address, failing which the notification letter of successful allotment will be sent to your registered or correspondence address last maintained with Bursa Depository.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (xi) By making and completing an Electronic Share Application, you agree that: -
- (a) in consideration of us agreeing to allow and accept the application for our IPO Shares through the Electronic Share Application facility established by the Participating Financial Institutions at their respective ATMs, your Electronic Share Application is irrevocable;
 - (b) we, the Participating Financial Institutions, Bursa Depository and 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 IPO Shares for which the Electronic Share Application has been successfully completed shall be constituted by the issue of notices of allotment in respect of the said IPO Shares;
 - (d) you irrevocably authorise Bursa Depository to complete and sign on your behalf as transferee or renouncee any instrument of transfer and other documents required for the issue or transfer of our IPO Shares allotted or allocated to you; and
 - (e) you agree that in relation to any legal action, proceedings or disputes arising out of or in relation to the contract between the parties and/or the Electronic Share Application and/or any terms of our Prospectus, all rights, obligations and liabilities of the parties shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies of Malaysia and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (xii) the Issuing House, acting on the authority of our Board, reserves the right to reject Applications which do not conform to these instructions.

6. Application by way of Internet Share Application

6.1 Internet Participating Financial Institutions or Participating Securities Firms

Applications for our IPO 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 IPO SHARES THROUGH ANY WEBSITE OTHER THAN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Internet Financial Participating Institutions or Securities Firms	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	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.mplonline.com	Free
Malayan Banking Berhad	www.maybank2u.com.my	RM1.00
Moomoo Securities Malaysia Sdn. Bhd.	https://www.moomoo.com/my/invest/ipo	Free
Public Bank Berhad	www.pbepbank.com	RM2.00
RHB Bank Berhad	https://www.rhbgroup.com/index.html	RM2.50
TA Securities Holdings Berhad	https://eservices.tasecurities.com.my/auth/login	Free
UOB Kay Hian (M) Sdn Bhd	https://eipo.utrade.com.my	Free

Please note that these fees may be varied or waived from time to time at the discretion of the respective Internet Participating Financial Institutions or Participating Securities Firms. Please contact the relevant Internet Participating Financial Institutions or Participating Securities Firms for further enquiries.

PLEASE READ THE TERMS OF OUR PROSPECTUS, THE TERMS AND CONDITIONS AND PROCEDURES FOR INTERNET SHARE APPLICATIONS SET OUT BELOW AND AT THE INTERNET FINANCIAL SERVICES WEBSITE OF THE RESPECTIVE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS CAREFULLY PRIOR TO MAKING AN INTERNET SHARE APPLICATION.

If you encounter any problems in your Application, you may refer to the respective Internet Participating Financial Institutions or Participating Securities Firms.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

6.2 Terms and conditions for Internet Share Application

PLEASE NOTE THAT THE ACTUAL TERMS AND CONDITIONS OUTLINED BELOW SUPPLEMENT THE ADDITIONAL TERMS AND CONDITIONS FOR INTERNET SHARE APPLICATIONS CONTAINED IN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE RESPECTIVE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS.

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

- (i) You can make an Internet Share Application if you fulfill all of the following: -
 - (a) You are an individual with a CDS Account and in the case of a joint account, an individual CDS Account registered in your name which is to be used for the purpose of the application if you are making the application instead of a CDS Account registered in the joint account holder's name;
 - (b) You have an existing account with access to Internet financial services facilities with an Internet Participating Financial Institutions or Participating Securities Firms. You must have your user identification ("**User ID**") and Personal Identification Numbers ("**PIN**")/password for the relevant Internet financial services facilities; and
 - (c) You are a Malaysian citizen and have a mailing address in Malaysia.

You are advised to note that a User ID and PIN/password issued by one of the Internet Participating Financial Institutions or Participating Securities Firms cannot be used to apply for our IPO Shares at Internet financial service websites of other Internet Participating Financial Institutions or Participating Securities Firms.

- (ii) An Internet Share Application shall be made on and subject to the terms of our Prospectus and our Company's Constitution.
- (iii) You are required to confirm the following statements (by selecting the designated hyperlink on the relevant screen of the Internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms) and to undertake that the following information given are true and correct: -
 - (a) You are at least 18 years old as at the date of the application for our IPO Shares;
 - (b) You are a Malaysian citizen residing in Malaysia;
 - (c) You have read our Prospectus and understood and agreed with the terms and conditions of the Application;
 - (d) The Internet Share Application is the only application that you are submitting for our IPO Shares offered to the Malaysian Public;
 - (e) You authorise the Internet Participating Financial Institutions or Participating Securities Firms or the Authorised Financial Institutions to deduct the full amount payable for our IPO Shares from your account with the Internet Participating Financial Institutions or Participating Securities Firms or the Authorised Financial Institutions;

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 Institutions or Participating Securities Firms, the Authorised Financial Institution and/or Bursa Depository, as the case may be, of your information, your Internet Share Application or your account with the Internet Participating Financial Institutions or Participating Securities Firms, to the Issuing House the Authorised Financial Institutions, and any other relevant authorities;
 - (g) You are not applying for our IPO Shares offered to the Malaysian Public as a nominee of any other person and your Internet Share Application is made in your own name, as the beneficial owner and subject to the risks referred to in our Prospectus; and
 - (h) You authorise the Internet Participating Financial Institutions or Participating Securities Firms to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, our Company, Bursa Securities or other relevant parties in connection with our IPO, all information relating to you if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institutions or Participating Securities Firms, necessary for the provision of the Internet Share Application services or if such disclosure is requested or required in connection with our IPO. Further, the Internet Participating Financial Institutions or Participating Securities Firms will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institutions or Participating Securities Firms in connection with the use of the Internet Share Application services.
- (iv) Your Application will not be successfully completed and cannot be recorded as a completed application unless you have paid for our IPO Shares through the website of the Authorised Financial Institutions and completed all relevant application steps and procedures for the Internet Share Application which would result in the Internet financial services website displaying the Confirmation Screen.

For the purposes of our Prospectus, “**Confirmation Screen**” shall mean the screen which appears or is displayed on the Internet financial services website, which confirms that your Internet Share Application has been completed and states the details of your Internet Share Application, including the number of IPO Shares applied for which you can print out for your records.

Upon the display of the Confirmation Screen, you will be deemed to have confirmed the truth of the statements set out in **Section 6.2(iii)** above. The Confirmation Screen is only a record of the completed transaction with an Internet Participating Financial Institutions or Participating Securities Firms and not a record of the receipt of the Internet Share Application or any data relating to such an Internet Share Application by our Company or the Issuing House. The Confirmation Screen is for your record and should not be submitted with any Application Form.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (v) You must have sufficient funds in your account with the relevant Internet Participating Financial Institutions or Participating Securities Firms or the Authorised Financial Institutions at the time of making your Internet Share Application, to cover and pay for our IPO Shares and the related processing fees, charges and expenses, if any, to be incurred, failing which your Internet Share Application will not be deemed complete, notwithstanding the display of the Confirmation Screen. Any Internet Share Application which does not conform strictly to the instructions set out in our Prospectus or any instructions displayed on the screens of the Internet financial services website through which the Internet Share Application is made will be rejected.

- (vi) You irrevocably agree and undertake to subscribe for or purchase and to accept the number of IPO Shares applied for as stated on the Confirmation Screen or any lesser number of IPO Shares that may be allotted or allocated to you in respect of your Internet Share Application. In the event that we decide to allot or allocate lesser number of such Shares or not to allot or allocate any IPO Shares to you, you agree to accept any such decision as final.

In the course of completing your Internet Share Application on the website of the Internet Participating Financial Institutions or Participating Securities Firms, your confirmation of the number of IPO Shares applied for (by way of your action of clicking the designated hyperlink on the relevant screen of the website) shall be deemed to signify and shall be treated as:-

- (a) Your acceptance of the number of IPO Shares that may be allotted or allocated to you in the event that your Internet Share Application is successful or successful in part, as the case may be; and
- (b) Your agreement to be bound by the Constitution.
- (vii) You are fully aware that multiple or suspected multiple Internet Share Applications for our IPO Shares will be rejected. **A PERSON WHO SUBMITS MULTIPLE INTERNET SHARE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.** Our Company reserves the right to reject any Internet Share Application or accept any Internet Share Application in whole or in part only without the need to give any reason. Due consideration will be given to the desirability of allotting or allocating our IPO Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares.
- (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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

(ix) You acknowledge that your Internet Share Application is subject to risk of electrical, electronic, technical and computer-related faults and breakdowns, faults with computer software, problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, fires, and other events beyond our control or the control of the Internet Participating Financial Institutions or Participating Securities Firms, the Authorised Financial Institutions, the Issuing House, Bursa Depository and our Company and irrevocably agree that if:-

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

(b) any data relating to your Internet Share Application or the tape or any other devices containing such data and/or payment is wholly or partly lost, corrupted, destroyed or otherwise not accessible, and for any reason whatsoever,

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

(x) All of your particulars in the records of the relevant Internet Participating Financial Institutions or Participating Securities Firms at the time of making your Internet Share Application shall be deemed to be true and correct, and our Company, the Issuing House, the relevant Internet Participating Financial Institutions or Participating Securities Firms and all other persons who, are entitled or allowed under the law to such information or where you expressly consent to the provision of such information, shall be entitled to rely on the accuracy thereof.

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

7. AUTHORITY OF OUR BOARD AND ISSUING HOUSE

Your Application will be selected in a manner to be determined by our Board. Due consideration will be given to the desirability of allotting and allocating our IPO 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

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (c) are accompanied by an improperly drawn up, or improper form of remittance; or
- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (iii) bank in all Application monies (including those from unsuccessful/partially successful applicants) which would subsequently be refunded, where applicable (without interest), by: -
 - (a) ordinary post through the self-addressed and stamped Official "A" envelope which you have provided to the Issuing House;
 - (b) crediting into your bank account for the purposes of cash dividend/distribution if you have provided such bank account information to Bursa Depository; or
 - (c) ordinary/registered post to your registered or correspondence address last maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

8. OVER/UNDER-SUBSCRIPTION

In the event of over-subscription, the Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our IPO Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

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

Pursuant to the Listing Requirements we are required to have a minimum of 25% of our Company's issued share capital to be held by at least 200 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of our IPO Shares by the Malaysian Public and/or Eligible Persons, subject to the clawback and reallocation provisions as set out in **Section 4.3.3** of our Prospectus, any of the abovementioned IPO Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

9. UNSUCCESSFUL/PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful/partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner:-

9.1 For applications by way of Application Form

- (i) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary/registered post to your registered or correspondence address last maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.
- (ii) If your Application is rejected because you did not provide a CDS Account number, your Application monies will be refunded via banker's draft sent by ordinary/registered post to your address as stated in the NRIC or official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected, which subject to Bursa Depository final verification. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (i) and (ii) above (as the case may be).
- (iv) The Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or by issuance of banker's draft sent by ordinary/registered post to your registered or correspondence address last maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

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

- (i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited (without interest) into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institution) within 2 Market Days after the receipt of confirmation from the Issuing House.
- (ii) You may check your account on the 5th Market Day from the balloting date.

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

10. SUCCESSFUL APPLICANTS

If you are successful in your Application: -

- (i) Our IPO Shares allotted to you will be credited into your CDS Account.
- (ii) A notice of allotment will be despatched to you at your registered or correspondence address last maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as prescribed securities. As such, our 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.

11. ENQUIRIES

Enquiries in respect of your Applications may be directed as follows: -

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

You may also check the status of your Application at the Issuing House's website at www.mih.com.my, by entering your CDS Account Number on the site after the allotment date. The status of your Application will be available by 3:00 PM. Alternatively, you may contact any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**12. LIST OF ADAS**

The list of ADAs and their respective addresses, telephone numbers and broker codes are as follows: -

<u>Name</u>	<u>Address and telephone number</u>	<u>Broker Code</u>
<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 Bangunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Tel No. : 03 – 2031 0102	086-001
BIMB SECURITIES SDN BHD	Level 34, Menara Bank Islam 22, Jalan Perak Kuala Lumpur 50450 Kuala Lumpur Tel No : 03 – 2613 1700	024-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	3rd Floor 2 & 4 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

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
FA SECURITIES SDN BHD	A-10-1 & A-10-17 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 Damansara 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
M & A SECURITIES SDN BHD	Level 1-3, No. 45 & 47 and 43-6 The Boulevard, Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Tel No. : 03 – 2282 1820	057-002
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	057-004

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
MALACCA SECURITIES SDN BHD	No 76-1, Jalan Wangsa Maju Delima 6 Pusat Bandar Wangsa Maju (KLSC) Setapak 53300 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	098-007
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
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

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
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, Menara Public Bank 2 No. 78, Jalan Raja Chulan 50200 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 2233/2354	087-001
RHB INVESTMENT BANK BERHAD	Level 5, Tower One RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel No. : 03 – 9280 2453	087-001
RHB INVESTMENT BANK BERHAD	No. 62, 62-1, 64 & 64-1, Vista Magna Jalan Prima, Metro Prima 52100 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	34 th Floor, Menara TA One No. 22, Jalan P. Ramlee 50250 Kuala Lumpur Tel No. : 03 – 2072 1277	058-003
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)

<u>Name</u>	<u>Address and telephone number</u>	<u>Broker Code</u>
UOB KAY HIAN SECURITIES (M) SDN BHD	N3, Plaza Damas 60, Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur Tel No. : 03 – 6205 6000	078-004
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 19th Floor Menara Keck Seng 203 Jalan Bukit Bintang 55100 Kuala Lumpur Tel No. : 03 – 2147 1888	078-010

SELANGOR DARUL EHSAN

AFFIN HWANG INVESTMENT BANK BERHAD	Suite B 3A1, East Wing 3Ath Floor Wisma Consplant 2 No. 7, Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No. : 03 – 5635 6688	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	4th Floor, Wisma Meru 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 SS21/60 47400 Petaling Jaya Selangor Darul Ehsan Tel No. : 03 – 7710 6613	086-001
APEX SECURITIES BERHAD (formerly known as JF Apex Securities Berhad)	Level 5, Menara UAC No.12, Jalan PJU7/5 Mutiarra Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No. : 03 – 7890 8899 ext 2012/2007	079-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
APEX SECURITIES BERHAD (formerly known as JF Apex Securities Berhad)	16th Floor Menara Choy Fook On No. 1B, Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Tel No. : 03 – 7620 1118	079-002
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. A-07-01 & A-07-02 Empire Office Tower Empire Subang Jalan SS16/1 47500 Subang Jaya Selangor Darul Ehsan Tel. No. : 03 – 5631 7934/7892	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
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
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	Level 1 East Wing Wisma Consplant 2 No. 7 Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No. : 03 – 5621 2118	073-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
KENANGA INVESTMENT BANK BERHAD	35 (Ground, 1st & 2nd Floor) Jalan Tiara 3, Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No. : 03 – 3348 8080	073-001
MALACCA SECURITIES SDN BHD	No. 16, Jalan SS15/4B 47500 Subang Jaya Selangor Darul Ehsan Tel No. : 03 – 5636 1533	012-001
MALACCA SECURITIES SDN BHD	No. 54M, Mezzanine Floor Jalan SS2/67 47300 Petaling Jaya Selangor Darul Ehsan Tel No. : 03 – 7876 1533	012-001
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	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	First 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 1½, Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No. : 03 – 3343 9180	087-048

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

<u>Name</u>	<u>Address and telephone number</u>	<u>Broker Code</u>
RHB INVESTMENT BANK BERHAD	Unit 1B, 2B & 3B Jalan USJ 10/1J USJ 10, 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
TA SECURITIES HOLDINGS BERHAD	2nd Floor, Wisma TA 1A Jalan SS20/1, Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Tel No. : 03 – 7729 5713	058-007
<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 – 289 8800	065-001
MALACCA SECURITIES SDN BHD	No. 1, 3 & 5, Jalan PPM9 Plaza Pandan Malim (Business Park) Balai Panjang 75250 Melaka Tel No. : 06 – 337 1533	012-001
MERCURY SECURITIES SDN BHD	81, 81A & 81B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No. : 06 – 2921 898	093-003
KENANGA INVESTMENT BANK BERHAD	71 (Ground, A&B) & 73 (Ground, A&B) Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No. : 06 – 2881 720	073-001
NEWPARADIGM SECURITIES SDN BHD	No 6-1, Jalan Lagenda 2 Taman 1 Lagenda 75400 Melaka Tel No. : 06 – 288 0050	064-006

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

<u>Name</u>	<u>Address and telephone number</u>	<u>Broker Code</u>
RHB INVESTMENT BANK BERHAD	19, 21, 23, level 2, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No. : 03 – 2330 8450/03-2330 8451	087-026
TA SECURITIES HOLDINGS BERHAD	59, 59A, 59B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No. : 06 – 286 2618	058-003
UOB KAY HIAN SECURITIES (M) SDN BHD	7-2 Jalan PPM8 Malim Business Park 75250 Melaka Tel No. : 06 – 335 2511	078-014
<u>PERAK DARUL RIDZUAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	21, Jalan Stesen Ground Floor, 1, 2 & 3 34000 Taiping Perak Darul Ridzuan Tel No. : 05 – 806 6688	068-003
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Ground, 1st, 2nd & 3rd Floor No. 8, 8A-C Persiaran Greentown 4C Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel No. : 05 – 208 8688	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 – 242 2828	073-022
M & A SECURITIES SDN BHD	5th and 6th Floor and Unit 8A M&A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel No. : 05 – 241 9800	057-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
MAYBANK INVESTMENT BANK BERHAD	No. 47, Hala Pusat Perdagangan Canning I Pusat Perdagangan Canning II 30350, Ipoh, Perak Tel No. : 05 – 245 3457	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 – 623 6498	087-014
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 23 & 25 Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Tel No. : 05 – 692 1228	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 – 241 5100	087-023
RHB INVESTMENT BANK BERHAD	Ground Floor, No. 40, 42 & 44 Jalan Berek 34000 Taiping Perak Darul Ridzuan Tel No. : 05 – 808 8229	087-034
RHB INVESTMENT BANK BERHAD	No 1&3, 1st Floor Jalan Wawasan Satu Taman Wawasan Jaya 34200 Parit Buntar Perak Darul Ridzuan Tel No. : 05 – 717 0888	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 – 253 1313	058-001
UOB KAY HIAN SECURITIES (M) SDN BHD	153A Jalan Raja Musa Aziz 30300 Ipoh Perak Darul Ridzuan Tel No. : 05 – 241 1290	078-002

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>PULAU PINANG</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 2, 3, 4, 5, 7 & 8 Wisma Sri Pinang 60, Green Hall 10200 Pulau Pinang Tel No. : 04 – 263 6996	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 – 537 2882	068-001
AMINVESTMENT BANK BERHAD	3rd Floor, Menara Liang Court 37, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No. : 04 – 226 1818	086-001
APEX SECURITIES BERHAD (formerly known as JF Apex Securities Berhad)	368-2-5 Jalan Burmah Belissa Row 10350 Pulau Tikus Pulau Pinang Tel No. : 04 – 228 9118	079-005
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 2, Menara BHL 51, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No. : 04 – 238 5900	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 20-1 & 20-2 Persiaran Bayan Indah Bayan Bay, Sungai Nibong 11900 Nayan Lepas Pulau Pinang Tel No. : 04 – 641 2881	065-001
MALACCA SECURITIES SDN BHD	28, Lorong Tangling Indah 3 Taman Tangling Indah 14100 Simpang Ampat Pulau Pinang Tel. No. : 04 – 506 0967	012-001
MALACCA SECURITIES SDN BHD	No.11A-1, Persiaran Bayan Indah Taman Bayan Indah 11900 Bayan Lepas Pulau Pinang Tel. No. : 04 – 642 1533	012-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
MAYBANK INVESTMENT BANK BERHAD	Ground Floor, Bangunan KWSP No. 38, Jalan Sultan Ahmad Shah 10050 Georgetown Pulau Pinang Tel No. : 04 – 219 6888	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 – 332 2123	093-001
MERCURY SECURITIES SDN BHD	2nd Floor, Standard Chartered Bank Chambers, 2, Lebuhr Pantai 10300 Pulau Pinang Tel No. : 04 – 263 9118	093-004
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	Canton Square Level 2 (Unit 1) & Level 3 No. 56, Cantontment Road 10250 Pulau Pinang Tel. No. : 04 – 226 8288	054-002
KENANGA INVESTMENT BANK BERHAD	7th, 8th & 16th Floor Menara Boustead Penang 39, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel. No. : 04 – 228 3355	073-023
PHILLIP CAPITAL SDN BHD	29A, Ground Floor Beach Street 10300 Pulau Pinang Tel No. : 04 – 261 6363	076-015
NEWPARADIGM SECURITIES SDN BHD	56B, 1st Floor Jalan Perak, Perak Plaza 10150 Pulau Pinang Tel. No. : 04 – 227 3000	064-004
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 2677, Jalan Chain Ferry Taman Inderawasih 13600 Seberang Prai Pulau Pinang Tel No. : 04 – 390 0022	087-005
RHB INVESTMENT BANK BERHAD	64 & 64-D Ground Floor-3rd Floor & 5th-8th Floor Lebuhr Bishop 10200 Pulau Pinang Tel No. : 04 – 263 4222	087-033

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
RHB INVESTMENT BANK BERHAD	1st Floor No. 15-1-5, 15-1-6, 15-2-5, 15-2-6 & 15-2-24 Medan Kampung Relau (Bayan Point) 11950 Pulau Pinang Tel No. : 04 – 640 4888	087-042
TA SECURITIES HOLDINGS BERHAD	3rd Floor, Bangunan Heng Guan No. 171, Jalan Burmah 10050 Pulau Pinang Tel No. : 04 – 227 2339	058-010
UOB KAY HIAN SECURITIES (M) SDN BHD	1st Floor, Bangunan Heng Guan 171 Jalan Burmah 10050 Pulau Pinang Tel No. : 04 – 229 9318	078-002
UOB KAY HIAN SECURITIES (M) SDN BHD	21, Jalan Bayu Mutiara 2 Taman Bayu Mutiara 14000 Bukit Mertajam Pulau Pinang Tel No. : 04 – 504 7313 / 7316	078-003

PAHANG DARUL MAKMUR

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 – 505 7800	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 – 517 1698	073-001
MALACCA SECURITIES SDN BHD	P11-3, Jalan Chui Yin 28700 Bentong Pahang Darul Makmur Tel No. : 09 – 222 0993	012-001
PHILLIP CAPITAL SDN BHD	Ground, Mezzanine & 1st Floor B400, Jalan Beserah 25300 Kuantan Pahang Darul Makmur Tel No. : 09 – 566 0800	076-002

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
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 – 517 3811	087-007

KELANTAN

CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 4 Wisma TCH (formerly known as Wisma Square Point) Jalan Pengkalan Chepa 15400 Kota Bharu Kelantan Darul Naim Tel. No. : 09 - 741 9050/9051/9052/9053	065-001
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 3953-H, Jalan Kebun Sultan 15350 Kota Bharu Kelantan Darul Naim Tel No. : 09 – 743 0077	087-020
TA SECURITIES HOLDINGS BERHAD	298, Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No. : 09 – 7432 288/3388	058-004
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 1st Floor Lot 712, Sek 9, PT 62 Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No. : 09 – 747 3906	078-004

TERENGGANU DARUL IMAN

PHILLIP CAPITAL SDN BHD	No. 46, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Tel No. : 09 – 6317 922	076-009
RHB INVESTMENT BANK BERHAD	1st Floor, 59 Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No. : 09 – 626 1816	087-055
UOB KAY HIAN SECURITIES (M) SDN BHD	37-B, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No. : 09 – 622 4766	078-016

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. 70 & 70A, Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No. : 04 – 425 6666	068-011
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, No. 102 Kompleks Persiaran Sultan Abdul Hamid Jalan Pegawai 05050 Alor Setar Kedah Darul Aman Tel. No. : 04 – 777 4400/4401	065-001
MALACCA SECURITIES SDN BHD	No. 9, First Floor Kompleks Perniagaan LITC Jalan Putra Mergong 05150 Alor Setar Kedah Darul Aman Tel No. : 04 – 735 0888	012-001
PHILLIP CAPITAL SDN BHD	Lot T-30, 2nd Floor, Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel No. : 04 – 731 7088/8270	076-004
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor 214-A, 214-B, 215-A & 215-B Medan Putra, Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No. : 04 – 720 9888	087-021
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 4, 5 & 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 – 732 2111	078-007

NEGERI SEMBILAN DARUL KHUSUS

AFFIN HWANG INVESTMENT BANK BERHAD	No. 26-2, Jalan S2 B16 Pusat Dagangan Seremban 2 70300 Seremban Negeri Sembilan Darul Khusus Tel No. : 06 – 603 7408	068-019

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
AFFIN HWANG INVESTMENT BANK BERHAD	6, Upper Level, Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No. : 06 – 455 3188	068-019
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No 21, Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No. : 06 – 455 3166/3266	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 – 651 5385	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 – 761 4651	065-001
KENANGA INVESTMENT BANK BERHAD	1C & 1D, Ground & 1st Floor Jalan Tunku Munawir 70000 Seremban, Negeri Sembilan Tel No. : 06 – 765 5998	073-001
MAYBANK INVESTMENT BANK BERHAD	Wisma HM No. 43, Jalan Dr Krishnan 70000 Seremban Negeri Sembilan Tel No. : 06 – 766 9555	098-005
NEWPARADIGM SECURITIES SDN BHD	1st-3rd Floor 19-21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel No. : 06 – 762 3131	064-002
NEWPARADIGM SECURITIES SDN BHD	Ground & 1st Floor No. 3, Jalan Dato Abdullah 71200 Kuala Klawang Negeri Sembilan Darul Khusus Tel No. : 06 – 613 7767	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 – 764 1641	087-024

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
<u>JOHOR DARUL TAKZIM</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 7, Johor Bahru City Square (Office Tower) 106-108 Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel No. : 07 – 222 2692	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 – 431 1081	068-004
AMINVESTMENT BANK BERHAD	2nd & 3rd Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel No. : 07 – 434 2282	086-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No 73, Ground Floor No 73A & 79A, First Floor Jalan Kuning Dua, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No. : 07 – 340 5888	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 – 232 9673	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, 113 & 114 Jalan Genuang 85000 Segamat Johor Darul Takzim Tel No. : 07 – 931 1509/1523	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. : 06 – 976 4559/4560	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 No. 8A Jalan Dedap 20 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No. : 07 – 353 7669/7959	065-001
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel No. : 07 – 223 1211	054-004
KENANGA INVESTMENT BANK BERHAD	Level 2, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No. : 07 – 333 3600	073-004
KENANGA INVESTMENT BANK BERHAD	57, 59 and 61 Jalan Ali 84000 Muar Johor Darul Takzim Tel No. : 06 – 953 1222	073-001
M & A SECURITIES SDN BHD	Suite 5.3A, Level 5, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No. : 07 – 338 1233	057-003
MALACCA SECURITIES SDN BHD	No. 40A, Jalan Perang Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No. : 07 – 335 1533	012-001
MALACCA SECURITIES SDN BHD	Lot 880, 3 ½ Mile Jalan Salleh 84000 Muar Johor Darul Takzim Tel No. : 06 – 953 6948	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 – 331 6992	093-005
PHILLIP CAPITAL SDN BHD	No. 73, 1st Floor Jalan Rambutan 86000 Kluang Johor Darul Takzim Tel No. : 07 – 771 7922	076-006

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
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 – 433 3608	064-008
RHB INVESTMENT BANK BERHAD	53, 53-A & 53-B, Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel No. : 07 – 438 0288	087-009
RHB INVESTMENT BANK BERHAD	No. 33-1, 1st & 2nd Floor Jalan Ali 84000 Muar Johor Darul Takzim Tel No. : 06 – 953 8262	087-025
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 119 & 121 Jalan Sutera Tanjung 8/2 Taman Sutera Utama 81300 Skudai Johor Darul Takzim Tel No. : 07 – 557 7628	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 – 932 1543	087-030
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 40 Jalan Haji Manan 86000 Kluang Johor Darul Takzim Tel No. : 07 – 776 9655	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 – 662 6288	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 – 352 2293	087-043

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
TA SECURITIES HOLDINGS BERHAD	7A, Jalan Genuang Perdana Taman Genuang Perdana 85000 Segamat Johor Darul Takzim Tel No. : 07 – 943 5278	058-009
TA SECURITIES HOLDINGS BERHAD	15, Jalan Molek 1/5A Taman Molek 81000 Johor Bahru Tel No. : 07 – 364 7388	058-011
TA SECURITIES HOLDINGS BERHAD	No. 29-03, Jalan Sri Pelangi Taman Pelangi 80400 Johor Bahru Tel No. : 07 – 336 4672	058-013
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 – 333 2000	078-001
UOB KAY HIAN SECURITIES (M) SDN BHD	42-8, Main Road Kulai Besar 81000 Kulai Johor Darul Takzim Tel No. : 07 – 663 5651	078-001
<u>SARAWAK</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	2nd Floor, Lot No. 27, NBX 2 The Northbank Off Kucing-Samarahan Expressway 93350 Kuching Sarawak Tel No. : 082 – 50 1007	068-005
AMINVESTMENT BANK BERHAD	1st, 2nd, & 3rd Floor No. 162, 164, 166 & 168 Jalan Abell 93100 Kuching Sarawak Tel No. : 082 – 24 4791	086-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 6A, Ground Floor Jalan Bako, Off Brooke Drive 96000 Sibu Sarawak Tel No. : 084 – 36 7700	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 1 (North), Wisma STA 26, Jalan Datuk Abang Abdul Rahim 93450 Kuching Sarawak Tel No. : 082 – 35 8688	065-001
KENANGA INVESTMENT BANK BERHAD	Lot 1866, Jalan MS 2/5 Marina Square 2 Marina Parkcity 98000 Miri Sarawak Tel No. : 085 – 43 5577	073-001
KENANGA INVESTMENT BANK BERHAD	Level 2-4, Wisma Mahmud Jalan Sungai Sarawak 93100 Kuching Sarawak Tel No. : 082 – 33 8000	073-001
KENANGA INVESTMENT BANK BERHAD	11-12, Ground & 1st Floor Lorong Kampung Datu 3 96000 Sibu Sarawak Tel No. : 084 – 31 3855	073-001
MERCURY SECURITIES SDN BHD	1st Floor 16, Jalan Getah 96100 Sarikei Sarawak Tel No. : 084 – 65 6281	093-001
RHB INVESTMENT BANK BERHAD	Tingkat Bawah dan Tingkat 1 No. 221, Parkcity Commerce Square Phase III Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel No. : 086 – 31 7678	087-053
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 – 25 0888	087-008
RHB INVESTMENT BANK BERHAD	No. 102, Pusat Pedada Jalan Dr Wong Soon Kai 96000 Sibu Sarawak Tel No. : 084 – 32 9100	087-008

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Name	Address and telephone number	Broker Code
TA SECURITIES HOLDINGS BERHAD	12G, H & I Jalan Kampong Datu 96000 Sibu Sarawak Tel No. : 084 – 31 9998	058-002
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 1265, 1st Floor Centre Point Commercial Centre Jalan Melayu 98000, Miri Sarawak Tel No. : 085 – 32 4128	078-017
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 1st Floor No 16, Lorong Intan 6 96000 Sibu Sarawak Tel No. : 084 – 25 2737	078-018
<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 – 31 1688	068-005
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st & 2nd Floor Central Building No. 28, Jalan Sagunting 88000 Kota Kinabalu Sabah Tel No. : 088 – 32 8878	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, Lot 12 Block A3, Phase 2 Utama Place Mile 6, Northern Road 90000 Sandakan Sabah Tel No. : 089 – 21 5578	065-001
KENANGA INVESTMENT BANK BERHAD	Level 8, Wisma Great Eastern 68, Jalan Gaya 88000 Kota Kinabalu Sabah Tel No. : 088 – 23 6188	073-032

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

<u>Name</u>	<u>Address and telephone number</u>	<u>Broker Code</u>
RHB INVESTMENT BANK BERHAD	2nd Floor 81 & 83, Jalan Gaya 88000 Kota Kinabalu Sabah Tel No. : 088 – 26 9788	087-010
UOB KAY HIAN SECURITIES (M) SDN BHD	11, Equity House, Block K Sadong Jaya, Karamunsing 88100 Kota Kinabalu Sabah Tel No. : 088 – 23 4099	078-004

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