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

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters' and substantial shareholders' shareholdings

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

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

Notes:

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

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

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

(4) Deemed interested by virtue of his shareholdings in ASF pursuant to Section 8 of the Act.

(5) Deemed interested by virtue of his shareholdings in ASF pursuant to Section 8 of the Act as well as his son's shareholdings in ISF.

(6) Deemed interested by virtue of her spouse's and son's shareholdings in ASF pursuant to Section 8 of the Act as well as her son's shareholdings in ISF.

(7) ASF is an investment holding company held by Ai Boon Chen, Ai Sew Fuat and Lim Ay Yum with equity interest of 68.93%, 22.32% and 8.75%, respectively. Please refer to Section 5.1.2(iv) for further details on the shareholders of ASF.

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

5.1.2 Profile of Promoters and substantial shareholders

(i) Ai Boon Chen

Promoter, Specified Shareholder, substantial shareholder and Managing Director

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

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

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

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

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

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

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

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

(ii) Ai Sew Fuat

Promoter, Specified Shareholder, substantial shareholder and Executive Director

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

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

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

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

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

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

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

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

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

(iii) Lim Ay Yum

Promoter, Specified Shareholder, substantial shareholder and Executive Director

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

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

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

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

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

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

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

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

(iv) ASF

Promoter, Specified Shareholder and substantial shareholder

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

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

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

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

5.1.3 Changes in our Promoters' and substantial shareholders' shareholdings

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

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

Notes:

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

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

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

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

Save as disclosed above, we are not aware of any persons who are able to, directly or indirectly, jointly or severally, exercise control over our Company.

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

5.1.4 Promoters and substantial shareholders' remuneration and benefits

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

5.2 DIRECTORS AND KEY SENIOR MANAGEMENT

5.2.1 Directors

Our Board comprises the following members:

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

Notes:

(M) Male.

(F) Female.

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

Our Board acknowledges and takes cognisance of the MCCG which contains best practices and guidance for listed companies to improve upon or to enhance their corporate governance as it forms an integral part of their business operations and culture.

Our Board believes that our current Board composition provides an appropriate balance in terms of skills, knowledge and experience to promote the interest of all shareholders and to govern our Group effectively. Our Company has adopted all the recommendations under the MCCG, save for the recommendations which are only applicable upon/after the Listing, including the step-up practices recommended under the MCCG, of which our Company intends to adopt upon/after the Listing, where applicable. Some of the recommendations under the MCCG adopted by our Company include but not limited to the following:

(a) at least half of our Board comprises Independent Non-Executive Directors;

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

(c) at least 30% women directors on our Board.

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

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

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

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

(a) overseeing and evaluating the conduct and sustainability of the businesses of our Group;

(b) reviewing and adopting the overall strategic direction, business plans, and annual budgets of our Group, including major capital commitments;

(c) ensuring that the strategic plan of our Company supports long-term value creation and includes strategies on economic, environmental, and social considerations underpinning sustainability;

(d) establishing key performance indicators and succession plans;

(e) reviewing and approving new ventures, major acquisitions and disposal of undertakings and properties;

(f) reviewing, challenging, and deciding on management's proposals for our Company and monitoring their implementation by management;

(g) supervising and assessing management performance to determine whether the business is being properly managed.

(h) identifying and understanding the principal risks of our Company's business and ensuring the implementation of appropriate internal control systems and mitigation measures to manage these risks;

(i) reviewing the adequacy and integrity of our Group's internal control systems and management information systems;

(j) setting the risk appetite within which our Board expects management to operate and ensuring that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;

(k) ensuring the key senior management has the necessary skills and experience and there are measures in place to provide for the orderly succession of our Board and key senior management.

(l) ensuring that our Company has in place procedures to enable effective communication with stakeholders.

(m) supervising the creation and execution of the investor relations program or shareholders' communication policy for our Company to facilitate productive communication

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

(n) ensuring our Group's core values, vision and mission and shareholders' interests are met;

(o) ensuring all significant systems and procedures are in place for our Group to run effectively, efficiently, and meet all legal and contractual requirements;

(p) collaborating with key senior management to establish and maintain effective corporate governance practices, which include ethical, prudent, and professional conduct standards, and fostering a corporate responsibility culture throughout our Group.

(q) ensuring the integrity of our Company's financial and non-financial reporting.

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

5.2.2 Profile of Directors

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

The profiles of our other Directors are as follows:

(i) Yap Chui Fan
Independent Non-Executive Chairperson

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

5.2.3 Directors' shareholdings

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

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

Notes:

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

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

(3) Assuming all the Independent Directors fully subscribe for the Shares allocated to him/her under the Pink Form Allocation.

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

(5) Deemed interested by virtue of his shareholdings in ASF pursuant to Section 8 of the Act.

(6) Deemed interested by virtue of his shareholdings in ASF pursuant to Section 8 of the Act as well as his son's shareholdings in ISF.

(7) Deemed interested by virtue of her spouse's and son's shareholdings in ASF pursuant to Section 8 of the Act as well as her son's shareholdings in ISF.

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

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

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

(i) Yap Chui Fan

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

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

Notes:

(1) NCT Alliance Berhad is an investment holding company listed on the Main Market of Bursa Securities and its subsidiaries are involved in property development, general contractor and contractor of renovation works, provision of project management services.

(2) Sunview Group Berhad is an investment holding company listed on the ACE Market and its subsidiaries are involved in the engineering, procuring, construction and commissioning of solar photovoltaic facilities, solar photovoltaic construction and installation services, solar power generation and supply as well as associated services and products.

(3) CM Hi-Tech Cleanroom Limited (formerly known as Channel Micron Holdings Company Limited) is an investment holding company formerly listed on the Main Board of the Hong Kong Stock Exchange and its subsidiaries are in involved in among others, trading, design, manufacture and marketing of cleanroom walls and component parts for cleanroom facilities and high technology plants.

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

(ii) Ai Boon Chen

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

Notes:

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

(2) ASF is our promoter and substantial shareholder. Please refer to Section 5.1.2 of this Prospectus for further details.

(3) Plumb Perfect Sdn Bhd (formerly known as ASF M&E Sdn Bhd) was disposed of to a third party on 25 November 2024.

(4) Yeo Plumber had been terminated on 13 June 2025.

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

(iii) Ai Sew Fuat

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

Notes:

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

(2) Deemed interest by virtue of his spouse's and his son's shareholdings in ASF pursuant to Section 8 of the Act.

(3) ASF is our promoter and substantial shareholder. Please refer to Section 5.1.2 of this Prospectus for further details.

(4) Yeo Plumber had been terminated on 13 June 2025.

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

(iv) Lim Ay Yum

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

Notes:

(1) Deemed interest by virtue of her spouse's and her son's shareholdings in ASF pursuant to Section 8 of the Act.

(2) ASF is our promoter and substantial shareholder. Please refer to Section 5.1.2 of this Prospectus for further details.

(3) Plumb Perfect Sdn Bhd (formerly known as ASF M&E Sdn Bhd) was disposed of to a third party on 25 November 2024.

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

(v) Christine Toh Hung Mei

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

Notes:

(1) HE Group Berhad is an investment holding company listed on the Main Market of Bursa Securities and its subsidiary is involved in the provision of power distribution system, other building systems and works, hook-up and retrofitting of electrical equipment and trading.

(2) Sorento Capital Berhad is an investment holding company listed on the ACE Market and its subsidiaries are involved in the marketing, distribution and sale of bathroom and kitchen sanitary wares.

(3) WTEC Group Berhad is an investment holding company listed on the ACE Market and its subsidiaries are involved in the manufacturing and trading of foam and non-foam products.

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

(vi) Sim Seng Loong @ Tai Seng

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

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

Notes:

(1) *Nova Wellness Group Berhad is an investment holding company listed on the Main Market of Bursa Securities and its subsidiary is involved in development, production and sales of nutraceutical and skincare products under its house brands and original equipment manufacturer development and production of nutraceutical products.*

(2) *Ramssol Group Berhad is an investment holding company listed on the ACE Market and its subsidiaries in Malaysia are involved in the business of software development and advisory and provision of internet related services in relation to the business of mobile application, electronic commerce, information systems integration and administration, provision of computer programming activities, provision of research and development on information and communication technology.*

(3) *Pentamaster International Limited is an investment holding company formally listed on the Main Market of the Hong Kong Stock Exchange and its subsidiaries are involved in automated test equipment which entails designing, development and manufacturing of standard and non- standard automated equipment and factory automation solution which entails designing, development and installation of integrated factory automation solutions.*

(4) *Jack In Group Limited is an investment holding company formally listed on the Australia Stock Exchange and its subsidiaries are involved in piling and foundation services business.*

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

(vii) Ir. Chow Kai Hoon

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

Note:

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

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

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

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

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

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

5.2.6 Key Senior Management

Our Key Senior Management comprises the following:

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

Notes:

(M) Male.

(F) Female.

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

5.2.7 Key Senior Management's shareholdings

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

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

Notes:

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

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

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

5.2.8 Profile of Key Senior Management

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

(i) Norliana Binti Noor Ezat
Finance Manager

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

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

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

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

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

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

(ii) Siti Hajar Binti Ismail
Human Resources Manager

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

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

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

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

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

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

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

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

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

(iii) Heng Eik Woei
Technical Manager

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

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

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

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

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

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

(iv) Jenylex Kumil
Project Director

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

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

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

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

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

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

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

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

(v) Muhammad Amirul Bin Muhammad Amri
Operations Manager

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

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

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

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

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

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

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

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

(i) Jenylex Kumil

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

Note:

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

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

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

5.3 BOARD PRACTICES

5.3.1 Directorship

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

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

5.3.2 ARMC

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

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

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

(i) to consider any matters concerning the appointment and re-appointment, the audit and non-audit fees and any questions of resignation or dismissal of external auditors, and further ensure the suitability, objectivity and independence of external auditors;

(ii) to review with the external auditors:

  (a) their audit plan, scope and nature of the audit of our Group;

  (b) their evaluation and findings of the system of risk management and internal controls;

  (c) their audit reports on financial statements;

  (d) the management letter and management's response with regard to problems and reservations arising from their audits;

  (e) the coordination of audits where more than one audit firm is involved; and

  (f) any other matters that the external auditors may wish to discuss (in the absence of management where necessary).

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

(iii) to ensure coordination between the external auditors and the internal auditors;

(iv) to review and assess the adequacy of the scope, functions, competency, experience and resources of the internal audit functions of which the internal auditors should report directly to the ARMC and to ensure the internal auditors are independent and objective and have the relevant qualifications and be responsible for assuring the ARMC that the internal controls are operating effectively;

(v) to review the internal audit plan, processes, the results of internal audit assessments, investigations undertaken and whether or not appropriate action is taken on the recommendations made;

(vi) to review the adequacy and effectiveness of our Group's internal control systems, anticorruption and whistle-blowing as evaluated, identified and reported by our management, internal or external auditors as well as to review whether actions taken to ratify the same are appropriate or timely;

(vii) to review the quarterly results and year-end financial statements of our Group before the approval by our Board;

(viii) to prepare the ARMC Report at the end of each financial year for inclusion in the annual report of our Company;

(ix) to ensure that our Board establishes a comprehensive framework/policy to identify, evaluate, approve and report related party transactions;

(x) to assess all the disclosed conflicts by our Directors and key senior management, to evaluate their nature, significance and potential impact on our Group;

(xi) to assist our Board to effectively discharge its risk oversight responsibilities by monitoring and overseeing our Group's risk management and processes in identifying, evaluating, monitoring and managing significant risks within our Group;

(xii) to review our Group's risk management policy and implementation of the risk management framework;

(xiii) to report promptly to Bursa Securities on any matter which has not been satisfactorily resolved resulting in a breach of the Listing Requirements;

(xiv) to verify the allocation of options under a share issuance scheme or the allocation of shares according to any incentive plan for employees of our Group, if any;

(xv) to review and conduct an annual performance evaluation of the internal and external auditors in respect of each financial year under review; and

(xvi) to carry out such other functions or assignments as may be delegated by our Board from time to time.

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

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

5.3.3 Nomination Committee

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

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

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

(i) to review, assess, and recommend suitable candidates for appointment as Directors of our Company, as well as Directors who are due to retire and seeking re-election at the AGM. When making recommendations to our Board regarding directorship or re-appointment, the Nomination Committee must consider the "Fit and Proper Criteria" outlined in our Company's Directors' Fit and Proper Policy. These criteria include, but are not limited to:

   (a) diversity in skills, knowledge, expertise, experience, age, cultural background and gender;

   (b) competence and professionalism;

   (c) character and integrity;

   (d) time and commitment;

   (e) any business interest or relationship that may result in a conflict of interest that could affect the execution of the role; and

   (f) in the case of candidates for the position of Independent Director, the committee shall also evaluate the candidates' ability to discharge such responsibilities / functions as expected from the Independent Director.

(ii) to ensure there is a gender-diverse Board and the committee may seek out independent sources to identify qualified candidates for our Board;

(iii) to evaluate the necessary mix of skills, experience, core competencies, and diversity (including age, cultural background, and gender) of our Board and our Board Committees. Nomination Committee will assess the contribution and performance of each Director to ensure our Board and its Committees operate effectively and efficiently;

(iv) to review the size, structure, balance, and composition of our Board and our Board Committees to ensure optimal performance;

(v) to identify and review the core competencies, skills and other qualities including but not limited to the skills, knowledge, experience and diversity required by each of the Non-Executive Directors, that are essential to contribute towards the effectiveness and balance of our Board;

(vi) to assess each Director's ability to contribute to our Board's decision-making process and ensure that our Board operates actively, efficiently, and effectively in all its decision-making;

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

(vii) to conduct an annual review of the term of office and performance of the ARMC and each of its members. The review will assess whether the Committee and its members have fulfilled their duties in accordance with their terms of reference;

(viii) to evaluate annually the effectiveness of our Board and our Board Committees as a whole for assessing the contribution to the effectiveness of the decision-making process of our Board;

(ix) to review and assess annually the independence of the Independent Non-Executive Directors of our Company;

(x) to review, consider and make recommendations regarding the continuation in office of Independent Non-Executive Directors who have served for more than nine years;

(xi) to oversee the development of succession planning of our Board and key senior management;

(xii) to remain up-to-date and fully informed about strategic issues and commercial changes that impact our Company and the market in which it operates; and

(xiii) to carry out such other functions or assignments as may be delegated by our Board from time to time.

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

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

5.3.4 Remuneration Committee

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

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

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

(i) to review and recommend to our Board the appropriate remuneration packages for all Directors of our Company, with or without professional advice;

(ii) to review and recommend fees and benefits payable to our Directors;

(iii) to assist our Board in formulating policies and guidelines for the composition of various components of remuneration such as basic salary, bonus, and other benefits for our Directors and key senior management;

(iv) to ensure that remuneration packages and benefits for our Directors and key senior management of our Company align with our Company's business strategies, long-term objectives, and remuneration policy, as well as comply with all laws, rules, regulations, and guidelines set by relevant authorities and our Board;

(v) to develop and administer a fair and transparent procedure for setting policy on the remuneration of our Directors and key senior management, which considers the demands, complexities, and performance of our Company, as well as the skills and experience required;

(vi) to implement our Board's remuneration policy and procedures in a transparent process, including reviewing and recommending matters related to the remuneration of our Board and key senior management;

(vii) to ensure that the level of remuneration packages is fair and appropriate according to the industry, general market sentiments, or conditions, and our Company's operating results, as well as our Directors or key senior management's merit, qualification, competence, and individual performance;

(viii) to ensure that appropriate rewards, benefits, compensation, and remuneration are offered to retain Directors, and structuring remuneration packages to link rewards to individual performance; and

(ix) to carry out any other functions delegated by our Board that would benefit our Company and ensure the effective discharge of the Remuneration Committee's duties and responsibilities.

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

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

5.4 REMUNERATION OF DIRECTORS AND KEY SENIOR MANAGEMENT

5.4.1 Directors' Remuneration and Material Benefits in-Kind

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

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

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

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

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

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

Notes:

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

(2) As the Project Director of YPSB.

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

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

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

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

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

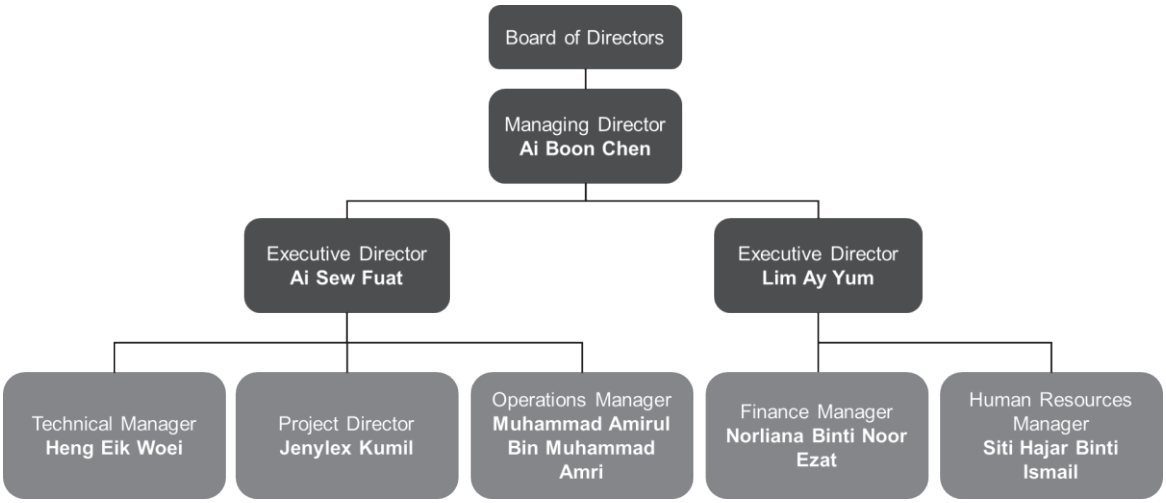
Key Senior Management	Remuneration Band		
	FYE 2024 RM'000	**FYE 2025 RM'000**	**Proposed for the FYE 2026 RM'000 (1)**
Norliana Binti Noor Ezat	100-150	100-150	100-150
Siti Hajar Binti Ismail	50-100	100-150	100-150
Heng Eik Woei	100-150	150-200	150-200
Jenylex Kumil	100-150	150-200	200-250
Muhammad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

Note:

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

5.5 MANAGEMENT REPORTING STRUCTURE

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



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

5.6 DECLARATIONS BY EACH PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

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

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

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

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

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

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

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

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

(viii) any unsatisfied judgment against such person.

5.7 FAMILY RELATIONSHIPS AND ASSOCIATIONS

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

(i) Ai Boon Chen, the Promoter, Specified Shareholder, substantial shareholder and Managing Director, is the son of Ai Sew Fuat and Lim Ay Yum;

(ii) Ai Sew Fuat, the Promoter, Specified Shareholder, substantial shareholder and Executive Director, is the spouse of Lim Ay Yum and father of Ai Boon Chen; and

(iii) Lim Ay Yum, the Promoter, Specified Shareholder, substantial shareholder and Executive Director, is the spouse of Ai Sew Fuat and mother of Ai Boon Chen.

5.8 SERVICE AGREEMENTS

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

6. INFORMATION ON OUR GROUP

6.1 INFORMATION ON OUR GROUP

6.1.1 Overview and history

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

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

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

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

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

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

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

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

Year	Key events and milestones
2000	• Our Subsidiary was incorporated in 2000 and commenced business operations in 2001 initially in the trading of plumbing materials. We started our business operations at our current Head Office. When our Managing Director, Ai Boon Chen, joined our Subsidiary in 2012, he started to establish our operational readiness to venture into the supply and installation of piping systems for end-user premises projects, leading to our first job in 2015.
2015	• We were initially registered with CIDB via our Subsidiary as a G3 contractor which enabled us to tender for projects with contract value of up to RM1.00 million. • We secured our first supply and installation of piping systems for end-user premises project in 2015 which was for the supply and installation of cold water and sanitary piping systems for a hypermarket in Johor with contract value of RM2.25 million. We subsequently secured another project for the same end-user in 2015, which was for the supply and installation of cold water and sanitary piping systems for a hypermarket in Pahang with contract value of RM2.08 million. • Furthermore, we secured our first hospitality industry project, which was for the supply and installation of cold water and sanitary piping systems for a hotel in Johor with contract value of RM1.97 million.
2016	• Our Subsidiary subsequently upgraded its CIDB registration to G5 status which allows us to tender for projects with contract value of up to RM5.00 million. • We expanded our end-user coverage through the following projects: - Our first data centre project was for the supply and installation of cold water and sanitary piping, and rainwater harvesting systems for a data centre in Johor with contract value of RM2.04 million; and - We secured our first oil and gas industry projects which was for the supply and installation of cold water and sanitary piping systems for workers' accommodations that were part of the development of the Pengerang Integrated Petroleum Complex at Pengerang, Johor with contract value of RM1.46 million.
2017	• We secured our first education institution project which was for the supply and installation of cold water and sanitary piping systems and rainwater downpipe for a college building in Johor with contract value of RM0.61 million. • Our Subsidiary upgraded its CIDB registration to G7 status which allows us to tender for projects without any limitations in contract value. • Our Subsidiary completed the purchase of a piece of land of approximately 118,413 sq. ft. in Pontian, Johor. As part of our business strategy, we plan to set-up our New Head Office and Storage Facility on this land. Please refer to Section 6.19.1 of this Prospectus for additional information on this business strategy.

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

Year	Key events and milestones
2018	• We expanded our geographical reach and end-user coverage when we secured the following projects in other states and/or for other types of facilities: - In Melaka, we provided maintenance services for a water tank at an electronics products manufacturing facility with contract value of RM0.08 million. - In Negeri Sembilan, we carried out the supply and installation of cold water and sanitary piping systems, and water mains and sewer pipes to connect the premises to the water mains and sewer infrastructure respectively for a battery manufacturing facility with contract value of RM0.55 million. - In Penang, we carried out the supply and installation of cold water and sanitary piping systems, and water mains and sewer pipes to connect the premises to the water mains and sewer infrastructure respectively for a medical devices manufacturing facility with contract value of RM1.38 million. • Our Subsidiary obtained ISO 9001:2018 quality management system certification for the provision of plumbing, engineering, trading, construction and maintenance services.
2019	• We secured the following projects which expanded our geographical reach to other states and territories and/or for other types of end-user premises as follows: - In Selangor, we carried out the supply and installation of cold water and sanitary piping systems, water mains pipes (to connect the premises to the water mains system), and on-premises sewage treatment plant for a plastic packaging manufacturing facility with contract value of RM0.99 million. - In Kuala Lumpur, we carried out the supply and installation of cold water and sanitary piping systems for a hypermarket with contract value of RM2.09 million. - In Johor, we carried out the supply and installation of water mains pipes (to connect the premises to the water mains system) and a temporary water storage tank with total contract value of RM0.34 million as part of the development of a new power plant in Pasir Gudang. This was our first project for the power generation industry.
2020	• We secured our first supply and installation of water supply and sewer infrastructure piping project which involved the design, supply, and installation of water mains piping (including connection to the water mains system) as part of the development of a crude oil terminal in Johor with contract value of RM2.50 million. • We secured our first project in the healthcare industry, which involved the supply and installation of cold water, sanitary, chemical discharge, and rainwater piping systems, as well as sanitary fittings as part of the construction of a new pathology laboratory building at an existing hospital in Johor Bahru with contract value of RM0.72 million. • Our Subsidiary was registered with the Ministry of Finance Malaysia (MOF) as a supplier of specified products and services, which enables us to undertake government projects. Please refer to Section 6.21 of this Prospectus for additional information relating to this registration's material eligibility criteria and requirements. As at the LPD, we have not secured any government projects.
2021	• Our Subsidiary obtained our ISO 14001:2015 environmental management system certification and ISO 45001:2018 occupational health and safety management system certification for the provision of plumbing, engineering, trading, construction and maintenance services.

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

Year	Key events and milestones
2022	• We secured and carried out the following significant projects: - The supply and installation of cold water, sanitary, sewer, and fire hydrant piping systems for a semiconductor manufacturing facility in Penang (**"Penang Factory Project"**) with total contract value of RM51.24 million as at the LPD; and - A supply and installation of water supply infrastructure piping project in Johor to reroute an existing water mains pipe and reconnect it to the water mains system (**"Water Mains Rerouting Project"**) with contract value of RM3.67 million as at the LPD. • To cater for our business expansion, we established the SILC Office in Iskandar Puteri, Johor at our own premises.
2023	• We secured and carried out the following significant projects in 2023: - The supply and installation of end-user piping systems project for a data centre in Johor involving cold water and sanitary piping systems, and rainwater downpipes (**"Johor Data Centre 1 Project"**) with total contract value of RM21.77 million as at the LPD; and - The supply and installation of cold water and sanitary piping systems for mass transit facilities in Johor, which was our first project for the public transport infrastructure sector (**"RTS Link Project"**) with contract value of RM8.21 million as at the LPD.
2024	• We secured and carried out the following significant projects in 2024: - The supply, installation, testing, commissioning and maintenance of cold water and sanitary piping systems works for a serviced apartment in Johor (**"Johor Serviced Apartment 4 Project"**) with contract value of RM10.08 million as at the LPD; - The supply, installation, testing and commissioning of end-user piping systems project involving cold water and sanitary piping systems, and road drainage works and installation of sanitary wares and fittings for a serviced apartment in Johor (**"Johor Serviced Apartment 5 Project"**) with contract value of RM15.90 million as at the LPD; - The supply and installation of cold water, hot water, and sanitary piping systems for a hotel in Penang (**"Penang Hotel Project"**) with contract value of RM9.62 million as at the LPD; and - The design, supply, installation, testing and commissioning of water supply infrastructure piping and connecting to existing mains water supply network for a data centre in Johor (**"Johor Data Centre 1 Water Supply Project"**) with contract value of RM30.76 million as at the LPD.
2025	• We secured and carried out the following significant projects in 2025: - 2 different projects for the supply, installation, testing, commissioning, and maintenance of cold water and sanitary piping systems for serviced apartments in Johor (**"Johor Serviced Apartment 6 Project"** and **"Johor Serviced Apartment 7 Project"**) with contract values of RM8.95 million and RM8.50 million, respectively, as at the LPD; and - The supply and installation of water supply infrastructure piping from a water reclamation plant to a data centre in Johor (**"Johor Data Centre 3 Water Reclamation Project"**) with contract value of RM2.10 million as at the LPD; and - The supply, installation, testing, commissioning, and maintenance of cold water and sanitary piping systems, and mains water interconnection for a data centre in Kuala Lumpur (**"Kuala Lumpur Data Centre Project"**) with contract value of RM9.50 million as at the LPD.

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

6.1.2 Awards and recognitions

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

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

6.1.3 Our competitive advantages and key strengths

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

6.1.4 Share capital and changes in share capital

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

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

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

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

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

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

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

6.2 INFORMATION ON OUR SUBSIDIARY

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

(a) Background, history and principal activities

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

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

(b) Share capital

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

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

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

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

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

(c) Substantial shareholder and Directors

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

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

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

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

(d) Subsidiary, associate and joint venture

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

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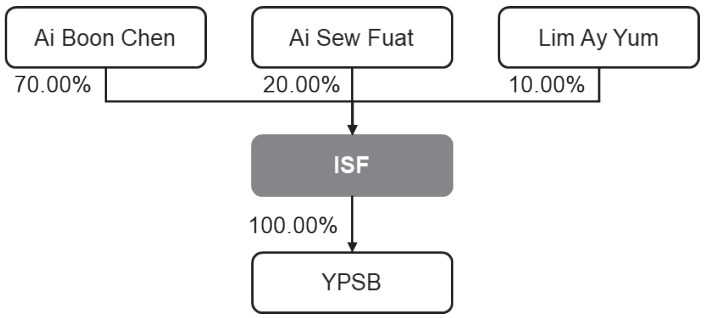
6. INFORMATION ON OUR GROUP *(Cont'd)*

6.3 GROUP STRUCTURE

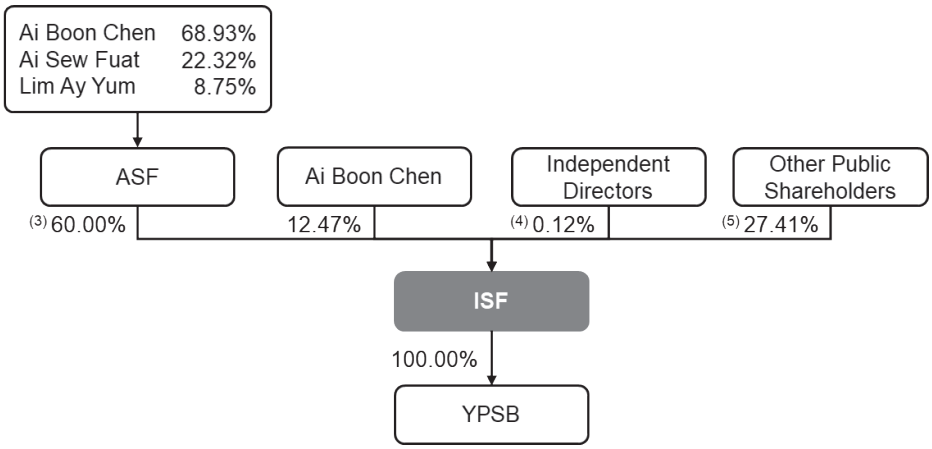
Our Group was formed on 13 November 2025 pursuant to the completion of the Acquisition of YPSB. Please refer to Section 4.1.1 of this Prospectus for further details of the Acquisition of YPSB.

Our Group's structure is as follows:

After the Acquisition of YPSB but before our IPO



After our IPO (1) (2)



Notes:

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

(2) Assuming the offer of 90,000,000 Offer Shares pursuant to the Offer for Sale.

(3) Pursuant to the Share Transfer during the prescription period (one (1) day after the launching date of the Prospectus up to a period of 30 days).

(4) Assuming that the pink form allocations to the Independent Directors are fully subscribed.

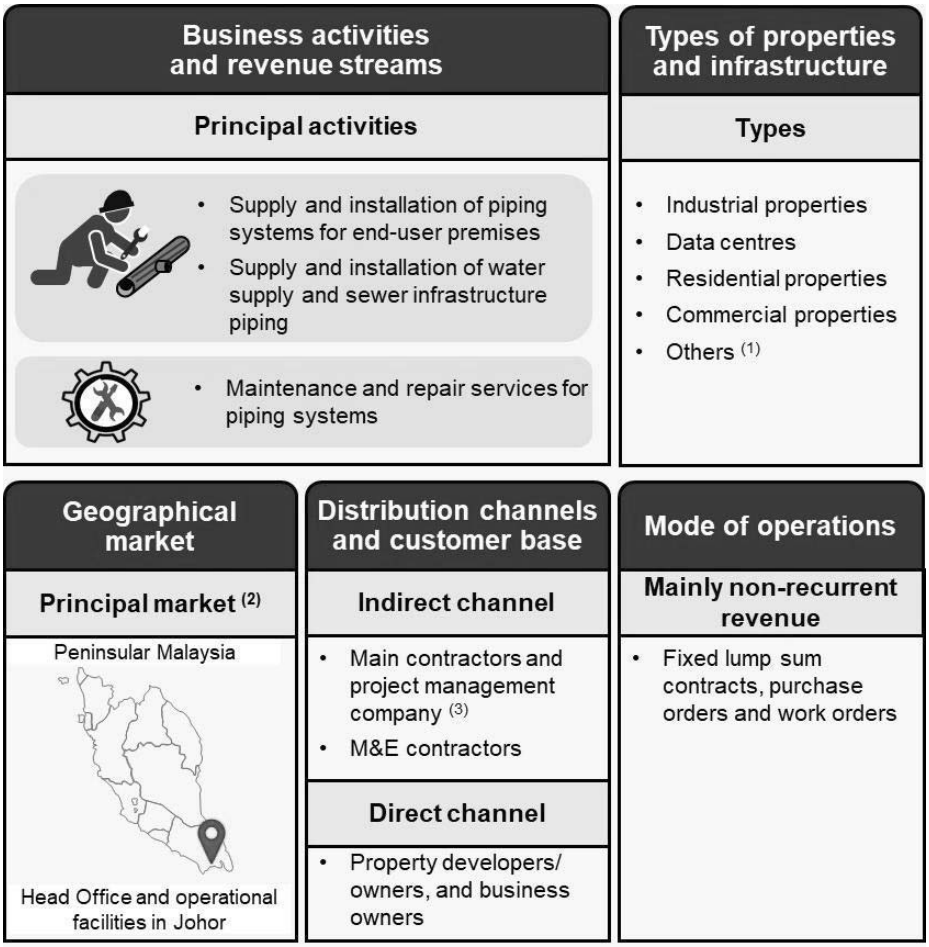
(5) The public shareholding spread upon listing is 27.41%.

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

6.4 BUSINESS OVERVIEW

6.4.1 Our business model

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



Notes:

(1) Others include water supply and sewer infrastructure, institutional, healthcare, and infrastructure such as power plants and mass transit facilities.

(2) During the Financial Years and Period Under Review, we had derived revenue from projects located in Johor, Kedah, Kuala Lumpur, Melaka, Negeri Sembilan, Penang, and Selangor.

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

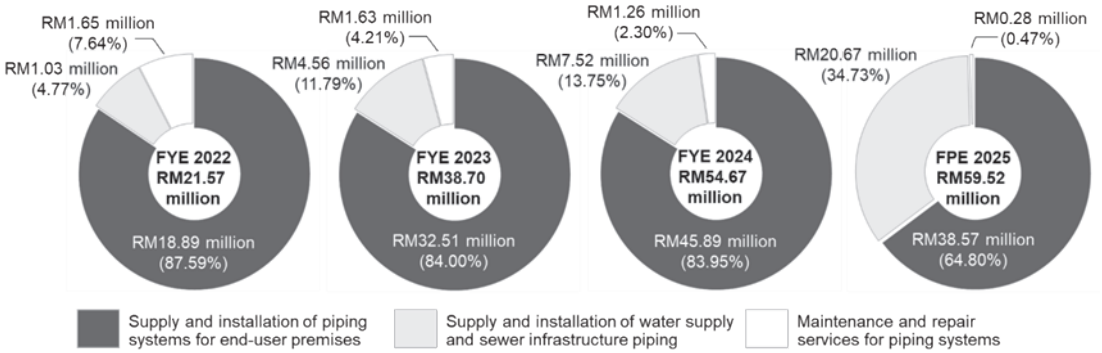
6. INFORMATION ON OUR GROUP *(Cont'd)*

6.4.2 Business activities and revenue streams

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

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

Revenue segmentation by business activities



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

Notes:

(1) Comprises projects that involve internal piping systems within buildings or structures (such as cold water, hot water, and sanitary drainage piping systems, rainwater downpipes, and rainwater harvesting systems) as well as external piping systems outside of buildings (such as water or sewer pipes within the end-user premises' boundary and piping outside the boundary to connect the end-user premises to nearby water mains or sewer systems).

(2) Comprises projects that only involve internal piping systems and do not involve external piping systems.

(3) Process piping is installed in some manufacturing facilities and are designed to transport liquids or provide essential services to support manufacturing or processing operations.

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

(i) Supply and installation of piping systems for end-user premises

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

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

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

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

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

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

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

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

(iii) Maintenance and repair services for piping systems

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

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

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

6.4.3 Types of properties and infrastructure

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

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

Notes:

(1) We mainly used the indirect distribution channel comprising main contractors and project management company, and M&E contractors.

(2) We mainly used the indirect distribution channel comprising mostly of main contractors.

(3) We mainly used the direct distribution channel comprising property developers/owners, and business owners, as well as the indirect distribution channel comprising main contractors.

(4) We mainly used the indirect distribution channel comprising main contractors.

(5) Others include water supply and sewer infrastructure, institutional, healthcare and infrastructure such as power plants and mass transit facilities.

(6) We mainly used the indirect distribution channel comprising main contractors and M&E contractors, as well as the direct distribution channel comprising property developers/owners, and business owners.

6.4.4 Geographical markets

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

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

Notes:

(1) Geographical market based on project location.

(2) Others comprise Kedah and Kuala Lumpur.

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

6.4.5 Distribution channels and customer base

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

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

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

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

Note:

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

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

6.5 MODES OF OPERATION

6.5.1 Overview

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

6.5.2 Fixed lump sum

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

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

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

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

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

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

- We are liable for a penalty if the specified services are not completed by the agreed completion date or any other date mutually agreed upon with the customer (such as an extension of time), and the delay is attributable to us. The penalty is either a fixed amount (up to RM110,000 per day of delay) or a percentage of the total contract value (up to 1.00% of the total contract value per day of delay), depending on the specific terms of the contract, purchase order, or work order.

- In some cases, the maximum total LAD for which we can be held liable is capped at a range of between 5.00% and 20.00% of the total contract value, depending on the specific terms of the contract, purchase order, or work order.

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

- We are responsible for rectifying, at our own expense, any defects that may arise in our works during the DLP and/or warranty period.

- The DLP or warranty period lasts for a fixed duration of between 12 to 36 months, starting from a specified date (such as the date of substantial completion, certificate of practical completion, handover, takeover, acceptance, or the acceptance of our works), depending on the specific terms of the contract, purchase order, or work order.

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

6.6 BUSINESS ACTIVITIES AND PRODUCTS

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

(a) Overview

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

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

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

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

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

(b) Our scope of work

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

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

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

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

(c) Supply

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

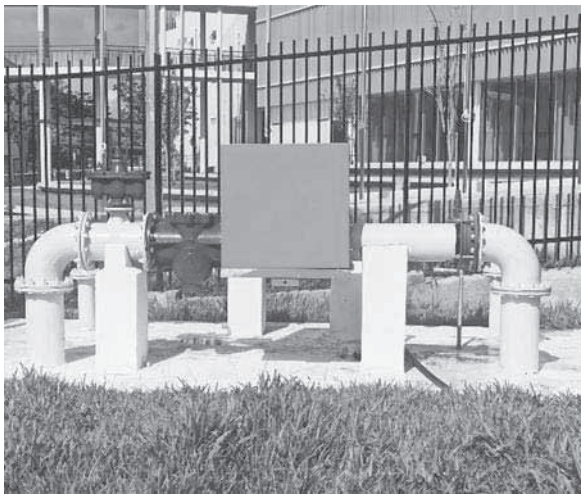
- pipes of various sizes and materials such as steel pipes (cement-lined steel, galvanised, or stainless steel), other metal pipes (such as copper), plastic pipes (such as PPR, PVC and HDPE), and concrete pipes;
- pipe fittings such as elbows, tees, wyes, reducers, adapters, couplings, unions and flanges;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

All of these materials are purchased from external suppliers.

(d) Construction and Installation

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

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



- **External piping system**

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

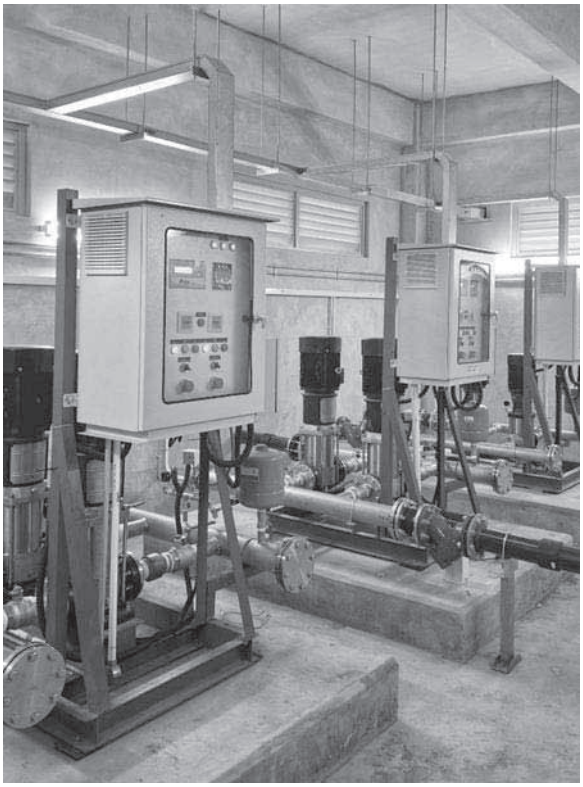
6. INFORMATION ON OUR GROUP *(Cont'd)*

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

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

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

Process control panels for our end-user premises piping system



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

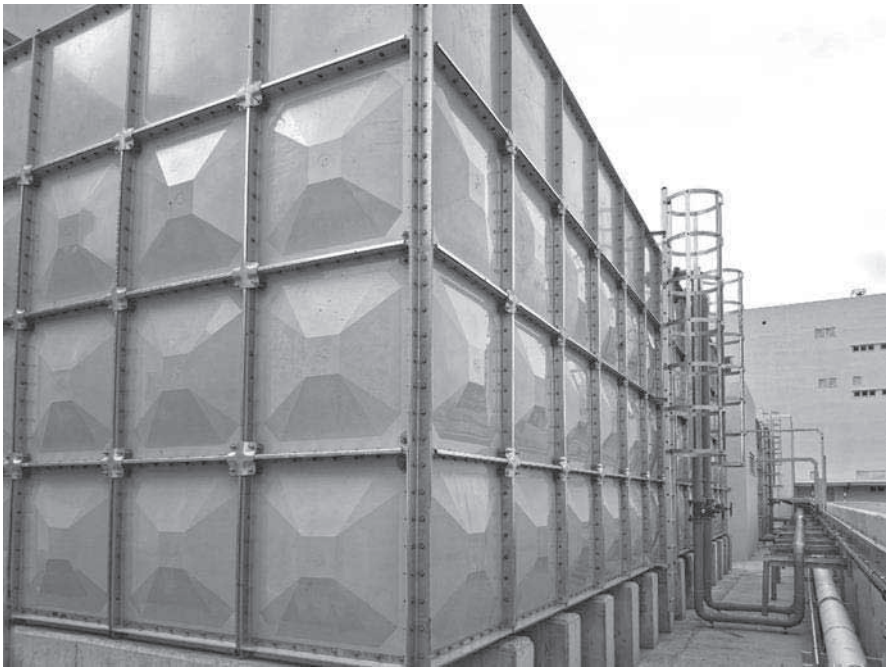
Once the pipes are installed, depending on the project and client's requirements, we will engage subcontractors to carry out dye penetrant tests and/or radiography tests to ensure that there are no leaks in the system.

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

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

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

A water storage tank installed at one of our projects



(e) Testing and commissioning

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

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

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

(f) Description of a building's piping system

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

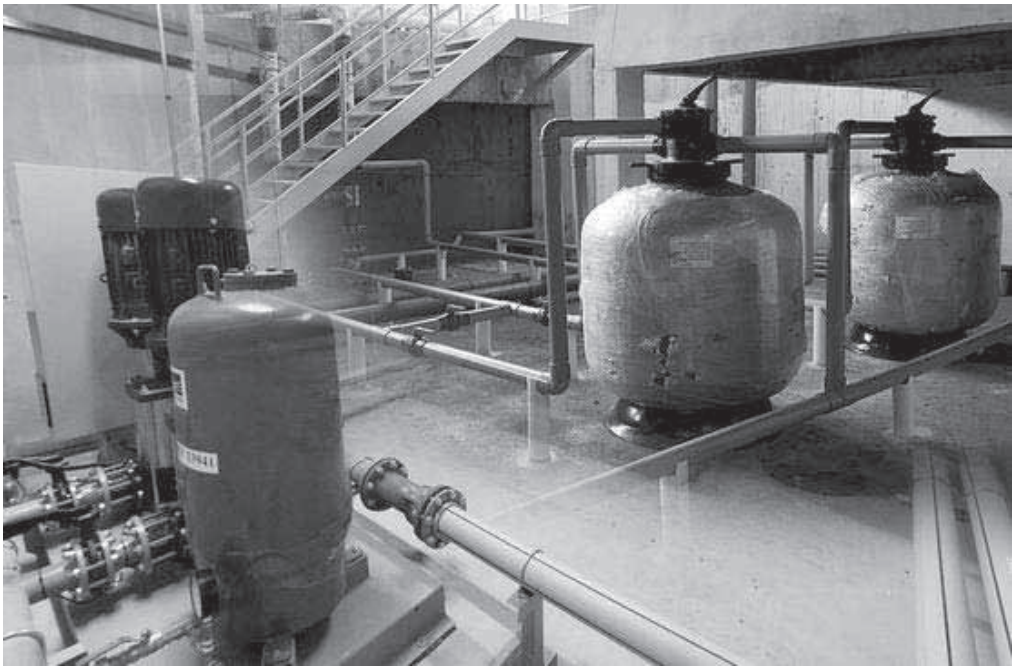
6. INFORMATION ON OUR GROUP *(Cont'd)*

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

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

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

Parts of cold and hot water systems



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

(i) Water mains interconnection

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

- Installing the end-user premises' interconnection pipe to the nearest water mains via an existing trunk pipeline; and

- Installing the building's bulk water meter stand which measures the total amount of mains water that is supplied to the end-user premises.

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

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

(ii) Internal water supply system

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

Cold water system

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

An eyewash station installed at one of our projects



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

Hot water system

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

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

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

(iii) Sanitary drainage system

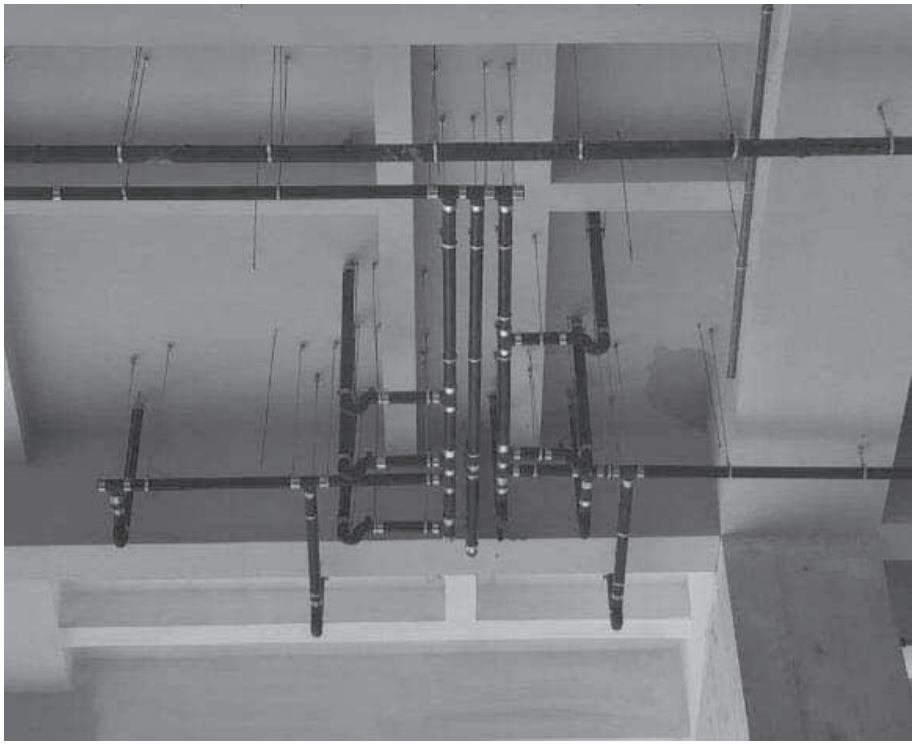
Sewer piping



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

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

Part of a sanitary drainage system that we supplied and installed



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

(iv) Process wastewater drainage and treatment system

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

Installing an oil separator at one of our data centre projects



(v) Oil separators

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

(vi) Rainwater downpipes

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

(vii) Rainwater harvesting system

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

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



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

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

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

(viii) Specialised water storage tanks

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

Specialised storage tanks at one of our data centre projects



(ix) Water filtration system

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

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

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

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

(x) External hydrant system

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

(xi) Process piping systems

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

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

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

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

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

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

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

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

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

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

Notes:

(1) Unless otherwise stated, the project's start date refers to the commencement date stipulated in the letter of award or purchase order.

(2) Unless otherwise stated, the project's completion date refers to the date of the certificate of completion and compliance for the premises, handover date, or date of final payment.

(3) Total contract value includes the value of any variation orders and/or additional works received from the customer that are related to the project, subject to the finalisation of accounts.

(4) Based on a work order.

(5) Based on the variation order issued after the issuance of the certificate of completion and compliance.

(6) As at the LPD, this project is under DLP.

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

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

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

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

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

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

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

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

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

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

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

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

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

Notes:

(1) The project's start date refers to the commencement date stipulated in the letter of award or purchase order.

(2) The project's expected completion date is as specified in the letter of award, purchase order, work programme or the revised completion date based on the extension of time granted by our customers.

(3) Total contract value includes any variation orders and/or additional works received from the customer that are related to the project subject to the finalisation of accounts.

(4) Based on the remaining uncertified progress billings as at the LPD.

(5) The contracts were awarded to us by an engineering company who was engaged by Customer L1.

(6) The customer deferred commencement of phase 1 construction, and started construction of phase 1 and phase 2 at the same time. Works are on-going as at the LPD.

(7) As at the LPD, we are waiting for the main structural works to be completed before we can continue our work.

(8) The contract was awarded to us by an engineering company who was engaged by Customer L2.

(9) The contracts were awarded to us by an engineering company who was engaged by Customer L3.

6.6.2 Supply and installation of water supply and sewer infrastructure piping

(a) Overview

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

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

Trenching and installing water supply infrastructure piping



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

(b) The water supply infrastructure

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

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

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

(c) The sewer infrastructure

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

(d) Our scope of work

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

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

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

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

(i) Supply

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

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

All of these materials are purchased from external suppliers.

(ii) Construction

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

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

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

(iii) Testing and commissioning

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

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

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

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

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

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

Notes:

(1) The project's start date refers to the commencement date stipulated in the letter of award.

(2) The project's completion date refers to the date of the certificate of completion and compliance for the premises or date of final payment.

(3) Total contract value includes the value of any variation orders received from the customer that are related to the project.

(4) As at the LPD, this project is under DLP.

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

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

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

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

Notes:

(1) The project's start date refers to the commencement date stipulated in the letter of award.

(2) The project's expected completion date is as specified in the letter of award.

(3) Based on the remaining uncertified progress billings as at the LPD.

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

6.6.3 MAINTENANCE AND REPAIR SERVICES FOR PIPING SYSTEMS

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

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

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

Examples of our personnel providing maintenance and repair services



We provide the following types of maintenance and repair services:

- Preventive maintenance that is carried out on the piping system according to schedule. The tasks include inspection and testing to ensure that pipes, fittings, and equipment are functioning properly and to identify issues, and corrective action (such as repairs or replacing worn-out parts) to identify issues early and prevent them from escalating to breakdown.

- Corrective maintenance that is carried out in response to breakdowns in a piping system, such as leaks, loss of pressure, broken pipes, or blockages. The tasks involved in corrective maintenance include troubleshooting to identify the root cause of the problem, followed by the repair or replacement of damaged components or parts to restore functionality as quickly as possible.

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

6.7 OPERATIONAL FACILITIES

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

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

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

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

6.8 MAJOR MACHINERY AND EQUIPMENT

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

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

Notes:

(1) Audited NBV as at 31 July 2025.

(2) Average age of the machinery and equipment as of 31 July 2025. Save for the hand-guided rollers (the calculation is described in note 5 below), the age of machinery and equipment is calculated as 2025 minus the year in which it was manufactured. The average age is the sum of the ages of all of the machinery and equipment divided by the number of units as at 31 July 2025.

(3) The average estimated remaining life of the machinery and equipment as of 31 July 2025. We may be able to use the machinery and equipment beyond the estimated remaining life so long as it is properly maintained and used correctly.

(4) Includes two (2) hydraulic backhoe loaders that were fully depreciated as at 31 July 2025.

(5) We are unable to determine the average year in which 3 of the 4 units of hand-guided rollers were manufactured as we purchased them as reconditioned units. Hence, the average age of our hand-guided rollers is calculated as 2025 minus the year in which it was purchased. The average age is the sum of the ages of all of the hand-guided rollers divided by the number of units as at 31 July 2025.

(6) Includes one (1) lorry that was fully depreciated as at 31 July 2025.

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

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

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

6.9 MARKET POSITIONING AND ACTIVITIES

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

6.9.1 Our market positioning

We adopt the following market positioning to address business opportunities:

- **End-to-end piping system solution:** We position ourselves as having the technical ability to provide end-to-end solution for the supply and installation of piping system for end-user premises as well as the supply and installation of water supply and sewer infrastructure piping. This is supported by our in-house engineers and our construction and installation team.

- **Established track record:** We position ourselves as having a proven track record of approximately 10 years in the supply and installation of piping systems, beginning with our first piping systems project for a hypermarket in Johor. Since then, we have successfully completed supply and installation projects for various types of properties, including among others, industrial properties, data centres, residential properties, commercial properties, and others (including water supply and sewer infrastructure, institutional, healthcare and infrastructure such as power plants and mass transit facilities) across Peninsular Malaysia.

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

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

6.9.2 Marketing strategies and activities

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

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

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

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

6.9.3 Marketing and business development team

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

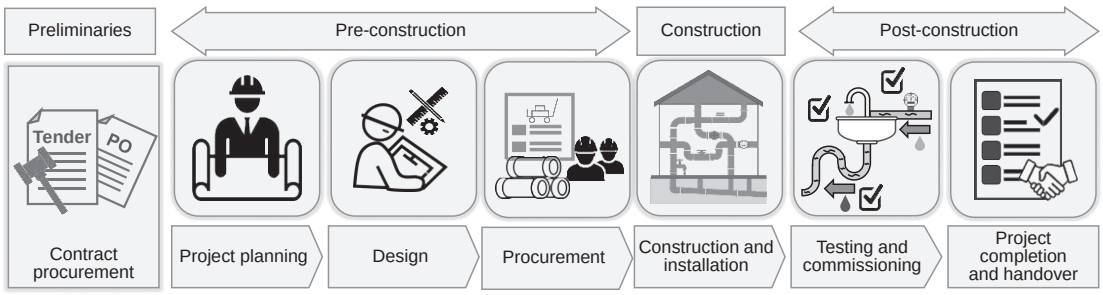
6.10 PRODUCTION CAPACITY, OUTPUT AND UTILISATION

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

6.11 BUSINESS PROCESS FLOW

6.11.1 Supply and installation of piping systems

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



(i) Contract procurement

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

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

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

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

(ii) Pre-construction

Project planning

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

Design

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

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

Procurement

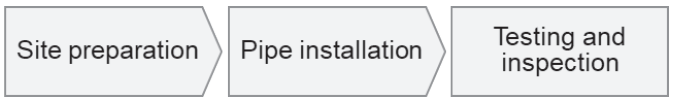
Our procurement activities mainly involve the sourcing of materials, equipment, labour, and accessories necessary for the project execution. These include, among others, pipes, fittings, equipment, water tanks, valves, pumps, and building materials as specified in the bill of quantity. All procured materials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

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

(iii) Construction and installation

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

Underground piping



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

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

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

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

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

Above-ground / internal piping



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

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

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

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

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

(iv) Post-construction and installation

Testing and commissioning

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

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

- Functionality test: This includes flushing and fixture operation tests to verify that all fixtures and fittings are functioning as intended.

- Pressure test: A hydrostatic test is conducted on the main distribution pipes to check the system's ability to withstand pressure without leaks or pressure drops.

- Leak test: Performed on pipes and joints to ensure there are no leaks in the system.

- Sectional flow test: This test verifies the proper flow of water and drainage through different sections of the system.

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

- Dye penetrant testing: Dye is applied to the surface of the pipe, which penetrates surface cracks and is revealed under ultraviolet light.

- Radiography testing: X-rays are used to create images of the internal structure of the pipe to reveal defects such as cracks and voids.

- Video inspection of sewer pipes: A fibreoptic closed circuit television (CCTV) system is used to inspect the interior of sewer pipes.

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

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

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

Project completion and handover

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

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

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

6.12 TYPES AND SOURCES OF INPUT MATERIALS AND SERVICES

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

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

Notes:

(1) Equipment includes specialised fixtures such as eyewash stations and heat pumps.

(2) In some cases, the costs include installation. For example, some suppliers of specialised storage tanks include the cost of installation as part of the total cost of the equipment

(3) Other services include civil and structural works, installation of electrical and process control systems, installation of specialised storage tanks for data centres, as well as specialised works such as pipe jacking, hot tapping, dye penetrant testing, and radiographic testing. These services are outsourced to subcontractors.

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

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

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

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

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

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

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

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

Note:

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

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

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

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

6.13 MAJOR CUSTOMERS

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

FPE 2025

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

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

FYE 2024

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

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

FYE 2023

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

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

FYE 2022

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

Notes:

*The business relationship commenced in the respective financial year or financial period.*

(1) *Length of relationship as at the respective financial year or financial period.*

(2) *Seremban Engineering Berhad is listed on the Main Market of Bursa Securities.*

(3) *The other data centre project for Syarikat Pembenaan Yeoh Tiong Lay Sdn Bhd in FYE 2024 was the supply, delivery, installation, testing and commissioning of end-user premises piping systems for another data centre in Johor. This project is not included as a completed project in Section 6.6.1 (g) as its total value was less than RM2.00 million.*

(4) *The main project for Customer F in FYE 2022 was the supply, installation, testing and commissioning of end-user premises piping systems for a factory in Negeri Sembilan. This project was not included as a completed project in Section 6.6.1 (g) as the total value was less than RM2.00 million.*

(5) *The three (3) main projects for Transgreen Construction Sdn Bhd in FYE 2022 were the supply, installation, testing and commissioning of end-user premises piping systems for a food products factory in Johor, a concrete products factory in Johor, and property show units in Johor. These projects were not included as completed projects in Section 6.6.1 (g) as the total value of each project was less than RM2.00 million.*

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

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

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

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

6.14 MAJOR SUPPLIERS

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

FPE 2025

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

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

FYE 2024

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

FYE 2023

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

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

FYE 2022

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

Notes:

(1) Percentage of total costs of input materials and services.

(2) Length of relationship as at the respective financial year.

(3) A sole proprietorship.

(4) Supplier A is a private company incorporated in Malaysia whose principal activities include manufacturing and distributing plastic pipes, fittings, and sanitary wares. Supplier A is a subsidiary of a company listed on the Mainboard of the Singapore Exchange in Singapore. The name is not disclosed as consent was not provided.

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

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

6.15 RESEARCH AND DEVELOPMENT

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

6.16 TECHNOLOGY USED

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

6.17 SEASONALITY

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

6.18 MATERIAL INTERRUPTIONS TO OUR BUSINESS

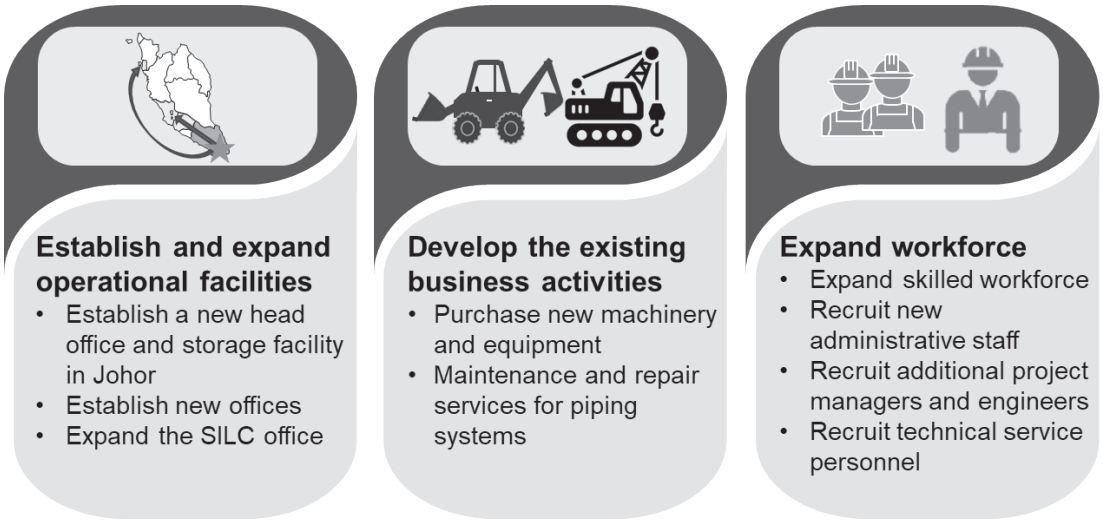
We did not experience any material interruptions to our business operations during the past 12 months up to the LPD.

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

6.19 BUSINESS STRATEGIES AND PLANS

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



6.19.1 Establish and expand operational facilities

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

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

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

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

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

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

Indicative timeline	Milestones for establishing the New Head Office and Storage Facility
Q1 2026	• Commence the submission of applications for planning approval to the relevant authorities.
Q4 2026	• Obtain building plan approvals from the authorities. • Engage a main contractor to construct the New Head Office and Storage Facility. • Commence construction works on the new facility.
Q2 2028	• Complete construction works on the New Head Office and Storage Facility.
Q3 2028	• Obtain the relevant approvals, licences and/or certifications. • Commence operations at the New Head Office and Storage Facility.

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

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

Notes:

(1) Estimated cost based on preliminary quotations.

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

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

(b) Establish new offices to expand geographically

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

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

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

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

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

We plan to finance the cost of the geographical expansion solely through our IPO proceeds. The estimated cost of the geographical expansion is RM0.35 million as follows:

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

Notes:

(1) The estimated cost of setting up the office includes the purchase of computer equipment and office furniture.

(2) Comprising rental of premises with built-up area of approximately 1,200 sq. ft. to 2,000 sq. ft. for 24 months.

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

(c) Expand SILC Office

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

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

Indicative timeline	Milestones for expanding our SILC Office
Q2 2026	• Submit applications to the relevant authorities for approval.
Q1 2027	• Obtain approvals from the relevant authorities. • Engage contractor and commence renovation works.
Q4 2027	• Complete renovation works and submit applications to the relevant authorities for approval.
Q2 2028	• Begin operating at renovated 1st and 2nd floors.

The total cost of the conversion is estimated at RM0.75 million which will be financed solely through our IPO proceeds. The costs of conversion include renovation works and purchasing furniture and office equipment.

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

6.19.2 Develop the existing business activities

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

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

To implement this plan, we plan to acquire the following new machinery and equipment within 24 months of our Listing:

Purchases of machinery and equipment	Intended number of units to be purchased	Total estimated cost [(1)] RM'000
Vibro-hammer and sheet piles: Construction equipment used to install sheet pilling, which is mainly used to support supply and installation of water supply and sewer infrastructure piping projects.[(2)]	1	470
Backhoes: Construction equipment used to dig and excavate soil for trenching, earthworks, civil and structural works.	4	700
Crane lorry: Lorry with cargo bed as well as crane mounted on the chassis. This vehicle can transport cargo, as well as load and unload cargo without relying on external material handling equipment.	1	450
Passenger van: Vehicle to transport our employees to and from project sites.	1	170
Pickup trucks: Vehicle to transport our employees and material to and from project sites.	2	260
TOTAL		**2,050**

Notes:

(1) Based on preliminary quotations.

(2) We currently engage subcontractors to install sheet piling, which are required to temporarily shore-up some of the trenching works that we carry out for some projects. After we purchase our own vibro-hammer and sheet piles, we can carry out sheet piling works in-house and reduce our usage of subcontractors for this work.

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

Purchasing new machinery and equipment (together with hiring additional project implementation employees) will enable us to carry out larger and more complicated projects, and also implement more projects concurrently.

(b) Maintenance and repair services for piping systems

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

We plan to expand our maintenance and repair services for piping systems by establishing the Central Region Office and Northern Region Office (as described in Section 6.19.1 (b) of this Prospectus) and by hiring technical service personnel (as described in Section 6.19.3 (d) of this Prospectus).

Developing our maintenance and repair services for piping systems business will support after-sales services to the supply and installation of piping systems for end-user premises customers, including defect liability period-related repair services as well as subsequent maintenance and repair services. We can also expand our recurrent revenue streams through providing scheduled maintenance services to customers based on service contracts of 1 or more years.

6.19.3 Expand workforce

We plan to expand our workforce by hiring new employees as follows:

(a) Expand skilled workforce at head office level

We plan to expand our skilled workforce by hiring the following additional employees at head office level:

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

We plan to hire these additional employees within 24 months of our IPO. They will be based at our head office in Johor, although individual employees may be deployed to other locations as required to implement projects. Hiring these additional employees will enable us to implement more projects concurrently.

(b) Recruit new administrative staff at the new Central Region Office and Northern Region Office

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

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

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

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

We plan to hire 1 additional project manager and 6 additional project engineers who will be focused on implementing supply and installation of water supply and sewer infrastructure piping projects. They can also work on supply and installation of piping systems for end-user premises projects when required. We plan to hire these new employees within 24 months of our IPO. Hiring these additional employees will enable us to implement more projects concurrently.

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

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

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

The estimated cost of hiring these additional employees is RM1.85 million which we plan to finance solely through our IPO proceeds, as follows:

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

Note:

(1) The estimated costs of hiring the additional employees are based on the salaries and benefits of the respective employees for 24 months.

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

6.20 EMPLOYEES

The following sets out the number of our employees according to the business function or department as at 31 December 2022, 31 December 2023, 31 December 2024, 31 July 2025 and the LPD:

	FYE 2022					FYE 2023				
	Contractual worker		Permanent employee		Total	Contractual worker		Permanent employee		Total
Department	Local	Foreign	Local	Foreign		Local	Foreign	Local	Foreign	
Management	-	-	9	-	9	-	-	8	-	8
Administration, finance and human resources	-	-	12	-	12	-	-	9	-	9
Marketing and business development	-	-	2	-	2	-	-	3	-	3
Procurement	-	-	1	-	1	-	-	2	-	2
Engineering	-	-	22	-	22	-	-	35	-	35
Construction and maintenance workers	-	20	-	-	20	-	97	-	-	97
Total workforce	**-**	**20**	**46**	**-**	**66**	**-**	**97**	**57**	**-**	**154**

	FYE 2024					FPE 2025				
	Contractual worker		Permanent employee		Total	Contractual worker		Permanent employee		Total
Department	Local	Foreign	Local	Foreign		Local	Foreign	Local	Foreign	
Management	-	-	8	-	8	-	-	14	-	14
Administration, finance and human resources	-	-	9	-	9	-	-	10	-	10
Marketing and business development	-	-	3	-	3	-	-	4	-	4
Procurement	-	-	3	-	3	-	-	3	-	3
Engineering	-	-	47	-	47	-	-	41	-	41
Construction and maintenance workers	-	149	-	-	149	-	201	-	-	201
Total workforce	**-**	**149**	**70**	**-**	**219**	**-**	**201**	**72**	**-**	**273**

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

Department	As at the LPD				
	Contractual worker		Permanent employee		Total
	Local	Foreign	Local	Foreign	
Management	-	-	14	-	14
Administration, finance and human resources	-	-	13	-	13
Marketing and business development	-	-	4	-	4
Procurement	-	-	4	-	4
Engineering [(1)]	-	-	56	-	56
Construction and maintenance workers	-	[(2)] 194	-	-	194
Total workforce	**-**	**194**	**91**	-	**285**

Notes:

(1) The Engineering Department provides technical and engineering support across our Group's projects. Its responsibilities include reviewing project specifications and drawings, preparing and updating construction methodologies and technical plans, and providing technical support during project execution to ensure works are carried out in accordance with approved designs and specifications. Engineers are assigned based on the size, complexity and timing of each project to support effective project execution.

(2) In addition to these 194 foreign workers, there are one (1) remaining foreign workers, whose approval from the Department of Labour Peninsular Malaysia had been obtained but still pending the approval from the Ministry of Home Affairs of Malaysia. The relevant application has been submitted, with the approval expected to be obtained by February 2026.

As at the LPD, local employees accounted for approximately 31.93% of our total workforce while 68.07% were foreign workers (before accounting for the additional foreign workers as mentioned in Note (2) above). As at the LPD, all our foreign workers have valid working permits issued, which are renewable on an annual basis. The foreign workers were initially employed under a two (2)-year contractual term, with subsequent renewals typically on a yearly basis.

During the Financial Years and Period Under Review and as at the LPD, there has been no breach of any immigration laws by our Group, and our Group has not encountered any major difficulties in the renewal process of the working permits. Additionally, our Group has not experienced any employees shortages.

None of our employees belong to any labour union. In the Financial Years and Period Under Review up to the LPD, there were no industrial disputes pertaining to our employees.

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

6.21 MAJOR APPROVALS, LICENCES AND PERMITS OBTAINED

The Group has not encountered any issues in the renewal of its licences in the past. Details of major approvals, licences and permits obtained by our Group for our operations in Malaysia as at the LPD are as follows:

<table>
<tr><th>No.</th><th>Company</th><th>Description of approval / licence / permit</th><th>Issuing authority</th><th>Licence/ Reference No.</th><th>Commencement Date / Expiry date</th><th>Material conditions imposed</th><th>Status of compliance</th></tr>
<tr><td>1.</td><td>YPSB</td><td>Contractor registration certificate issued to YPSB by CIDB as contractor in respect of:-
<table><tr><th>Grade (1)</th><th>Category (1)</th><th>Specialisation (1)</th></tr><tr><td>Grade 7</td><td>B</td><td>B04, B10, B24, B25, B26 & B27</td></tr><tr><td>Grade 7</td><td>CE</td><td>CE01, CE19, CE20, CE21, CE38 & CE 39</td></tr><tr><td>Grade 7</td><td>ME</td><td>ME15, ME18, ME19, ME20 & ME22</td></tr></table>("Contractor Registration Certificate")</td><td>CIDB</td><td>0120150119 – JH160987</td><td>6 December 2024 / 15 January 2028</td><td><u>General conditions</u>:
(a) This certificate is non-transferable;
(b) CIDB reserves the right to review the registration grade of the registered contractor from time to time;
<u>Responsibility and obligations of the contractor</u>:
(a) YPSB shall comply with the provisions of the CIDB Act, the regulations made thereunder, and any term, condition or restriction imposed by CIDB from time to time;
(b) YPSB shall not participate in any tender or execute any construction works after the expiration of this certificate unless it is renewed;
(c) YPSB shall not undertake any construction projects which exceeds the value of construction works specified under the registration grade and shall not execute any type of construction work outside of its registered category(ies);
(d) YPSB shall submit information regarding any new construction works or contract(s) within 14 days of the award or prior to commencement of works, whichever the earlier;</td><td>Complied and noted.</td></tr>
</table>

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

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
						(e) YPSB shall submit any information required by CIDB from time to time; (f) YPSB shall display the certificate of registration issued by CIDB or a certified true copy of the same by CIDB at the place of business; (g) YPSB shall display its registration number on the signboard at each construction site; (h) YPSB shall apply for a renewal of registration within 60 days before the expiry date specified in this certificate; (i) YPSB shall comply with all requirements in the Contractor's Code of Ethics; (j) YPSB shall employ skilled construction workers and site supervisors who are accredited and certified by CIDB; and (k) All employees at the site must have a valid construction personnel identification.	

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

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
2.	YPSB	Government procurement certificate issued to YPSB by CIDB as contractor in respect of: Grade [1] / Category [1] Grade 7 / B Grade 7 / CE Grade 7 / ME	CIDB	0120150119 – JH160987	11 December 2024 / 15 January 2028	General conditions: (a) This certificate is issued based on the information provided by YPSB; (b) This certificate cannot be used as an authorisation to carry out construction works. This certificate may only be used for participation in government procurement of works or procurement by government-related agencies. (c) This certificate shall be automatically rendered void if the Contractor Registration Certificate has expired or is cancelled/suspended pursuant to Regulation 15 of the Contractor Registration Regulations (Construction Industry) 1995. (d) This certificate must be submitted together with the Contractor Registration Certificate when participating in government tenders or tenders by government-related agencies only. (e) This certificate must be renewed together with the Contractor Registration Certificate issued by CIDB. Responsibility and obligations of YPSB: (a) YPSB is not allowed to lend, lease, transfer, permit, or cause any action that allows this certificate to be used by any person not named in it for the purpose of obtaining Government procurement.	Complied and noted.

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

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
						(b) YPSB shall not participate in any tender or execute any construction works after the expiration of this certificate unless it is renewed; (c) Only YPSB's officers named in the certificate are authorised to sign company contract documents, collect tender documents, and attend site visits for ballot works, quotations, and tenders. The company may not delegate other officers for these matters. (d) YPSB must ensure that all conditions set for obtaining this certificate are complied with throughout the validity period of this certificate. (e) Any changes in information must be notified to CIDB within 30 days from the date the changes occur. (f) YPSB must comply with all directives and rulings issued by the Government through Treasury Instructions, CIDB circular letters issued from time to time.	

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

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
3.	YPSB	Certificate of Registration (2) – Provision of supply and service under the following codes: **Code** / **Description** 020101 – Furniture, office equipment, domestic decoration/furniture, equipment and accessories/furniture, laboratory furniture and equipment based on wood/rattan/fabric/metal/ plastic 130301 – Engineering equipment and production machines / sewage system / sewage system equipment and accessories 220502 – Service / maintenance / repair of engineering and communication / containers / tanks 220507 – Service/ maintenance/ repair of engineering and communication / pump / water pipes and components 221001 – Service / cleaning service and treatment / Building cleaning and treatment 221002 – Services / cleaning services and treatment / cleaning the area 221003 – Services / cleaning and treatment services / garbage collection	MOF	K10123158353 496296	13 April 2023 / 22 June 2026	(a) This approval is issued based on the information provided by the company. (b) Any change to the details of the company shall be updated online at www.eperolehan.gov.my within 21 days from the effective date of change. (c) YPSB shall submit any information required by MOF within the prescribed period. (d) YPSB must ensure that the registered sector in the certificate shall not overlap with the sectors approved for other companies which has the same shareholders, members of board of directors, management and staff or companies that are operating from the same premise. (e) MOF shall have the right to conduct an inspection or audit at any time without prior notification to the company. Failure to comply with the conditions of registration and/or sector code may result in the registration of the company being suspended/ cancelled and the company, its shareholders and directors may be subject to disciplinary proceedings or blacklisted without any notice being given if it is determined that the information provided is false.	Complied and noted.

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

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
		<table><tr><th>Code</th><th>Description</th></tr><tr><td>221010</td><td>Services / cleaning and treatment services / sewage ponds / maintenance systems / pipelines / mains</td></tr><tr><td>221901</td><td>Services / scrap goods / buy scrap goods (no permit required)</td></tr><tr><td>222303</td><td>Services / domestic services / supplying water</td></tr></table>				(f) A company that is newly registered is not allowed to make any changes to its shareholders or directors within a period of 6 months from the date of registration. (g) Failure of YPSB to renew its registration after 1 year from the expiry of this registration may result in the company's registration with the MOF being cancelled and automatically removed from the ePerolehan System. In such circumstances, the company is required to make a new application.	
4.	YPSB	IPA Type B (Sewerage) (3) for carrying out works in Johor	SPAN	SPAN/B(P)/JH/2024/004315	20 October 2024 / 19 October 2027	General conditions (4)	Complied and noted.
5.	YPSB	IPA Type B (Sewerage) (3) for carrying out works in Wilayah Persekutuan Kuala Lumpur	SPAN	SPAN/B(P)/WPKL/2025/001973	9 June 2025 / 8 June 2026	General conditions (4)	Complied and noted.
6.	YPSB	IPA Type B (Sewerage) (3) for carrying out works in Melaka	SPAN	SPAN/B(P)/MLK/2025/001976	9 June 2025 / 8 June 2026	General conditions (4)	Complied and noted.
7.	YPSB	IPA Type B (Sewerage) (3) for carrying out works in Negeri Sembilan	SPAN	SPAN/B(P)/NS/2025/001975	9 June 2025 / 8 June 2026	General conditions (4)	Complied and noted.
8.	YPSB	IPA Type B (Sewerage) (3) for carrying out works in Pulau Pinang	SPAN	SPAN/B(P)/PP/2025/001972	9 June 2025 / 8 June 2026	General conditions (4)	Complied and noted.
9.	YPSB	IPA Type B (Sewerage) (3) for carrying out works in Selangor	SPAN	SPAN/B(P)/SEL/2025/001974	9 June 2025 / 8 June 2026	General conditions (4)	Complied and noted.

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

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
10.	YPSB	IPA Type C1 (Water Supply) [3] for carrying out works in Semenanjung Malaysia, Wilayah Persekutuan Putrajaya and Labuan	SPAN	SPAN/C1(A)/2025/002849	23 July 2025 / 22 July 2026	General conditions [4] Special conditions [5]: (a) YPSB shall have employees who hold Type A IPA permit or utilise plumber who hold Type A IPA Permit (b) YPSB must have at least one individual, either a company director, business owner, technical manager, who possess a Certificate of Permit C (Pipes & Reticulation) Refresher Course for the Water Supply System or a Certificate of Water Reticulation Pipe Installation Level 2 (PWR2) issued by CIDB (c) YPSB must have engineer registered with the Board of Engineers Malaysia ("**BEM**"). If they do not have registered engineers, YPSB may appoint consulting engineer who are registered with BEM.	Complied and noted.
11.	YPSB	IPA Type C1 (Sewerage) [3] for carrying out works in Semenanjung Malaysia, Wilayah Persekutuan Putrajaya and Labuan	SPAN	SPAN/C1(P)/2025/003871	3 November 2025 / 2 November 2026	General conditions [4] Special conditions [5]: (a) YPSB must have engineer registered with the BEM. If they do not have registered engineer, YPSB may appoint consulting engineers who are registered with BEM	Complied and noted.

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

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
12.	YPSB	IPA Type C2 (Water Supply) [3] for carrying out works in Semenanjung Malaysia, Wilayah Persekutuan Putrajaya and Labuan	SPAN	SPAN/C2(A)/2025/001938	5 April 2025 / 4 April 2026	General conditions [4] <u>Special conditions [5]:</u> (a) YPSB shall have employees who hold Type A IPA permit or utilise plumber who hold Type A IPA Permit (b) YPSB must have at least one individual, either a company director, business owner, technical manager, who possess a Certificate of Permit C (Pipes & Reticulation) Refresher Course for the Water Supply System or a Certificate of Water Reticulation Pipe Installation Level 2 (PWR2) issued by CIDB (c) YPSB must have engineer registered with the BEM. If they do not have registered engineers, YPSB may appoint consulting engineers who are registered with BEM.	Complied and noted.
13.	YPSB	IPA Type C2 (Sewerage) [3] for carrying out works in Semenanjung Malaysia, Wilayah Persekutuan Putrajaya and Labuan	SPAN	SPAN/EKS/(PT)/800-2C/1/15/772	6 January 2023 / 5 January 2026 [6]	General conditions [4] <u>Special conditions [5]:</u> (a) YPSB must have engineers registered with the BEM. If they do not have registered engineers, the applicants may appoint consulting engineers who are registered with BEM (b) YPSB to ensure that they always have a valid CIDB certificate and must submit a copy of the renewed CIDB certificate to SPAN upon the expiry of the current certificate.	Complied and noted.

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

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
14.	YPSB	IPA Type C3 (Water Supply) [3] for carrying out works in Semenanjung Malaysia, Wilayah Persekutuan Putrajaya and Labuan	SPAN	SPAN/C3(A)/2024/004919	11 November 2024 / 10 November 2027	General conditions [4] Special conditions [5]: (a) YPSB shall have employees who hold Type A IPA permit or utilise plumber who hold Type A IPA Permit (b) YPSB must have at least one individual, either a company director, business owner, technical manager, who possess a Certificate of Permit C (Pipes & Reticulation) Refresher Course for the Water Supply System or a Certificate of Water Reticulation Pipe Installation Level 2 (PWR2) issued by CIDB	Complied and noted.
15.	YPSB	IPA Type C3 (Sewerage) [3] for carrying out works in Semenanjung Malaysia, Wilayah Persekutuan Putrajaya and Labuan	SPAN	SPAN/C3(P)/2024/004920	11 November 2024 / 10 November 2027	General conditions [4]	Complied and noted.
16.	YPSB	IPA Type C4 (Water Supply) [3] for carrying out works in Semenanjung Malaysia, Wilayah Persekutuan Putrajaya and Labuan	SPAN	SPAN/C4(A)/2025/002509	29 July 2025 / 28 July 2028	General conditions [4] Special conditions [5]: (a) YPSB shall have employees who hold Type A IPA permit or utilise plumber who hold Type A IPA Permit (b) YPSB must have at least one individual, either a company director, business owner, technical manager, who possess a Certificate of Permit C (Pipes & Reticulation) Refresher Course for the Water Supply System or a Certificate of Water Reticulation Pipe Installation Level 2 (PWR2) issued by CIDB	Complied and noted.

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

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
17.	YPSB	IPA Type C4 (Sewerage) (3) for carrying out works in Semenanjung Malaysia, Wilayah Persekutuan Putrajaya and Labuan	SPAN	SPAN/C4(P)/2024/004354	9 October 2024 / 8 October 2027	General conditions (4)	Complied and noted.
18.	YPSB	IPA Type D (Water Supply) (3) for carrying out works in Johor	SPAN	SPAN/EKS/(PT)/800-2D/1/15/772	13 May 2023 / 12 May 2026	General conditions (4)	Complied and noted.
19.	YPSB	IPA Type D (Sewerage) (3) for carrying out works in Johor	SPAN	SPAN/D(P)/JH/2024/004316	20 October 2024 / 19 October 2027	General conditions (4)	Complied and noted.
20.	YPSB	Business premise and advertisement license (management office) for Property 762	Pontian Municipal Council ("**MPP**")	LLI13226	1 January 2025 / 31 December 2025 (7)	Nil	-
21.	YPSB	Business premise and advertisement license (management office) for Property 763	MPP	LLI10440	1 January 2025 / 31 December 2025 (7)	Nil	-
22.	YPSB	Business premise and advertisement license (management office) for Property 764	MPP	LLI12548	1 January 2025 / 31 December 2025 (7)	Nil	-
23.	YPSB	Business premise and advertisement license (storage area) for Property 768	MPP	LLI12558	1 January 2025 / 31 December 2025 (7)	Nil	-
24.	YPSB	Business premise and advertisement license (management office) for SILC Office	Iskandar Puteri City Council	L09091907409	1 January 2025 / 31 December 2025 (7)	Nil	-

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

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
25.	YPSB	Certificate of accommodation pursuant to Section 24D(2) Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 at 1st Floor of SILC Office	Department of Labour Peninsular Malaysia, Ministry of Human Resources ("**JTKSM**")	AC/10100/2024/1102	21 August 2024 / 21 August 2027	(a) There shall be no more than 20 persons staying in the accommodation. (b) YPSB shall comply with the provisions of Employees' Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralized Accommodation) Regulations 2020. (c) There is no deduction from wages for rent or charges for accommodation for employees staying at the said accommodation. (d) YPSB must report the closure of this accommodation facility to the relevant authorities. (e) This certificate must be displayed on an appropriate and easily visible exterior wall of the accommodation premises.	Complied and noted.
26.	YPSB	Certificate of accommodation pursuant to Section 24D(2) Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 at 2nd Floor of SILC Office	JTKSM	AC/10100/2024/1392	7 November 2024 / 7 November 2027	(a) There shall be no more than 19 persons staying in the accommodation. (b) YPSB shall comply with the provisions of Employees' Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralized Accommodation) Regulations 2020. (c) There is no deduction from wages for rent or charges for accommodation for employees staying at the said accommodation.	Complied and noted.

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

No.	Company	Description of approval / licence / permit	Issuing authority	Licence/ Reference No.	Commencement Date / Expiry date	Material conditions imposed	Status of compliance
						(d) YPSB must report the closure of this accommodation facility to the relevant authorities. (e) This certificate must be displayed on an appropriate and easily visible exterior wall of the accommodation premises.	

Notes:

(1) The information on the grade, category and specifications are as follows:-

Grade	***Specifications***
G7	*No limit in respect to tendering capacity*

Category	***Descriptions***
B	*Building*
CE	*Civil Engineering*
ME	*Mechanical & Electrical Engineering*

Code	***Specifications***
B04	*Building construction work (Kerja – kerja pembinaan bangunan)*
B10	*Internal water pipe system (Sistem paip air dalaman)*
B24	*Buildiing maintenance work (Kerja penyenggaraan bangunan)*
B25	*Private pipe connection to sewerage (Penyambungan paip persendirian ke pembetung (sewerage))*
B26	*Demolition work (Kerja meroboh)*
B27	*Maintenance & repair work of water supply/sewerage system (Kerja penyenggaraan & pembaikan sistem bekalan air/ pembetungan)*
CE01	*Road and pavement construction (Pembinaan jalan dan pavmen)*
CE19	*Sewerage system (Sistem pembetungan)*
CE20	*Water supply system (Sistem bekalan air)*
CE21	*Civil engineering construction (Pembinaan kejuruteraan awam)*

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

Code	*Specifications*
CE38	*Sewerage system maintenance (Penyenggaraan sistem pembetungan)*
CE39	*Water supply system maintenance (Penyenggaraan sistem bekalan air)*
ME15	*Various mechanical equipment (Kelengkapan mekanikal pelbagai)*
ME18	*Hot water system (Sistem air panas)*
ME19	*Installation of plant equipment (Pemasangan kelengkapan loji)*
ME20	*General mechanical maintenance (Penyelengaraan am mekanikal)*
ME22	*Pump system (Sistem pam)*

(2) The material eligibility criteria and/or requirements required for the registration with the MOF are as specified on the website of MOF, which includes but not limited to the following:

(a) being registered with the Companies Commission of Malaysia;

(b) have valid operational facilities for its business operation;

(c) have a paid-up/accumulated/equity capital of at least RM2,500 except for special field codes and consulting firms of at least RM50,000;

(d) all equity/shareholders of consulting firms must have at least five (5) years of working experience after obtaining a first degree in the field he applied for; and

(e) have an active account in the company's name.

(3) The information on type of IPA licences are as follows:

Category	*Specifications*
IPA Type B	*Construction, connection, modification or repair of individual sewerage piping or a common internal sewerage piping from an inspection chamber to a sewer.*
IPA Type C1	*Construction of, installation of or modification to any part of a water supply system or sewerage system where the tendering or undertaking of the project or work exceeds RM10,000,000.*
IPA Type C2	*Construction of, installation of or modification to any part of a water supply system or sewerage system where the tendering or undertaking of the project or work exceeds RM3,000,000 but does not exceed RM10,000,000.*
IPA Type C3	*Construction of, installation of or modification to any part of a water supply system or sewerage system where the tendering or undertaking of the project or work exceeds RM200,000 but does not exceed RM3,000,000.*

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

Category	*Specifications*
IPA Type C4	*Construction of, installation of or modification to any part of a water supply system or sewerage system where the tendering or undertaking of the project or work does not exceed RM200,000.*
IPA Type D	*Carry out maintenance services for a water supply system or sewerage system but which does not involve the operation of such system*

(4) The general conditions are as follows:

(a) YPSB shall only carry out the works in the state or any states specified in the permit;

(b) YPSB shall inform SPAN of any change in particulars of the permit holder;

(c) YPSB shall provide information in a prescribed format and time, as may be required by SPAN;

(d) the employees of YPSB shall be allowed to carry out the works, authorised under the permit provided the permit holder shall at all times be responsible for all acts or omission of its employees;

(e) YPSB shall at all times, maintain its certificate of registration needed for a registered contractor with CIDB, if required;

(f) YPSB shall fulfil and maintain the requirements to hold the permit according to the requirements determined by SPAN from time to time;

(g) YPSB shall at all times deal with consumers fairly and reasonably and where applicable, comply with the consumer standard;

(h) YPSB shall at all times safeguard the safety of the public and its employees and shall at all times comply with the relevant occupational, health, and safety procedures and regulations imposed by the relevant authority;

(i) YPSB shall comply with other written laws relating to environment;

(j) YPSB shall observe and comply with the conditions of the permit and the provisions of the Water Services Industry Act 2006 and any subsidiary legislation made or other instruments issued under the Water Services Industry Act 2006; and

(k) YPSB shall comply with such other conditions as may be imposed by SPAN from time to time.

(5) Ai Boon Chen, our Managing Director, is a registered engineer with the Board of Engineers Malaysia (BEM). Both Ai Boon Chen and Ai Sew Fuat, our Managing Director and Executive Director, respectively, hold a Type A IPA permit. In addition, our Project Director, Jenylex Kumil, has completed the Permit C (Pipes & Reticulation) Refresher Course for the Water Supply System.

(6) The permit has been renewed, with the validity period from 6 January 2026 to 5 January 2027.

(7) The licences have been renewed, with the validity period from 1 January 2026 to 31 December 2026.

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

6.22 INTELLECTUAL PROPERTY RIGHTS, PATENTS, TRADEMARKS AND REGISTRATIONS

Save as disclosed below, as at the LPD our Group does not have any patents, trademarks, registrations and other intellectual property rights:

Locally Registered Trademarks

No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description	Status
1.		YPSB	TM2024030841	Intellectual Property Corporation of Malaysia ("**MyIPO**")	4 October 2024 / 4 October 2034	37	Plumbing; Maintenance of plumbing; Plumbing services; Plumbing maintenance advisory services; Installation of plumbing; Installation of plumbing systems; Repair of plumbing; Heating system installation, repair and maintenance services; Building maintenance and repairs; General building contractor services; Civil engineering construction; Construction; Construction, maintenance and renovation of buildings; Construction, maintenance, cleaning and repair services; Construction and maintenance of pipelines; Construction of sewerage systems; Installation and maintenance services; Installation and maintenance of sanitary apparatus; Repair and maintenance of sanitary installations; Installation, maintenance and repair of sewerage systems; Maintenance of septic systems; Advisory services relating to the installation of plumbing; Advisory services relating to the maintenance of plumbing; Advisory services relating to the repair of plumbing.	Registered

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

No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description	Status
2.		YPSB	TM2024030842	MyIPO	4 October 2024 / 4 October 2034	40	Sewage treatment; Services for the treatment of sewage.	Registered
3.		YPSB	TM2025013268	MyIPO	25 April 2025 / 25 April 2035	39	Water supply; Distribution and supply of water; Provision of information relating to water supplying services.	Registered
4.		YPSB	TM2025014827	MyIPO	8 May 2025 / 8 May 2035	40	Sewage treatment; Services for the treatment of sewage.	Registered
5.		YPSB	TM2025014826	MyIPO	8 May 2025 / 8 May 2035	39	Water supply; Distribution and supply of water; Provision of information relating to water supplying services.	Registered

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

No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description	Status
6.		YPSB	TM2025014825	MyIPO	8 May 2025 / 8 May 2035	37	Plumbing; Maintenance of plumbing; Plumbing services; Plumbing maintenance advisory services; Installation of plumbing; Installation of plumbing systems; Repair of plumbing; Heating system installation, repair and maintenance services; Building maintenance and repairs; General building contractor services; Civil engineering construction; Construction; Construction, maintenance and renovation of buildings; Construction, maintenance, cleaning and repair services; Construction and maintenance of pipelines; Construction of sewerage systems; Installation and maintenance services; Installation and maintenance of sanitary apparatus; Repair and maintenance of sanitary installations; Installation, maintenance and repair of sewerage systems; Maintenance of septic systems; Advisory services relating to the installation of plumbing; Advisory services relating to the maintenance of plumbing; Advisory services relating to the repair of plumbing.	Registered

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

No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description	Status
7.		YPSB	TM2025014824	MyIPO	8 May 2025 / 8 May 2035	36	Financial affairs; Financial investment; Fund management; Financing and funding services; Investment services; Capital investment; Capital investment fund management; Administration of capital investment; Debt investment services; Investment management; Investment portfolio management; Investment of funds; Mutual fund investment; Administration of funds and investments; Financial administration of investment funds; Trading of financial instruments, securities, shares, options and other derivative products; Financial planning and management; Asset and portfolio management; Asset management; Capital management; Financial management; Financial management of holding companies; Financial management and investment services relating to securities and equities; Private equity financing; Equity financing; Financial management of shares; Financial management of shares in other companies; Financing of property development; Property investment; Management of property investments; Property portfolio management; Financial administration of property portfolios; Property management; Real estate investment; Capital investment in real estate; Financial management of real estate; Financial management of real estate projects; Real estate management; Real estate affairs;	Registered

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

No.	Trademark	Registered Owner / Applicant	Trademark No.	Issuing Authority	Validity Period	Class	Description	Status
							Providing real estate information; Real estate appraisal; Real estate trustee services; Providing funding for commercial entities; Providing funding for business acquisitions and mergers; Administration of financial affairs; Financial evaluation [insurance, banking, real estate]; Investment advice; Investment analysis; Investment risk assessment services; Investment trust services; Investment trust management; Trustee services; Financial trust administration; Trusteeship of money, securities, personal property and land; Advisory services relating to financial investment management; Information, advisory, consultancy and research services relating to finance and investments	

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

Local Trademark Applications

No.	Trademark	Registered Owner / Applicant	Application No.	Issuing Authority	Application Date	Class	Description	Status
1.		YPSB	TM2025014823	MyIPO	8 May 2025	35	Business management; Business management of companies; Business management planning; Business management services; Business management supervision; Business project management; Business risk management; Business process management; Advisory services for business management; Business management assistance; Business management analysis; Advisory services relating to business acquisitions; Administration of businesses; Administration services relating to financial records; Commercial business management; Sales management; Stock management; Inventory management; Personnel management; Administrative services; Business administration; Office administration; Office functions; Business research; Public relations; Arranging and conducting trade shows; Organising and conducting trade fairs, events and exhibitions for commercial or advertising purposes; Marketing research; Marketing; Advertising; Advertising and marketing; Organization of exhibitions for commercial or advertising purposes; Distribution of advertising material [leaflets, prospectuses, printed material, samples]; Business inquiries; Business advice and information; Providing business information; Providing business information via a website.	Provisional Refusal (Objection) - Hearing (1)

Note:

(1) On 29 September 2025, YPSB received a notice from MyIPO stating that the trademark application was provisionally refused on the ground that the applied-for mark is similar to prior registered trademarks owned by a third party, which covers similar classes of goods and/or services.

The Group's trademark agent has submitted the necessary documents for the appeal on 22 October 2025. The trademark agent is of the view that the prospects of a successful appeal are above average. The estimated timeframe to receive a decision on the appeal is between 12 to 24 months from the date of appeal.

Notwithstanding the absence of a registered trademark, our Group may rely on common law protection, particularly the tort of passing off, to safeguard its goodwill and brand reputation in the event of any infringement or misuse.

6.23 MATERIAL DEPENDENCY ON COMMERCIAL CONTRACTS/AGREEMENTS/INTELLECTUAL PROPERTY RIGHTS/LICENCES OR PERMITS

Save for the major licences in Section 6.21, registered trademarks and intellectual property rights in Section 6.22, our Group's business or profitability is not materially dependent on any contracts, intellectual property rights, licences and permits as at the LPD. Our Group's registered trademarks are held as part of our corporate identity and branding and are used in our marketing materials, tender submissions and corporate communications. The trademarks contribute to our Group's market presence, which is relevant in supporting our business development and market positioning. Accordingly, the registered trademarks are material to our Group's corporate identity and branding.

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

6.24 PROPERTIES, PLANT AND EQUIPMENT

6.24.1 Properties owned

As at the LPD, our Group has the following material properties owned in Malaysia as set out below:

No.	Registered/ Beneficial owner	Property address/ Title details/ Tenure	Description/ Existing use/ Category of land use	Land area/ Built-up area (sq. ft.)	Date of CF/ CCC	Express condition/ Restriction in interest/ Encumbrances on property
1.	YPSB	Property address: 45, Jalan SILC 2/10, Kawasan Perindustrian SILC, 79200, Iskandar Puteri, Johor Title details: HS(D) 546453, PTD 7683, Mukim Jelutong, Tempat Presin SILC, Daerah Johor Bahru, Negeri Johor Tenure: Freehold	Description: A unit of three (3) storey shop office Existing use: Ground floor as branch office, first and second floor as workers' accommodation Category of land use: Building	Land area: 1,540.09 Built-up area: 4,620.27	22 July 2015	Express condition: - The land shall be used as three storey shop for business purpose or shop office. - All dirt and pollution resulting from this activity shall be channelled/disposed of to the places that determined by the relevant authority. - All policies and conditions that have set and enforced from time to time by the relevant authority shall be complied with. Restriction in interest Once the ownership of the land is transferred to a Bumiputera / Bumiputera company then it cannot be sold, leased or transferred in any way whatsoever to a person who is not a Bumiputera / not a Bumiputera company without the consent of the state authority. Encumbrances: The land is charged to Maybank Islamic Berhad.

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

No.	Registered/ Beneficial owner	Property address/ Title details/ Tenure	Description/ Existing use/ Category of land use	Land area/ Built-up area (sq. ft.)	Date of CF/ CCC	Express condition/ Restriction in interest/ Encumbrances on property
2.	YPSB	Title details: HS(M) 3225, PTD 13797, Mukim Rimba Terjun, Daerah Pontian, Negeri Johor Tenure: Freehold	Description: A piece of vacant land Existing use: Vacant Category of land use: Industry	Land area: 118,413.78 Built-up area: N/A	N/A	Express condition: - The land shall be used as medium industry area for medium industries (engineering, metal, iron, aluminium, plastic building materials, furniture and other related items) and other related uses, constructed according to the plan approved by the relevant local authority. - All dirt and pollution resulting from this activity shall be channeled/disposed of to the places that determined by the relevant authority. - All policies and conditions that have set and enforced from time to time by the relevant authority shall be complied with. Restriction in interest The land cannot be transferred in any way whatsoever, except for the infrastructure for public facilities in the factory has been built according to the plan approved by relevant local authority. Encumbrances: The land is currently charged to CIMB Islamic Bank Berhad.

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

As at the LPD, our Group is in the midst of acquiring the following material properties in Malaysia:

No.	Purchaser	Property address/ Title details/ Tenure	Description/ Existing use/ Category of land use	Land area/ Built-up area (sq. ft.)	Date of CF/ CCC	Express condition/ Restriction in interest/ Encumbrances on property
1.	YPSB	Property details: Parcel No. B-29-07, Storey No. 29, Building No. B, Land Parcel No. 947 with accessory parcel No. A381(1) Tenure: N/A(3)	Description: A unit of service apartment Existing use: N/A Category of land use: N/A(3)	Land area: N/A Built-up area: 532.28	N/A	Express condition: N/A(3) Restriction in interest: N/A(3) Encumbrances: N/A
2.	YPSB	Property details: Parcel No. B-29-08, Storey No. 29, Building No. B, Land Parcel No. 948 with accessory parcel No. A247(2) Tenure: N/A(3)	Description: A unit of service apartment Existing use: N/A Category of land use: N/A(3)	Land area: N/A Built-up area: 681.46	N/A	Express condition: N/A(3) Restriction in interest: N/A(3) Encumbrances: N/A

Notes:

(1) The property forms part of a housing development known as Residensi Ponderosa, to be erected on a freehold land held under the master title GRN 457227, Lot 181427, Mukim Plentong, District of Johor Bahru, State of Johor. The purchase consideration is RM480,000, payable by way of progressive payments based on construction milestones. The development is expected to be completed in 2029. The purchase consideration will be funded entirely through the Group's internally generated funds, and no proceeds raised from the Public Issue will be utilised for the acquisition of the said property. The property is intended for use as accommodation for our Group's employees in support of our future operational requirements due to its strategic location.

(2) The property forms part of a housing development known as Residensi Ponderosa, to be erected on a freehold land held under the master title GRN 457227, Lot 181427, Mukim Plentong, District of Johor Bahru, State of Johor. The purchase consideration is RM594,000, payable by way of progressive payments based on construction milestones. The development is expected to be completed in 2029. The purchase consideration will be funded entirely through the Group's internally generated funds, and no proceeds raised from the Public Issue will be utilised for the acquisition of the said property. The property is intended for use as accommodation for our Group's employees in support of our future operational requirements due to its strategic location.

(3) As the strata titles for these properties have not yet been issued, the tenure, category of land use, express conditions and restrictions in interest will only be confirmed upon the issuance of the strata titles, which will take place after the completion of the development.

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

6.24.2 Material properties rented by our Group for our business operations

As at the LPD, our Group has the following material properties rented in Malaysia for our business operations as set out below:

No.	Beneficial owner/ Landlord	Tenant	Property Address	Description / Existing Use	Built-up area (sq. ft.)	Tenure	Date of CF or CCC	Rental per annum (RM'000)
1.	Low Ah Hoi @ Loh Keng Chuang, Ho Reng Chan, Ho Feng Chan, Ho Siak Chan	YPSB	Property 762	Head office	1,710.39	1 April 2025 to 31 March 2026	20 October 1977	20
2.	Koh Chong Guan	YPSB	Property 763	Head office	3,420.78	1 May 2025 to 30 April 2028	20 October 1977	38
3.	Soo Mee Sing	YPSB	Property 764	Head office	1,710.39	15 November 2025 to 14 November 2028	20 October 1977	7
4.	Tan Ee Chin	YPSB	Property 768	Storage area	1,710.39	1 August 2025 to 31 July 2027	20 October 1977	7

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

6.25 GOVERNING LAWS AND REGULATIONS

A summary of the relevant laws and regulations governing the business of our Group are set out below:

6.25.1 Lembaga Pembangunan Industries Pembinaan Malaysia Act 1994 ("CIDB Act")

The CIDB Act regulates the establishment of the CIDB and provides for its function relating to the construction industry and for matters connected therewith.

Section 25(1) of the CIDB Act prescribes that no person shall carry out or complete, undertake to carry out or complete any construction work or hold himself out as a contractor, unless he is registered with the CIDB and holds a valid certificate of registration issued by the CIDB under the CIDB Act.

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

Pursuant to Regulation 8 of the Registration of Contractors (Construction Industry) Regulations 1995, every registered contractor shall be capable of carrying out construction works according to the grade of registration specified in the Certificate and such grade of registration determines the value of construction works which a registered contractor is capable of carrying out.

Further, pursuant to Section 33(1) of the CIDB Act, a person shall not be involved or engaged or undertake to be involved or engaged as a construction personnel unless he is registered with the CIDB and holds a valid certificate of registration issued by the CIDB, popularly known as "**CIDB Green Card**". Section 33(1) of the CIDB Act shall not apply to any construction personnel who has a professional qualification and is registered under any written law. Section 33(4) of CIDB Act stipulates that a person who contravenes Section 33(1) of CIDB Act shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM5,000.

As at the LPD, our Group is in compliance with the requirements of CIDB Act and further details of the registration with CIDB are set out in Section 6.21 of this Prospectus.

6.25.2 Water Services Industry Act 2006 ("WSIA 2006")

The WSIA 2006 establishes a regulatory framework for the water supply services and wastewater services industry in Malaysia, including the licensing and operation of water supply and sewerage services providers.

Pursuant to Section 50(1) of the WSIA 2006, no person shall carry out the following without a written permit issued by SPAN:

(i) carry out any construction, connection, modifications or repairs to water pipes and water fittings which convey or will convey water from the public mains;

(ii) carry out any works necessary to connect a private connection pipe to a sewer or sewage treatment works;

(iii) construct, install or modify any part of a water supply system or sewerage system;

(iv) carry out maintenance services for a water supply system or sewerage system but does not involve the operation of such systems; or

(v) undertake, provide or make available sewerage desludging services or any other sewerage services.

Section 50(2) of the WSIA 2006 further provides that any person who fails to comply with Section 50(1) WSIA 2016 commits an offence, and shall, on conviction be liable to a fine not exceeding RM300,000 or to imprisonment for a term not exceeding three years or to both.

As at the LPD, our Group has valid permits issued by SPAN with further details of the permits set out in Section 6.21 of this Prospectus.

6.25.3 Local Government Act 1976 ("LGA 1976")

Under the LGA 1976 and the by-laws of the respective local councils and authorities, our business operation premises are required to have business premise and advertising licences which include among others, business premise licences in relation to our shop offices and/or storage. We are also required to display the licences at the business premises, and produce the licences upon request.

Pursuant to the LGA 1976, any person who fails to exhibit or produce his licences on the premises shall be liable to a fine not exceeding RM500 or to imprisonment for a term not exceeding 6 months or both. A contravention of the LGA 1976 and the by-laws of the respective local council and authorities would result in an offence, which upon conviction, result in a fine not exceeding RM2,000 or imprisonment or a term not exceeding one year or both and to a further fine not exceeding RM200 for every day during which the offence is continued after conviction.

Our Group previously did not obtain business premise and advertisement licences for Property 764 (for the period from November 2013 to December 2023) and Property 768 (for the period from April 2017 to December 2023).

This non-compliance has since been rectified, with valid licences for both properties now in place from 1 January 2025 to 31 December 2025. No penalties or regulatory actions were imposed in relation to this matter. To prevent re-occurrence of this non-compliance, our Group has designated a responsible officer, namely Siti Hajar Binti Ismail, the Human Resources Manager, implemented a compliance monitoring list, and regularly consults external parties and authorities.

As at LPD, our Group has valid licenses issued by MPP and Iskandar Puteri City Council with further details of the licenses set out in Section 6.21 of this Prospectus.

6.25.4 National Land Code ("NLC"), Town and Country Planning Act 1976 ("TCPA 1976"), Street, Drainage and Building Act 1974 ("SDBA 1974"), Uniform Building By-Laws 1984 ("UBBL 1984") and Buildings Ordinance 1994 ("BO 1994")

In the course of our business operations, we are required to ensure that the properties rented by our Group or properties we may own for our business operations comply with the NLC, TCPA 1976, SDBA 1974, UBBL 1994 and the relevant by-laws issued pursuant thereto which regulate among others the occupation of buildings and uniformity of local government matters relating to street, drainage and buildings.

NLC

The NLC governs land matters within Peninsular Malaysia, where our head office is situated. Under the NLC, tenancies may be granted for terms not exceeding 3 years. There is no registration requirement for tenancies under the NLC but the interest of a tenant under a tenancy exempt from registration can be protected by way of an endorsement on the document title to the land.

TCPA 1976

The TCPA 1976 governs the proper control and regulation of town and country planning in Peninsular Malaysia and regulates among others modifications to planning permissions and building plan approvals issued by local authorities. Under the TCPA 1976, Section 18 prohibits a person to use or be permitted to use any land or building otherwise than in conformity with the local plan. Section 26 of the TCPA 1976 states that a person who, whether at his own instance or at the instance of another person uses or permits to be used any land or building in contravention of Section 18 commits an offence and is liable, on conviction to a fine not exceeding RM500,000 and/or to imprisonment for a term not exceeding 2 years, and be subject to additional daily fines which may extend to RM5,000 for each day during which the offence continues after the first conviction for the offence. Section 26 also further states that the owner of the land in respect of which any act that constitutes such offence is done shall be deemed to have permitted the doing of that act. Section 27(7) of the TCPA 1976 also grants a local authority the discretion to impose additional planning permission application fees as prescribed by the local authority on a person who carries out any development (including building on land, making of any material change in the use of land or building) without prior planning permission being obtained from the local authority.

SDBA 1974 and UBBL 1984

The SDBA 1974 provides uniformity of law and policy with regard to local government matters relating to street, drainage and buildings in Peninsular Malaysia. It provides for the requirement to have a CF or CCC to ensure that the building is safe and fit for occupation. The UBBL 1984 is a subsidiary legislation made under the SDBA 1974.

Pursuant to the SDBA 1974, prior written permission of the local authority is required among others for any partition, compartment, loft, roof, ceiling or other structures built in a building, any deviation from the any plans or specifications approved by the local authorities, or any alteration to a building otherwise than allowed by the local authority or by-laws made under the SDBA 1974. Failure to obtain the local authorities' prior written permission for the above may subject the person in breach to fines or imprisonment or both, if convicted. Depending on the applicable provisions of the SDBA 1974 in breach, the maximum fines may range from RM25,000 to RM50,000 and additional daily fines for continuing offences after conviction, and the maximum imprisonment term may be up to 3 years. The SDBA 1974 also stipulates that any person who occupies a building or any part of a building without a CF or CCC may be subject to a fine of RM250,000 and/or imprisonment for up to 10 years, if convicted.

In 2019, our Group carried out renovation works on the first floors of Property 763 and Property 764, involving the removal of a partial wall to connect the two units, before obtaining the required building plan approval from MPP under Section 79(1) of the SDBA 1974. The approval was subsequently obtained on 24 November 2024, and no penalties or regulatory actions were imposed. To prevent re-occurrence of this non-compliance, our Group has appointed a responsible officer, namely Siti Hajar Binti Ismail, the Human Resources Manager, implemented a compliance monitoring list, and regularly consults external parties and authorities.

As at the LPD, our Group is in compliance with the NLC, TCPA 1976, SDBA 1974 and UBBL 1984.

6.25.5 Occupational Safety and Health Act 1994 ("OSHA 1994")

The OSHA 1994 provides provisions for securing the safety, health and welfare of persons at work, protecting others against risk to safety or health in connection with the activities of persons at work. The OSHA 1994 applies throughout Malaysia to the industries specified in the OSHA 1994, which includes the retail industry.

The OSHA 1994 provides that it is the duty of every employer to ensure the safety, health and welfare at work of all his employees, so far as is practicable, in particular:

(a) the provision and maintenance of plant and systems of work that are safe and without risks to health;

(b) the making of arrangements for ensuring safety and absence of risks to health in connection with the use or operation, handling, storage and transport of plant and substances;

(c) the provision of such information, instruction training and supervision as is necessary to ensure the safety and health at work of his employees;

(d) as regards any place of work under the control of the employer, the maintenance of it in a condition that is safe and without risks to health and the provision and maintenance of the means of access to and egress from it that are safe and without such risks; and

(e) the provision and maintenance of a working environment for his employees that is safe, without risks to health, and adequate as regards facilities for their welfare at work.

Non-compliance of the above will result in an offence and on conviction would constitute to a fine not exceeding RM50,000 and/or to imprisonment for a term not exceeding 2 years. We also have a duty to ensure, in so far as is practicable, that other persons, not being our employees, who may be affected, are not exposed to risks to their safety or health.

As at the LPD, our Group is in compliance with the OSHA 1994.

6.25.6 Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 ("EMSHA 1990") and Employees' Minimum Standards of Housing, Accommodations and Amenities (Accommodation and Centralized Accommodation) Regulations 2020 ("EMSHA Regulations")

The EMSHA 1990 and the EMSHA Regulations issued under the EMSHA 1990, imposes, among others, the minimum standards on accommodation for employees and the requirement for accommodation provided to employees to be certified with a certificate of accommodation from the Department of Labour Peninsular Malaysia. An application for the certificate of accommodation may be made by an employer or a centralised accommodation provider to the Department of Labour Peninsular Malaysia.

To obtain a certificate of accommodation, an employer or a centralised accommodation provider is required to ensure that every accommodation provided for employees complies with the minimum standards which includes among others, the minimum space requirement for workers' accommodation, basic facilities, as well as safety and hygiene standards required under the EMSHA 1990 or any regulations made thereunder. Pursuant to the EMSHA 1990, failure to obtain such certification may constitute to a fine not exceeding RM50,000 with respect to each employees' accommodation without a certificate of accommodation.

Our Group previously provided accommodation for our foreign workers at 14 premises (comprising both owned and rented premises) before obtaining the required certificate of accommodation ("**COA**") for approximately four (4) years since the requirement to obtain a COA under Section 24D of the EMSHAA 1990 came into force on 1 September 2020. This non-compliance has since been rectified, with all our foreign workers now housed at accommodations certified with a COA. No penalties or regulatory actions were imposed. To prevent re-occurrence of this non-compliance, our Group has designated a responsible officer, namely Siti Hajar Binti Ismail, the Human Resources Manager, implemented a compliance monitoring list, and regularly consults external parties and authorities.

6.25.7 Environmental Quality Act 1974 ("EQA 1974")

The EQA 1974 sets out provisions in respect of prevention, abatement, control of pollution and enhancement of the environment.

The Environmental Quality (Scheduled Wastes) Regulation 2005 ("**Scheduled Waste Regulations**") regulates the disposal of scheduled waste in Malaysia. The Scheduled Waste Regulations specified acceptable conditions for the emission, discharge or deposit of environmentally hazardous substances, pollutants or wastes into the environment.

It is an offence under the EQA 1974 to dispose scheduled wastes on land or into Malaysian waters unless with the approval of the Department of Environment. A breach of this provision would subject the offender to a fine of not more than RM500,000 or imprisonment of not more than 5 years or both. Among others, the EQA 1974 and the Scheduled Waste Regulations also require that only licensed holders are allowed to transport and/or dispose of scheduled wastes.

In the course of our operations, we generate scheduled wastes such as paint. As at the LPD, the disposal of such wastes is carried out by a licensed service provider, either appointed by our Group or by the main contractor of our project.

As at LPD, our Group is in compliance with the EQA 1974.

6.25.8 Service Tax Act 2018 ("STA 2018")

Pursuant to Section 7(a) of the STA 2018, service tax shall be charged and levied on any taxable service provided in Malaysia by a registered person in carrying on their business. Additionally, based on the STA 2018 (as amended by the Service Tax (Amendment) Regulations 2024), any person providing maintenance or repair services, including maintenance management, corrective maintenance, preventive maintenance, calibration, adjustment, reconditioning, reconfiguration, or overhaul services exceeding RM500,000 is required to register under Section 13 of the STA 2018.

Following the effective date of a regulatory change under STA 2018 on 26 February 2024, our Group became subject to the requirement to register under STA 2018 in respect of maintenance and repair services exceeding RM500,000. Due to unawareness of this change, our Group did not register under STA 2018 on time. Upon discovery, our Group voluntarily engaged a tax advisor and submitted the necessary registration to the Royal Malaysian Customs Department ("**RMCD**"), which was approved on 1 May 2025. Following RMCD's verification, a total of RM74,673 in outstanding service tax payable (for 1 April 2024 to 30 April 2025) was identified. No penalties were imposed, and the amount was fully settled by our Group on 7 May 2025. To prevent re-occurrence of this non-compliance, our Group has designated a responsible officer, namely Siti Hajar Binti Ismail, the Human Resources Manager, implemented a compliance monitoring list (covering tax obligations), and regularly consults external advisors and authorities.

As at the LPD, our Group is in compliance with the STA 2018.

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

6.26 ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We recognise the importance of ensuring environmentally responsible operations, providing a conducive workplace for our employees and adopting a high standard of corporate governance in shaping our Group's future growth and development. In alignment with this commitment, our subsidiary obtained ISO 14001:2015 environmental management system certification and ISO 45001:2018 occupational health and safety management system certification in 2021.

Our Group's sustainability efforts are guided by our Health, Safety, and Environment ("**HSE**") policy. We have implemented and are in the midst of implementing the following practices:

(i) Environmental

Our HSE policy establishes a comprehensive framework for identifying and assessing environmental aspects and the potential impacts throughout our organisation. This process involves evaluating emissions to air, discharges to water, waste management practices, potential contamination of soils, the impacts of any releases on the community, use of raw materials and natural resources, and other relevant local and organisational environmental issues. We endeavour to adopt and adhere to environmentally friendly and sustainable practices across all our day-to-day business operations. Our past and future initiatives in this area include a focus on:

(a) Our policy requires that all scheduled waste be accurately declared, properly labelled with the correct waste code, and stored in designated areas. We meticulously maintain records of all scheduled waste disposals, which are exclusively handled by authorised, licensed contractor;

Our project site features a designated centralised waste area, equipped with roll-on roll-off bins, to facilitate the proper segregation of domestic and construction waste, preventing pollution during disposal. Workers are crucial to this effort, and we remind them to always use the correct waste bins;

(b) Our rigorous chemical management protocols are designed to protect both our workers and the environment. A key part of this involves ensuring spills are contained immediately to prevent them from spreading or reaching drainage systems. Key elements include:

- Conducting monthly inspections of all chemical storage facilities.
- Equipping chemical stores with essential safety labels and emergency response equipment, in strict adherence to hazardous storage standards.
- All workers in areas handling chemicals get training on chemical properties. This includes understanding potential hazards to humans and the environment, symptoms of exposure, environmental behaviour, flammability, other hazardous properties, and essential personal protective measures.
- Requiring all contractors to have an emergency spill kit immediately available at our site or store.

(c) Our commitment to environmental stewardship extends to our daily office operations, where we actively implement several initiatives:

- We advocate for electronic data archiving to significantly reduce paper consumption.
- Efforts are continuously made to minimise document printing and facilitate the reuse of paper.
- Used office printer cartridges are systematically resold to specialised shops for responsible repurposing.
- All used batteries, cardboard packaging, and plastic packaging resulting from goods delivery are collected and directed for appropriate recycling.

(d) Building on our sustainability commitment, an allocation of our IPO proceeds will fund a 96.72 kW rooftop solar photovoltaic system at our New Head Office and Storage Facility. This initiative underscores our dedication to responsible environmental management, significantly reducing our carbon footprint and promoting the adoption of clean energy. It showcases our commitment to creating long-term value for stakeholders through sustainable business practices and contributing to global renewable energy goals.

(ii) Social

We place a strong emphasis on the safety and health of our employees. In line with that, we have a HSE Policy as well as a HSE committee overseeing safety and health matters and mitigating any associated safety and health risks at our workplaces. As part of our social initiatives and within our workplace, we are committed to:

(a) We provide all personnel with essential personal protective equipment, including helmets, safety vests, safety boots, earplugs, dust masks, gloves, and safety goggles. Additionally, we ensure that all personal protective equipment is thoroughly inspected during toolbox meetings.

(b) Our established Emergency Response Plan is meticulously designed to address unforeseen environmental and Occupational Safety and Health emergencies. Its primary objective is to minimise the impacts of all HSE incidents, medical situations, and other emergency events on the safety and health of both our employees and the local community.

(c) We mandate the presence of an Occupational Safety and Health Coordinator at our project sites. Additionally, in compliance with regulations for construction projects exceeding a specified contract amount, a qualified Safety and Health Officer (SHO) is employed.

In terms of our employees' welfare, our Group hosted company festival events. These events, complete with refreshments, contributed to a positive and dynamic work environment by enhancing employee engagement and morale, fostering team building, and providing recognition and appreciation.

In addition, our Group has taken various corporate social responsibility initiatives to serve the needs of the community, including the following:

(a) In 2024, our subsidiary, in partnership with the Rotary Club of Pontian and EcoNinja, launched a significant mangrove restoration program. This initiative began with the signing of a Memorandum of Understanding (MoU) at the Pontian Mangrove Rehabilitation Site. This Mangrove Restoration Project officially commenced on 12 February 2025. This involved a tree planting activity at Parit Raja, Rambah, where our team worked alongside 100 volunteers from the Rotary Club of Pontian. This marks the initial phase of their ambitious goal to plant 10,000 mangrove trees.

Through this project, we are taking concrete action to improve the environment, inspire community involvement in restoration efforts and reinforcing our dedication to sustainable development.

(b) In 2025, we organised an Iftar event for the orphans of the Pontian District Islamic Orphan Welfare Organisation (Pertubuhan Kebajikan Anak Yatim Islam Pontian). We aimed to offer support to the organisation and share the spiritual significance and joy of Ramadan with these children. This event underscores our Group resolve to uphold our social commitments and to continuously strive toward assisting those in need within our community.

(c) In 2025, our Group provided monetary donations to a non-governmental organisation dedicated to offering comprehensive care for underprivileged children. This contribution also benefited other vulnerable groups.

In the same year, our Group extended monetary support to a non-governmental organisation to facilitate the execution of a significant community service project, held in conjunction with their charity night.

(iii) Governance

Our Group recognises that high standard of corporate governance is the foundation upon which we build a sustainable business. In essence, we are committed to conduct our business ethically and ensure compliance with all relevant laws and regulations that govern our business operations.

As at the LPD, our Group has adopted the following recommendations under the MCCG:

(a) at least half of our Board members are independent directors;

(b) at least 30% of our Board members are women directors;

(c) our ARMC comprises solely independent directors; and

(d) our Independent Non-Executive Chairperson is not a member of any of our board committees.

In addition, our Group has embraced a zero-tolerance stance on bribery, and as such, we have implemented comprehensive policies and procedures to ensure strict adherence to the Malaysian Anti-Corruption Commission Act 2009. Additionally, to enhance transparency in our business operations, we have implemented a whistleblowing policy. These initiatives are designed to promote the reporting of misconduct by individuals involved.

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7. IMR REPORT

VITAL FACTOR CONSULTING
Creating Winning Business Solutions

Vital Factor Consulting Sdn Bhd
Company No.: 199301012059 (266797-T)
V Square @ PJ City Centre (VSQ)
Block 6 Level 6, Jalan Utara
46200 Petaling Jaya
Selangor, Malaysia
Tel: (603) 7931-3188
www.vitalfactor.com

10 December 2025

The Board of Directors
ISF Group Berhad
763, Taman Anggerik
Jalan Parit Mesjid
82000 Pontian
Johor

Dear Sirs and Madams

Independent Assessment of the Potable Water and Sewer Piping Industry focusing on end-user premises

We are an independent business consulting and market research firm based in Malaysia, established in 1993. We offer consulting services, including business plans, opportunity evaluations, commercial due diligence, feasibility studies, financial and industry assessments, and market research. Since 1996, we have been involved in corporate exercises such as initial public offerings, reverse takeovers, chain listings, transfers to the Main Market, and business regularisations for publicly listed companies on Bursa Malaysia Securities Berhad (Bursa Securities). Our corporate exercise services encompass business overviews, independent industry assessments, management discussions and analyses, and business and industry risk assessments for prospectuses, shareholders' circulars and information memorandums.

We have been engaged to provide an independent assessment of the potable water and sewer piping industry focusing on end-user premises for inclusion in the prospectus of ISF Group Berhad for its initial public offering and listing of its shares on the ACE Market of Bursa Securities. This report has been prepared independently and objectively, with all reasonable due care taken to ensure its accuracy and completeness.

We believe the report provides a true and fair assessment of the industry, considering the limitations of timely and available information, and analyses based on secondary and primary market research as of the report date. However, it should be noted that our assessment pertains to the industry as a whole and may not reflect the performance of any specific company. We accept no responsibility for the decisions or actions of readers based on this document. This report should not be construed as a recommendation to buy, not buy, sell or not sell the securities of any company.

Please be aware that our report may include disclosures, assessments, opinions, and forward-looking statements that are subject to hitherto unknown or undisclosed information, uncertainties, and contingencies. These statements are based on secondary information and primary market research, and despite careful analysis, the industry is influenced by various known and unforeseen factors that could cause actual outcomes and future results to differ materially from these statements.

Yours sincerely



Wooi Tan
Managing Director

Wooi Tan holds a Bachelor of Science from the University of New South Wales and a Master of Business Administration from the University of Technology, Sydney. He is a Fellow of the Australian Marketing Institute and the Institute of Managers and Leaders, Australia. With over 30 years of experience in business consulting and market research, he has also assisted companies in their initial public offerings and listings of their shares on Bursa Securities.

VITAL FACTOR CONSULTING
Creating Winning Business Solutions

Date of Report: 10 December 2025

INDEPENDENT ASSESSMENT OF THE POTABLE WATER AND SEWER PIPING INDUSTRY FOCUSING ON END-USER PREMISES

1. OVERVIEW OF ISF GROUP'S BUSINESS AND REPORT PARAMETERS

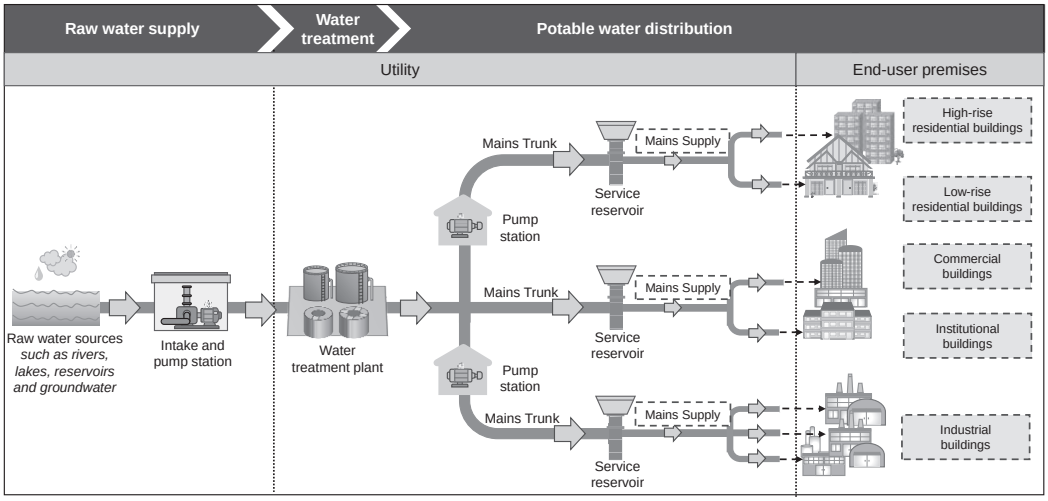
- ISF Group Berhad and its subsidiary (ISF Group) primarily specialise in supplying and installing piping systems for end-user premises, and water supply and sewer infrastructure. They also provide maintenance and repair services for these systems. ISF Group serves industrial clients, including data centres, as well as residential and commercial properties. Its primary market is Peninsular Malaysia, with Johor generating the largest revenue. This report will focus on these aspects. In the context of this report, sewage includes both wastewater and human waste, and all information pertains to Malaysia unless stated otherwise.

2. INDUSTRY OVERVIEW

2.1 Potable Water Supply System

- Potable water refers to water that has been treated and made safe for human consumption. The water supply services industry encompasses the collection of raw water, water treatment, and the distribution of potable water across the country, states, and territories.

- **Raw water supply** involves collecting untreated water from natural sources such as rivers, lakes, reservoirs, and groundwater in some remote areas. In 2024, in Peninsular Malaysia and the Federal Territory of Labuan, raw water extraction from rivers accounted for 80.2%, reservoirs made up 17.5%, and the remainder 2.3% from groundwater and seawater *(Source: National Water Services Commission: Suruhanjaya Perkhidmatan Air Negara (SPAN))*. Intake and pump stations are strategically located upstream along rivers to extract untreated water to minimise contamination from urban and industrial activities.



- Raw water is transported from intake and pump stations to water treatment plants through large pipes or open channels. At the plant, the raw water first undergoes pre-treatment to remove unpleasant tastes and odours. It then proceeds through several treatment stages, including coagulation, sedimentation, filtration, disinfection and fluoridation, before being distributed as potable water. In 2024, there were 350 water treatment plants in Peninsular Malaysia and the Federal Territory of Labuan *(Source: SPAN)*.

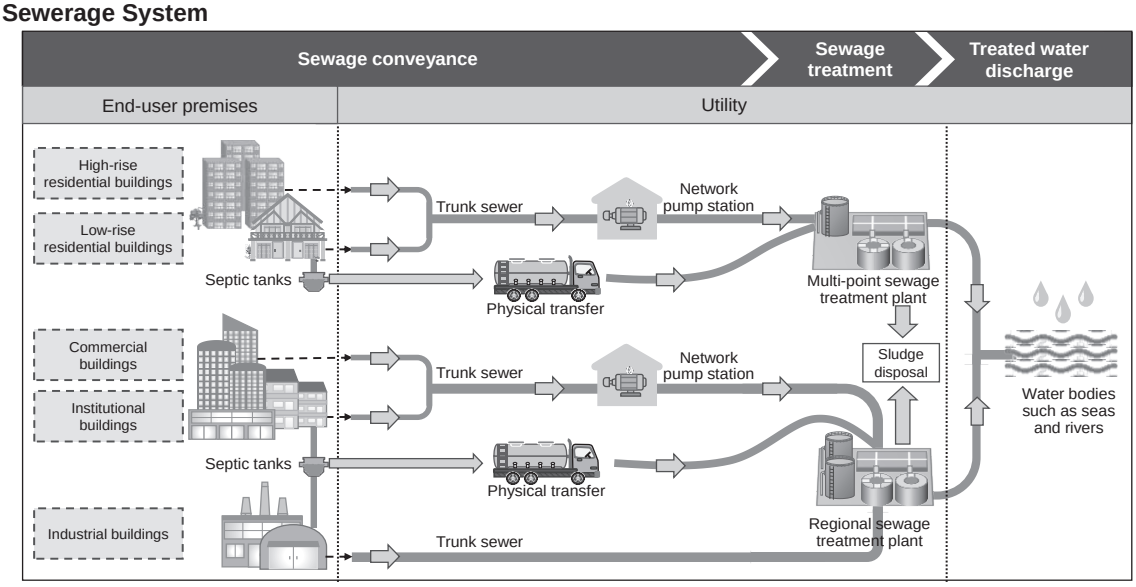
- **Potable water distribution** involves conveying treated water (or potable water) from water treatment plants through pipelines to end-user premises for various applications and consumption.

The distribution system is segmented into the **utility and end-user segments**.

- In the **utility segment**, potable water is conveyed from the water treatment plants through the mains water trunks to service reservoirs, sometimes passing through pumping stations that serve as boosters to maintain adequate pressure for long-distance or high-altitude distribution. Service reservoirs serve multiple critical functions, such as providing temporary water storage during emergencies, balancing fluctuations in water demand, and maintaining consistent pressure in specific distribution areas.
- To connect the utility infrastructure to end-user premises, **interconnection** pipes are installed to link public mains to individual water meters (or bulk meters for multi-storey buildings). The water meters mark the termination points of the utility segment and the beginning of the end-user segment.
- The **end-user segment** is where potable water is ultimately utilised and consumed within residential, commercial, institutional, and industrial premises, as well as infrastructure, amenities, and facilities. Some large industrial premises may have their own on-site water treatment facilities to filter the potable water.

- ISF Group primarily supplies and installs potable water piping systems for industrial, residential, commercial, and institutional buildings in Malaysia. Additionally, ISF Group supplies and installs interconnection pipes that connect public water mains to end-user premises as well as the mains supply of the system.

2.2 Sewerage System



The sewerage system treats sewage and includes sewer piping, network pump stations, sewage treatment plants, and septic tanks. There are two main sewerage systems in Malaysia: connected systems (public sewerage systems) and septic tanks (individual and communal). The public sewerage systems convey sewage from end-user premises to treatment facilities and eventually discharge treated water.

The Connected System

- **Sewage conveyance** involves the collection and transportation of sewage (including faecal waste and other liquid discharges from domestic, commercial, institutional, and industrial activities) to the sewage treatment facilities, incorporating the end-user and the utility segment.
  - Within the **end-user premises** segment, such as residential, commercial, institutional, and industrial buildings, as well as infrastructure, amenities and facilities, sewage is channelled through internal sanitary plumbing systems into the public sewer network

- **Interconnection** pipes serve to connect end-user premises sewer piping to the public sewerage systems. These pipes convey sewage from individual buildings to the public sewer connection point.
- In the **utility** segment, sewage is conveyed through public sewers to sewage treatment plants. Where topographical constraints prevent gravity flow or long-distance conveyance, sewage is routed through network pump stations that boost pressure to facilitate continued conveyance. The sewage will eventually be directed to multipoint sewage treatment plants, serving areas with lower population equivalent, or regional sewage treatment plants capable of handling greater population equivalent. At these facilities, the sewage will undergo primary, secondary, and in some cases, tertiary treatment processes before the treated effluent is discharged into water bodies, thereby minimising environmental pollution. Simultaneously, sewage sludge separated will be disposed of in landfills or for agricultural purposes.

The Septic Tank System

- Septic tank systems are a legacy system, and many have been converted to the connected systems. However, septic tank systems remain prevalent in areas where connection to the main sewerage system is too costly or impractical. Septic tanks are basic on-site treatment facilities with compartments that treat sewage through sedimentation and anaerobic processes, discharging partially treated effluent directly to the environment. In some situations, there are communal septic tanks that serve multiple premises via a common sewer. To maintain efficiency, septic tanks require regular desludging services, where collected sewage sludge is physically transported by desludging tankers to sewage treatment plants for further processing or, sometimes, for agricultural use.

ISF Group supplies and installs sewer piping systems for industrial, residential, commercial, and institutional buildings. Additionally, ISF Group supplies and installs interconnection pipes from end-user premises to public sewer networks. ISF Group is not involved in septic tank systems.

2.3 Potable Water and Sewer Piping for End-User Premises

- The potable water and sewer piping systems play a vital role in ensuring the safe delivery of potable water and the efficient removal of sewage to and from end-user premises. As an integrated service, it encompasses the design, installation, maintenance, and upgrading of water supply and sewage disposal systems within and around built environments. These systems are enabled by the installation of various components, including water fittings such as pipes, taps, valves, and pumps, as well as sanitary fittings such as sinks, water closets, and drainage systems.

- Some potable water and sewer piping systems for end-user premises include the following:
  - Internal cold water plumbing systems distribute potable water throughout buildings for daily consumption and use in various water outlets.
  - Internal hot water plumbing systems distribute centrally heated water to various fixtures such as showers, bathtubs, and sinks, typically found in residential, commercial, and institutional buildings.
  - Internal sanitary plumbing systems collect and convey sewage (including wastewater) from internal fixtures such as sinks, showers, and toilets to public sewerage systems or septic tanks.
  - Rainwater harvesting systems capture and store rainwater for non-potable purposes such as irrigation, toilet flushing, and general cleaning, contributing to water conservation initiatives.
  - Rainwater downpipes and surface water drainage systems collect and divert rainwater from rooftops and external surfaces to designated drainage points, helping to prevent flooding and structural damage.
  - Others include fire hydrant and fire suppression piping systems, on-site water filtration and treatment systems, on-site wastewater treatment systems, and water irrigation systems for landscaping or agricultural purposes.
- ISF Group is mainly involved in the supply and installation of hot and cold water plumbing, sanitary drainage, rainwater downpipes, rainwater harvesting, water filtration, and external hydrant systems.

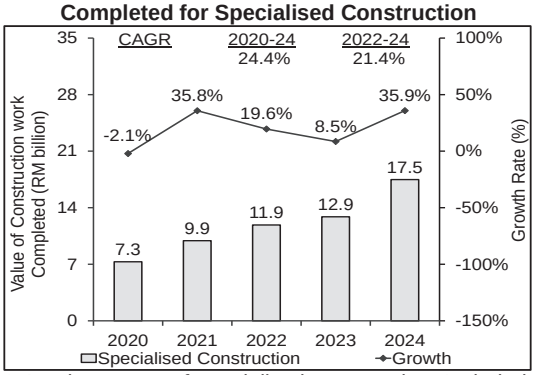
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3. INDUSTRY PERFORMANCE

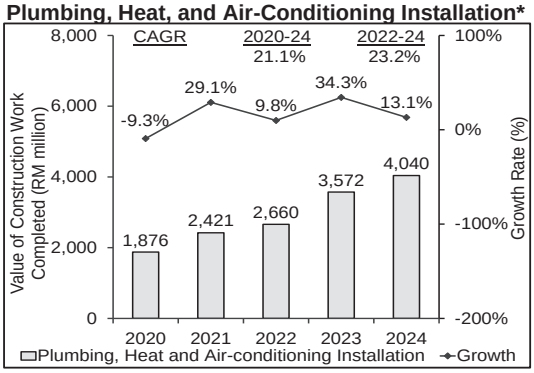
3.1 Specialised Construction Work Value

- Potable water and sewer piping systems are enabled by plumbing installation, which is part of the larger specialised construction industry. Specialised construction refers to parts of buildings and civil engineering works that do not include the responsibility of the entire project. It typically specialises in one aspect common to different structures, requiring specialised skills or equipment such as pile driving, electrical installation, as well as plumbing and sanitary equipment installation. Therefore, the value of construction work completed for specialised construction as well as plumbing, heat, and air-conditioning installation provides some indication of the performance of the potable water and sewer piping industry.

Value of Construction Work Completed for Specialised Construction



Value of Construction Work Completed for Plumbing, Heat, and Air-Conditioning Installation*



** A subsegment of specialized construction. Include installation of plumbing and sanitary equipment, heating systems, furnaces, cooling towers, and non-electric solar energy collectors. This statistic also includes additions, alterations, maintenance, and repair works. No further segmentation available. (Source: Department of Statistics Malaysia (DoSM))*

- Between 2022 and 2024, the value of construction work completed for specialised construction grew at a compound annual growth rate (CAGR) of 21.4%, where in 2024 it amounted to RM17.5 billion. The growth in 2024 can be attributed to the broad-based expansion across subsectors, particularly site preparation, building completion and finishing, and other construction installations. In the first nine months (9M) of 2025, the value of construction work completed for specialised construction grew by 23.5% (or RM3.0 billion) to RM15.7 billion compared to 9M 2024 (RM12.7 billion). The growth is mainly driven by telecommunications infrastructure projects and coastal reclamation activities. *(Source: DoSM and Ministry of Finance (MoF))*

- Between 2022 and 2024, the value of construction work completed for plumbing, heat, and air-conditioning installation grew at a CAGR of 23.2%. This was in tandem with the increase in construction activities from data centres, advanced manufacturing facilities, and infrastructure projects *(Source: Construction Industry Development Board (CIDB))*. In 2024, the value of construction work completed for plumbing, heat, and air-conditioning installation reached RM4.0 billion. In 9M 2025, the value of construction work completed for plumbing, heat, and air-conditioning installation further grew by 6.5%, reaching RM3.2 billion compared to RM3.0 billion in 9M 2024 *(Source: DoSM)*. A growing value of construction work completed for plumbing, heat, and air-conditioning augers well for the operators involved in the industry such as ISF Group.

- In Johor, the principal business place of ISF Group, the value of construction work completed for specialised construction grew at a CAGR of 45.3% between 2022 and 2024, where in 2024, it amounted to RM2.8 billion, representing 88.2% growth compared to the previous year (RM1.5 billion). The growth in this period can be partially attributed to the increase in the value of construction work completed for non-residential buildings, which grew at a CAGR of 55.6% between 2022 and 2024. Similarly, in 9M 2025, the value of construction work completed for specialised construction grew by 19.6% to RM2.3 billion compared to 9M 2024 (RM1.9 billion). *(Source: DoSM)* The increase was attributed to the growth in the residential and non-residential building construction sector, which drove the demand for specialised construction activities.

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3.2 Gross Output Value

- Gross output value represents the total value of products or services produced or rendered within a specified period. Between 2015 and 2022, the gross output value of plumbing and sanitary equipment installation grew at a CAGR of 0.3%. In 2022, the gross output value reached RM2.0 billion. The moderate growth between 2015 and 2022 was partially attributed to the impact of the COVID-19 pandemic on the overall construction industry.

Gross Output Value of Plumbing and Sanitary Equipment Installation

	RM million
2010	1,032
2015	1,949
2022	1,996
2010-22 CAGR	**5.7%**
2015-22 CAGR	**0.3%**

Latest available data. Based on the survey done in each respective year. (Source: DoSM)

4. DEMAND AND DEMAND DEPENDENCIES

- Potable water and sewer piping systems are integral in building, infrastructure, and civil engineering construction. Therefore, the industry performance is highly dependent upon the performance of the construction industry. In addition, the existing supply of properties forms the base addressable market for potential maintenance, repair, and upgrading projects, while the future supplies drive construction activities, creating opportunities for operators within the potable water and sewer piping industry focusing on end-user premises.

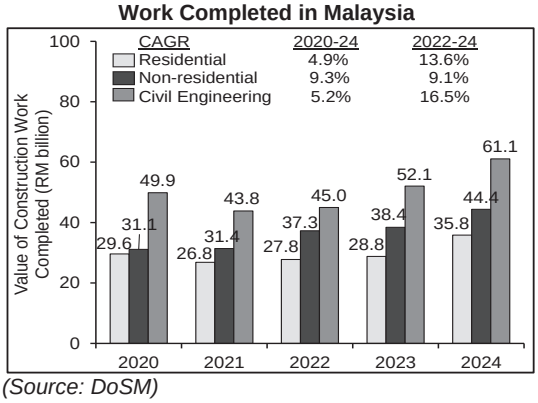
- ISF Group also supplies and installs potable water and sewer piping for data centres, hence, this section will also provide some coverage on the data centre industry, serving as a demand indication.

4.1 Construction Industry

- The value of construction work completed for residential, non-residential and civil engineering works indicate the demand for potable water and sewer piping systems.

- Between 2022 and 2024, the value of construction work completed for residential, non-residential, and civil engineering grew at a CAGR of 13.6%, 9.1%, and 16.5% respectively. In 2024, the industry continued to experience growth, where the value of construction work completed for residential, non-residential, and civil engineering each grew by 24.5%, 15.5%, and 17.3% respectively, compared to 2023 *(Source: DoSM)*.

Value of Construction Work Completed in Malaysia



(Source: DoSM)

- In 2024, the growth in the civil engineering sector was largely attributed to the multi-year infrastructure projects, particularly within the transportation segment. Moreover, the improvement in income and employment conditions also boosted the housing demand, while the industrial development, as well as commercial projects, supported the growth in the non-residential sector. *(Source: Bank Negara Malaysia)*

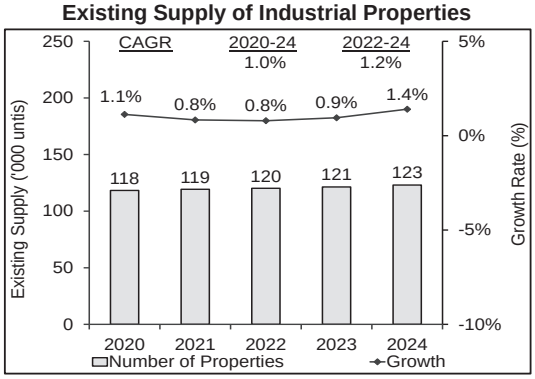
- In 9M 2025, the value of construction work completed for residential, non-residential, and civil engineering grew by 17.0% (from RM26.0 billion to RM30.4 billion), 15.5% (from RM32.6 billion to RM37.6 billion), and 6.7% (from RM45.5 billion to RM48.5 billion) respectively, compared to 9M 2024. *(Source: DoSM)* The growth was attributed to sustained housing demand, development of new industrial areas supported by government initiatives, and the acceleration of infrastructure projects.

4.1.1 Supply Conditions of Industrial Properties

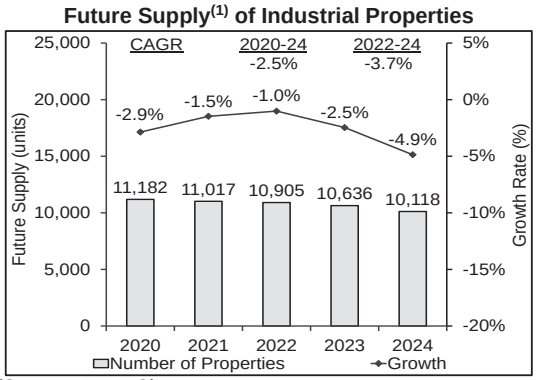
- Industrial properties represent the largest customer base of ISF Group's operation. Between 2022 and 2024, the existing supply of industrial properties grew at a CAGR of 1.2%, reaching 123,077 units in 2024. On the contrary, between 2022 and 2024, the future supply of industrial properties declined at an average annual rate of 3.7%, reaching 10,118 units in 2024. The decline in the future supply of industrial properties was mainly due to the reduction in the future supply of flatted-factory.

The existing supply of industrial properties at the end of the third quarter (Q3) of 2025 grew by 1.2% when compared to the end of Q3 2024. Nevertheless, the future supply of industrial properties at the end of Q3 2025 contracted by 19.1% compared to the end of Q3 2024. *(Source: National Property Information Centre (NAPIC))*

Existing Supply of Industrial Properties



Future Supply[(1)] of Industrial Properties

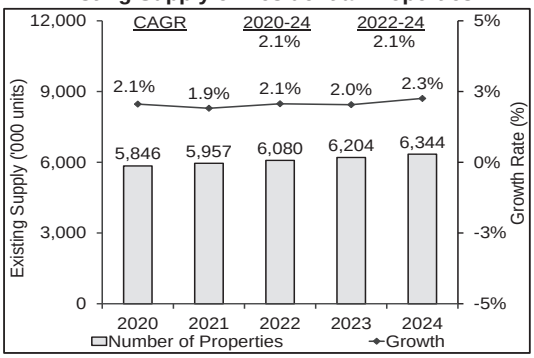


(1) Future supply = incoming supply + planned supply. (Source: NAPIC)

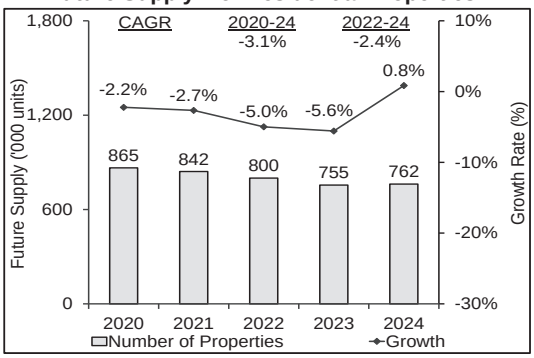
4.1.2 Supply Conditions of Residential Properties

- Residential properties, including low-rise and high-rise, were also one of the areas of ISF Group's focus. Between 2022 and 2024, the existing supply of residential properties grew at a CAGR of 2.1%, reaching 6.3 million units, with low-rise and high-rise residential properties accounted for 69.4% (4.4 million units) and 30.6% (1.9 million units) respectively in 2024. On the contrary, between 2022 and 2024, the future supply of residential properties declined at an average annual rate of 2.4%, reaching 761,688 units. The reduction in the future supply of low-cost flats and flats was the main contributor towards the decline. The existing supply of residential properties at the end of Q3 2025 grew by 2.8%, with low-rise and high-rise residential properties each increasing by 2.7% and 2.9% respectively, when compared to the end of Q3 2024. Nevertheless, the future supply of low-rise and high-rise residential properties at the end of Q3 2025 contracted by 27.9% and 20.8% respectively, compared to the end of Q3 2024. *(Source: NAPIC)*

Existing Supply of Residential Properties[(1)]



Future Supply[(2)] of Residential Properties[(1)]



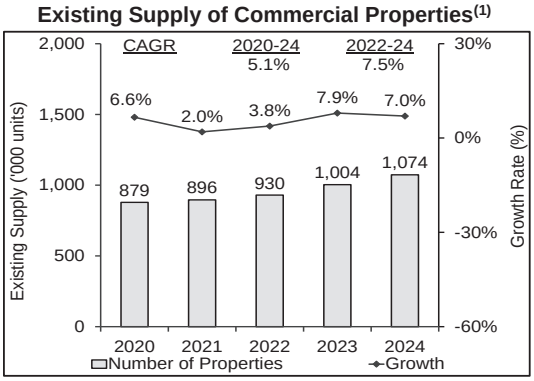
***Notes: (1)** Include low-rise and high-rise residential properties; **(2)** Future supply = incoming supply + planned supply. (Source: NAPIC)*

4.1.3 Supply Conditions of Commercial Properties

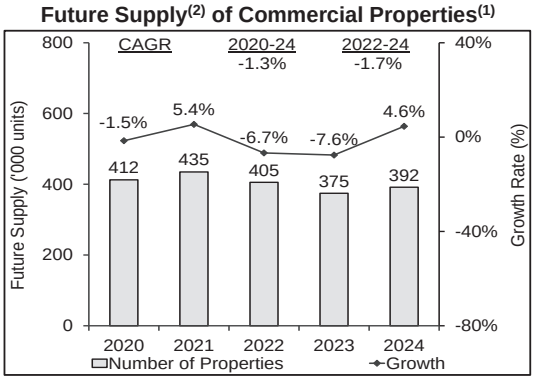
- ISF Group is also involved in the supply and installation of piping systems for commercial properties. Between 2022 and 2024, the existing supply of commercial properties grew at a CAGR of 7.5%, which was mainly attributed to the increase in the completion of serviced apartments. On the contrary, between 2022 and 2024, the future supply of commercial properties declined at an average annual rate of 1.7%, which was primarily due to the reduction in the planned supply of small office/home office and serviced apartments. Nevertheless, the future supply of commercial properties experienced a growth of 4.6% in 2024. The existing supply of commercial properties at the end of

Q3 2025 grew by 3.8% compared to the end of Q3 2024. In terms of the future supply of commercial properties, the future supply declined by 9.3% compared to the end of Q3 2024. *(Source: NAPIC)*

Existing Supply of Commercial Properties(1)



Future Supply(2) of Commercial Properties(1)



***Notes: (1)** Commercial properties include shops, small office/home office, serviced apartments, shopping complexes, purpose-built offices and hotels; **(2)** Future supply = incoming supply + planned supply. (Source: NAPIC)*

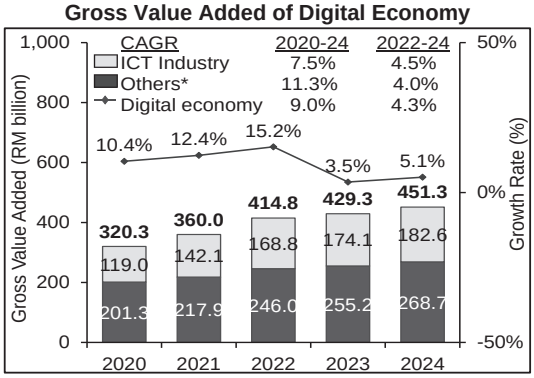
4.2 Data Centres

- Data centres consume a substantial amount of potable water to cool servers/processors, which operate continuously and generate substantial heat. As such, a reliable water supply and robust piping systems are critical to support their operations. Additionally, data centres often use air compressors that produce oil-contaminated condensate (oil slurry) as a byproduct of the cooling process. Therefore, an efficient sewerage system equipped with oil separators is essential to ensure proper treatment and disposal of wastewater.

- As digital transformation accelerates, the demand for computing power and digital solutions continues to grow. Alongside the increasing adoption of artificial intelligence (AI) and high-performance computing in the digital economy, data centres are becoming essential for managing and processing the vast volumes of data collected and generated. The growing need for data centres would provide demand for piping systems for cooling.

- The contribution of the digital economy is measured by the total gross value added (GVA) of the information and communications technology (ICT) industry and e-commerce of the non-ICT industry. GVA quantifies the output value generated by ICT activities, excluding the value of intermediate goods and services. As one of the fastest-growing sectors, the contribution of the digital economy to Malaysia's overall economy increased by 5.1%, accounting for 23.4% of the total gross domestic product in 2024. Between 2022 and 2024, the digital economy's contribution grew at a CAGR of 4.3%. Within the broader ICT industry, the GVA of the ICT services sector rose by 3.3%, reaching RM107.7 billion in 2024. *(Source: DoSM)*

Gross Value Added of Digital Economy



** Includes e-commerce of non-ICT industry. (Source: DoSM)*

- In terms of investments, between 2021 and 2024, Malaysia attracted a total of RM113.8 billion in digital infrastructure investments, such as data centres, cloud computing, and data hosting projects. In 2022, out of the total RM84.7 billion investments approved for the ICT industry, RM72.4 billion (85.5%) were for data centres and cloud computing services. In 2023, the approved investments for data centres declined to RM16.0 billion. Nevertheless, in 2024, the approved investments for data centres grew by 50.6% to RM24.1 billion. In parallel, approved private investments in the information and communication services sector expanded by 53.0% in 9M 2025 to RM99.8 billion compared to

9M 2024, reflecting sustained investor confidence in Malaysia's digital infrastructure development. *(Source: Malaysian Investment Development Authority (MIDA))*

- Notable approved investments in data centres since 2022 include a data centre and hosting project between Bridge Data Centres and ByteDance Ltd, a data centre park by YTL Power International Bhd, and a modern data centre campus by Princeton Digital Group, a leading data centre provider in Asia. In 2024, Microsoft Corporation announced a substantial investment of RM10.4 billion in cloud and AI infrastructure, while Sime Darby Property Bhd committed RM2.0 billion towards developing a hyperscale data centre. *(Source: MIDA)*

5. SUPPLY DEPENDENCIES – LABOUR SUPPLY AND COST

- The construction industry, including specialised construction (such as plumbing installations), is labour-intensive. Operators may rely on foreign workers to meet the labour needs, as installation activities rely on on-site labour. Hence, policies relating to the supply of foreign workers in Malaysia will directly affect the availability of labour.

- In 2023 and 2024, the Malaysian government implemented several policy changes regarding foreign workers. In January 2023, a temporary relaxation plan was implemented to ease the hiring process for selected industries, including construction, until March 2023. Additionally, the Illegal Immigrant Recalibration Plan 2.0 was reintroduced, allowing undocumented foreign workers to be regularised until December 2023. However, in March 2024, the Government announced that active quotas for which levies have been paid but visas not issued by 21 April 2024 would be cancelled. It also mandated that approved foreign workers must enter Malaysia by 31 May 2024. These policy shifts concerning the supply of foreign workers are expected to influence labour availability in Malaysia's construction industry. Nevertheless, the Malaysian government has recently announced the permission for foreign workers to change employers across different sectors of employment.

- Labour costs represent a significant proportion of the total cost in the potable water and sewer piping industry, given the reliance on labour to carry out work on-site. Under Budget 2025, the Government announced an increase in the monthly minimum wage from RM1,500 to RM1,700, which took effect in February 2025 *(Source: MoF)*. The adjustment has raised overall operational cost for industry operators.

6. COMPETITIVE LANDSCAPE

- The potable water and sewer piping industry focusing on end-user premises in Malaysia is highly fragmented, comprising numerous players. The industry players involved in the provision of potable water and sewer piping systems range from individual contractors, companies that specialise primarily in the provision of piping systems, to mechanical and electrical companies that offer broader aspects of mechanical, electrical, and process utility (including plumbing) (MEP) systems.

- The companies listed in the table below operate in similar business segments as ISF Group and are meant to provide indications on the performance of some operators within the industry. The selection is based on the following five criteria: **(1)** companies must be involved in the provision of internal water plumbing systems; **(2)** companies must be registered with the Construction Industry Development Board (CIDB) as a Grade 7 contractor under the internal water piping system category; **(3)** companies must have operations in Peninsular Malaysia; **(4)** companies with revenue of RM15 million and above; and **(5)** availability of up-to-date financial information. Some of the companies may also be engaged in the provision of water supply and/or sewer infrastructure piping. The list is sorted in descending order of total revenue and is not exhaustive.

Company	FYE [1]	Rev[2] (RM mil)	GP[2] (RM mil)	GP[2] margin	NP/NL[2] (RM mil)	NP/NL[2] margin
ISF Group	**Dec-24**	**54.7**	**20.2**	**36.9%**	**9.6**	**17.6%**
Systematic Plumbing S/B	Dec-24	48.9	6.9	14.2%	2.3	4.7%
Kim Chong Plumbing S/B	Aug-24	47.2	9.9	20.9%	2.6	5.4%
Ed Lamb Construction S/B	Dec-24	41.6	4.0	9.7%	0.1	0.1%
Heng Fatt Plumbing S/B	Dec-24	35.1	7.3	20.8%	2.6	7.3%

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Company	FYE [1]	Rev[2] (RM mil)	GP[2] (RM mil)	GP[2] margin	NP/NL[2] (RM mil)	NP/NL[2] margin
Sykt Pumpro Engineering S/B	Apr-25	31.4	2.6	8.2%	0.3	0.9%
Yel Construction S/B	Mar-25	30.2	6.2	20.5%	1.0	3.3%
Qudotech S/B [3]	Jun-24	29.7	3.3	11.0%	3.3	10.9%
SYP S/B	Dec-24	28.3	5.8	20.6%	0.4	1.6%
Kim Chong Mechanical Services S/B	Dec-24	25.1	1.3	5.3%	0.1	0.6%
S.K. Wawasan S/B	Jun-24	24.3	3.1	12.8%	(0.2)	(0.9%)
Wong Khuan Plumbing [4]	Jul-24	22.9	3.5	15.1%	0.2	0.8%
Hong Chan Engineering [5]	Dec-24	21.5	5.0	23.5%	1.4	6.3%
High Speed Plumbing S/B	May-23	20.3	3.5	17.4%	0.3	1.7%
Chee Seng Plumbing (1999) S/B	May-24	20.2	2.9	14.6%	0.4	2.0%
HTB Resources S/B	Sep-24	18.5	0.2	1.3%	(2.5)	(13.6%)

FYE= Financial Year Ended; Rev= Revenue; GP= Gross Profit; NP= Net Profit; NL= Net Loss; mil= million; S/B= Sendirian Berhad. ***(1)*** *Latest audited financial data from the Companies Commission of Malaysia and ISF Group.* ***(2)*** *It may include other business activities, products or services at the group or company level.* ***(3)*** *A subsidiary of AWC Berhad, a listed entity on the Main Market of Bursa Securities, which is involved in, among others, providing total building solutions in facilities, environment, engineering, and rail division.* ***(4)*** *Wong Khuan Plumbing & Construction S/B.* ***(5)*** *Hong Chan Engineering & Construction S/B.*

7. BARRIERS TO ENTRY

- Barriers to entry for the potable water and sewer piping industry, focusing on end-user premises, are generally low. This is evidenced by the number of operators in the industry registered with the CIDB under the relevant categories, as at 10 December 2025:
  - 2,307 contractors are involved in the provision of the internal water plumbing system installation, of which 456 are Grade 7 contractors;
  - 400 contractors are involved in the provision of the connection of private sewer to the public sewer infrastructure, of which 135 are Grade 7 contractors;
  - 2,668 contractors are involved in the provision of sewerage systems, of which 818 are Grade 7 contractors; and
  - 4,314 contractors are involved in the provision of water supply systems, of which 1,136 are Grade 7 contractors.

  Grade 7 contractors are subject to the most stringent conditions and face no restrictions on the value of projects that can be undertaken. ISF Group is a Grade 7 contractor registered with the CIDB in all of the above-mentioned categories.

- Additionally, obtaining relevant permits from SPAN can create barriers to entry, as these permits are required before undertaking any work related to potable water and sewer piping systems. As a service-based industry, the barriers to entry are generally focused on the availability of technical skill resources, while working capital requirements are generally low.

8. INDUSTRY SIZE AND SHARE

- The following are the industry size and market share of ISF Group in Malaysia:

2024 – Gross output value	Industry size (RM million)	ISF Group	
		Revenue (RM million)	Market share
Plumbing and sanitary equipment installation	2,600 [1]	55 [2]	2% [3]
2024 – Value of construction work completed			
Plumbing, heat, and air-conditioning installation	4,040 [4]	55 [2]	1% [5]

(1) *Extrapolated from 2022 (latest available data) to 2024 = (gross output value of plumbing and sanitary equipment installation in 2022 (RM1,996 million) x (1 + growth of the value of construction work completed for the construction industry in 2023 (8.4%)) x (1 + growth of the value of construction work completed for the construction industry in 2024 (20.2%)). In view of the lack of information for 2024, the gross output value of plumbing and sanitary equipment installation for 2023 and 2024 were derived using the growth of the value of construction work completed for the construction industry in 2023 and 2024 as proxies. (Source: DoSM and Vital Factor analysis)* ***(2)*** *ISF Group's revenue for the financial year ended 31 December 2024. (Source: ISF Group)* ***(3)*** *((2) divided by (1)) x 100%. (Source: Vital Factor analysis)* ***(4)*** *The value of construction work completed for plumbing, heat, and air-conditioning installation in 2024. No further segmentation is available. (Source: DoSM)* ***(5)*** *((2) divided by (4)) x 100%. (Source: Vital Factor analysis)*

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9. INDUSTRY OUTLOOK AND PROSPECTS

Consideration factors impacting the outlook and prospects of the potable water and sewer piping industry focusing on end-user premises are as follows:

Drivers of growth and opportunities

- Growth in the construction industry and its specialised construction segment (including plumbing installation) provides growth opportunities for industry operators. In 2026, the construction industry is forecasted to expand by 6.1%, largely driven by the continued expansion in specialised construction, non-residential and residential segments. Meanwhile, the specialised construction segment is projected to grow in tandem with other segments' performance, supported by sustained demand for site preparation, mechanical and electricals, as well as finishing works. *(Source: MoF)*

- The performance of the potable water and sewer piping systems for end-user premises industry is highly dependent on the building construction segment, given the essential role of piping systems in construction projects. In 2026, the non-residential segment is forecasted to further expand, driven by sustained demand for industrial facilities, logistics hubs, and data centres. Additionally, the residential segment will benefit from new housing developments, particularly in the affordable housing category, and government tax incentives. *(Source: MoF)*

- Under Budget 2025, several residential projects implemented by the Malaysian government are expected to drive increased demand for potable water and sewer piping systems. These initiatives include the continuation of 48 Projek Residensi Rakyat (PRR) developments, 30 of which are scheduled for completion by the end of 2025. Additionally, the Government will implement 14 Rumah Mesra Rakyat (RMR) projects, involving the construction of 5,410 new housing units. In the first half of 2025, these initiatives have benefited more than 50% of the 17,500 targeted recipients. Under Budget 2026, the Government further allocates RM672 million for the PRR and RMR projects, and RM100 million for the construction of Program Residensi MADANI *(Source: MoF)*. As these initiatives aim at promoting home ownership, they are likely to benefit industry operators, given the critical need for potable water and sewer piping and infrastructure in residential developments.

- The establishment of the National AI Office by the Malaysian government, aimed at positioning Malaysia as a key player in the global digital economy, is expected to drive growth in the domestic data centre industry. Between 2025 and 2030, Malaysia's data centre industry is expected to grow at a CAGR of 22.4% to RM59.6 billion by 2030 *(Source: MIDA)*. The Government's commitment to advancing digital infrastructure further enhances the outlook for data centres, creating opportunities for service providers within the industry.

- Under the Mid-Term Review of the Twelfth Malaysia Plan, efforts are underway to improve access to affordable housing. Key initiatives include improving the quality and supply of affordable homes, facilitating easier access to home financing, and expanding the rent-to-own programme. These measures are expected to stimulate residential construction, which in turn will drive demand for the potable water and sewer piping systems for residential properties. Further momentum is anticipated under the forthcoming Thirteenth Malaysia Plan, which is expected to continue prioritising affordable housing and the upgrading of infrastructure and public facilities to support inclusive and sustainable growth. *(Source: Ministry of Economy)*

- The development of the Johor-Singapore Special Economic Zone (JS-SEZ) is expected to stimulate the regional economic growth between Malaysia (Iskandar Malaysia and Pengerang region) and Singapore. Government-led initiatives and tax incentives aim to attract high-value investments, potentially spurring industrial and commercial development in the area. As new facilities are constructed, demand for potable water and sewer piping systems is expected to rise accordingly, creating opportunities for industry players operating in Johor.

Threats and challenges

- Labour shortages and rising costs may also affect the performance of operators in labour-intensive industries such as the potable water and sewer piping systems for the end-user premises industry. Since September 2024, Malaysia has frozen the issuance of new quotas for foreign workers. In addition, under Budget 2025, the Government announced mandatory Employees Provident Fund contributions for all foreign workers, which took effect in October 2025. *(Source: MoF)*.