12. FINANCIAL INFORMATION

12.1 HISTORICAL FINANCIAL INFORMATION

12.1.1 Historical combined statements of profit or loss and other comprehensive income

The following table sets out our combined statements of profit or loss and other comprehensive income for the Period Under Review, which have been extracted from the Accountants' Report set out in **Section 13** of this Prospectus. The historical combined statements of profit or loss and other comprehensive income have been prepared in accordance with MFRS.

The following financial information should be read in conjunction with the Management's Discussion and Analysis of Financial Conditions and Results of Operations as set out in **Section 12.3** of this Prospectus and the Accountants' Report and accompanying notes set out in **Section 13** of this Prospectus.

	Audited			Unaudited	Audited
	FYE 2022 RM'000	**FYE 2023 RM'000**	**FYE 2024 RM'000**	**FPE 2024 RM'000**	**FPE 2025 RM'000**
Revenue	64,969	79,961	80,149	68,108	67,754
Cost of sales	(35,190)	(40,149)	(43,728)	(37,007)	(35,998)
GP	**29,779**	**39,812**	**36,421**	**31,101**	**31,756**
Other operating income	65	223	1,229	1,301	19
Selling and distribution expenses	(3,350)	(3,070)	(2,960)	(2,542)	(1,828)
Administrative expenses	(6,345)	(8,131)	(7,076)	(6,002)	(4,415)
Finance income	803	1,796	1,974	1,666	1,522
Finance costs	(473)	(542)	(380)	(366)	(55)
Net impairment gains / (losses) on financial assets	5	36	(42)	-	(65)
PBT	**20,484**	**30,124**	**29,166**	**25,158**	**26,934**
Income tax expense	(5,070)	(6,339)	(7,386)	(6,063)	(6,720)
PAT / Total comprehensive income attributable to owners of our Company	**15,414**	**23,785**	**21,780**	**19,095**	**20,214**
EBITDA[(1)]	23,476	32,279	32,221	27,673	29,595
GP margin (%)[(2)]	45.84	49.79	45.44	45.66	46.87
PBT margin (%)[(3)]	31.53	37.67	36.39	36.94	39.75
PAT margin (%)[(4)]	23.73	29.75	27.17	28.04	29.83
Number of Shares assumed in issue ('000)[(5)]	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000
Basic / Diluted EPS (sen)[(6)]	1.00	1.54	1.41	1.24	1.31

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12. FINANCIAL INFORMATION

Notes:

(1) The table below sets forth a reconciliation of our PBT to EBITDA:

	Audited			Unaudited	Audited
	FYE 2022 RM'000	**FYE 2023 RM'000**	**FYE 2024 RM'000**	**FPE 2024 RM'000**	**FPE 2025 RM'000**
PBT	**20,484**	**30,124**	**29,166**	**25,158**	**26,934**
Add:					
Finance costs	473	542	380	366	55
Depreciation	3,322	3,409	4,649	3,815	4,128
Less:					
Finance income	(803)	(1,796)	(1,974)	(1,666)	(1,522)
EBITDA	**23,476**	**32,279**	**32,221**	**27,673**	**29,595**

(2) GP margin is computed based on our GP over revenue.

(3) PBT margin is computed based on our PBT over revenue.

(4) PAT margin is computed based on our PAT over revenue.

(5) Assumed enlarged number of Shares in issue after our IPO.

(6) Computed based on PAT attributable to owners of our Company over the enlarged total number of Shares in issue after our IPO. The diluted EPS is equal to the basic EPS as there were no potential dilutive ordinary shares outstanding at the end of the respective financial year / period.

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12. FINANCIAL INFORMATION

12.1.2 Historical combined statements of financial position

The following table sets out our combined statements of financial position for the Period Under Review, which have been extracted from the Accountants' Report set out in **Section 13** of this Prospectus.

The following financial information should be read in conjunction with the Management's Discussion and Analysis of Financial Conditions and Results of Operations set out in **Section 12.3** of this Prospectus and the Accountants' Report and accompanying notes set out in **Section 13** of this Prospectus.

	Audited			
	As at 31 December			As at 31 October 2025
	2022 RM'000	2023 RM'000	2024 RM'000	RM'000
ASSETS				
Non-current assets				
PPE	34,214	46,569	50,151	63,490
Right-of-use assets	16,127	15,429	20,260	19,558
Prepayment	290	-	-	-
Total non-current assets	**50,631**	**61,998**	**70,411**	**83,048**
Current assets				
Inventories	540	414	414	702
Trade receivables	8,431	11,491	12,711	13,320
Other receivables[1]	995	1,685	1,148	13,608
Amount due from former immediate holding company[2]	163	-	-	-
Amount due from a related company	18	4	-	27
Contracts assets	-	43	27	212
Short term deposits	489	85	-	-
Cash and cash equivalents	60,027	61,499	53,559	51,181
Total current assets	**70,663**	**75,221**	**67,859**	**79,050**
TOTAL ASSETS	**121,294**	**137,219**	**138,270**	**162,098**
EQUITY AND LIABILITIES				
EQUITY				
Share capital	1,080	1,080	1,080	26,917
Other reserve	(4,445)	(4,445)	(4,445)	(4,445)
Retained earnings	74,932	88,717	102,057	121,286
TOTAL EQUITY	**71,567**	**85,352**	**98,692**	**143,758**
LIABILITIES				
Non-current liabilities				
Borrowings	2,252	2,274	1,827	1,596
Lease liabilities	9,898	9,871	-[3]	-
Deferred tax liabilities	1,850	1,350	1,726	1,726
Total non-current liabilities	**14,000**	**13,495**	**3,553**	**3,322**

12. FINANCIAL INFORMATION

	Audited			
	As at 31 December			As at 31 October 2025 RM'000
	2022 RM'000	2023 RM'000	2024 RM'000	
Current liabilities				
Trade payables	991	1,499	1,540	2,248
Other payables(4)	8,755	9,679	7,034	9,698
Amount due to former ultimate holding company(5)	23,676	25,836	25,836	-
Contract liabilities	64	143	423	344
Borrowings	361	458	462	334
Lease liabilities	256	92	19	-
Current tax liabilities	1,624	665	711	2,394
Total current liabilities	**35,727**	**38,372**	**36,025**	**15,018**
TOTAL LIABILITIES	**49,727**	**51,867**	**39,578**	**18,340**
TOTAL EQUITY AND LIABILITIES	**121,294**	**137,219**	**138,270**	**162,098**

Notes:

(1) Mainly include:

(i) rental deposit of RM0.52 million for the PLO 321 Facility land prior to our acquisition in October 2024 as well as utility deposits of RM0.21 million as at 31 December 2022;

(ii) rental deposit of RM0.52 million for the PLO 321 Facility land prior to our acquisition in October 2024, utility deposits of RM0.30 million and security deposits paid to suppliers of RM0.63 million as at 31 December 2023;

(iii) utility deposits of RM0.30 million and security deposits paid to suppliers of RM0.38 million as at 31 December 2024; and

(iv) utility deposits of RM0.38 million, security deposits paid to suppliers of RM0.49 million, prepayment of listing expenses of RM2.53 million as well as RM8.80 million paid as purchase consideration for the acquisition of Lot 13416 & 13417 as at 31 October 2025. As the acquisition has yet to complete as at 31 October 2025, the purchase consideration paid was classified under other receivables instead of PPE.

(2) Refers to 5E Holdings, which was 5ERSB's immediate holding company during FYE 2022, FYE 2023, FYE 2024 and FPE 2025.

(3) The lease liabilities (under non-current liabilities) were nil as at 31 December 2024 following the derecognition of lease liability for the PLO 321 Facility land pursuant to the completion of the acquisition of the said land in October 2024.

(4) Mainly include capital expenditure payable / accrued for PLO 321 Facility, accruals and provisions for salaries, bonuses and / or statutory payments, and utilities payable.

(5) Refers to 5E Singapore, which was 5ERSB's ultimate holding company during FYE 2022, FYE 2023, FYE 2024 and FPE 2025. The amount due to 5E Singapore was arising from the advances received. As at the LPD, the outstanding amount has been fully settled by our Group via capitalisation, further details of which are set out in **Section 6.2.1** of this Prospectus.

12. FINANCIAL INFORMATION

12.1.3 Historical combined statements of cash flows

The following table sets out our combined statements of cash flows for the Period Under Review, which have been extracted from the Accountants' Report set out in **Section 13** of this Prospectus. The following financial information should be read in conjunction with the Management's Discussion and Analysis of Financial Conditions and Results of Operations set out in **Section 12.3** of this Prospectus and the Accountants' Report and accompanying notes set out in **Section 13** of this Prospectus.

	Audited			
	FYE 2022 RM'000	**FYE 2023 RM'000**	**FYE 2024 RM'000**	**FPE 2025 RM'000**
CASH FLOWS FROM OPERATING ACTIVITIES				
PBT	20,484	30,124	29,166	26,934
Adjustments for:				
Depreciation of PPE	2,512	2,699	4,000	3,426
Depreciation of right-of-use assets	810	710	649	702
Finance expenses	473	542	380	55
(Gain) / Loss on disposal of PPE	-	(84)	-	20
Gain on derecognition of leases	-	-	(1,272)	-
Gain on lease modification	-	(1)	-	-
Interest income	(803)	(1,796)	(1,974)	(1,522)
Net impairment (gains) / losses on trade receivables	(5)	(36)	42	65
PPE written off	92	4	9	2
Unrealised (gain) / losses on foreign exchange	-	(97)	109	(109)
Operating profit before working capital changes	**23,563**	**32,065**	**31,109**	**29,573**
(Increase) / Decrease in inventories	(41)	126	-	(288)
Decrease / (Increase) in trade and other receivables	2,435	(3,757)	(709)	(3,887)
(Decrease) / Increase in trade and other payables	(85)	4,296	(2,075)	250
(Decrease) / Increase in contract liabilities	(35)	79	280	(79)
Cash from operations	**25,837**	**32,809**	**28,605**	**25,569**
Income tax paid	(5,796)	(7,798)	(6,964)	(5,037)
Net cash flow from operating activities	**20,041**	**25,011**	**21,641**	**20,532**

12. FINANCIAL INFORMATION

	Audited			
	FYE 2022 RM'000	**FYE 2023 RM'000**	**FYE 2024 RM'000**	**FPE 2025 RM'000**
CASH FLOWS FOR INVESTING ACTIVITIES				
Purchase of PPE	(3,642)	(17,196)	(8,120)	(13,687)
Proceeds from disposal of PPE	-	155	-	22
Addition of right-of-use assets	-	-	(14,070)	-
Purchase of land	-	-	-	(9,432)
(Advances to) / Repayment from former immediate holding company[(1)]	(28)	163	-	-
Repayment from former ultimate holding company[(2)]	1,356	-	-	-
Repayment from / (Advance to) a related company	48	14	4	(27)
Interest received	796	1,796	1,974	1,522
(Placement) / Withdrawal of short term deposits	(400)	404	85	-
Net cash flow for investing activities	**(1,870)**	**(14,664)**	**(20,127)**	**(21,602)**
CASH FLOWS FROM / (FOR) FINANCING ACTIVITIES				
Principal repayments of borrowings	(3,314)	(388)	(443)	(359)
Interest payment on borrowings	(86)	(6)	(35)	(54)
Repayment of lease liabilities	(244)	(202)	(82)	(19)
Interest payment on lease liabilities	(93)	(536)	(345)	(1)
Proceeds from issuance of new shares	-	-	-	1
Advances from former ultimate holding company[(2)]	23,676	2,160	-	-
Dividend paid	-	(10,000)	(8,440)	(985)
Net cash flow from / (for) financing activities	**19,939**	**(8,972)**	**(9,345)**	**(1,417)**
Net increase / (decrease) in cash and cash equivalents	**38,110**	**1,375**	**(7,831)**	**(2,487)**
Effects of foreign exchange translation	-	97	(109)	109
Cash and cash equivalents at beginning of the financial year / period	21,917	60,027	61,499	53,559
Cash and cash equivalents at end of the financial year / period	**60,027**	**61,499**	**53,559**	**51,181**

Notes:

(1) Refers to 5E Holdings, which was 5ERSB's immediate holding company during FYE 2022, FYE 2023, FYE 2024 and FPE 2025.

(2) Refers to 5E Singapore, which was 5ERSB's ultimate holding company during FYE 2022, FYE 2023, FYE 2024 and FPE 2025.

12. FINANCIAL INFORMATION

12.2 CAPITALISATION AND INDEBTEDNESS

The following table sets out our Group's capitalisation and indebtedness based on our unaudited combined financial information as at 31 January 2026 and after adjusting for the effects of and utilisation of proceeds from our Public Issue:

	Unaudited	(I)	(II)	(III)
	As at 31 January 2026 RM'000	[(1)]Adjustment for material subsequent event RM'000	After (I) and Public Issue RM'000	After (II) and utilisation of proceeds RM'000
Capitalisation				
Shareholders' equity	149,238	142,616	221,786	215,481
Total capitalisation	**149,238**	**142,616**	**221,786**	**215,481**
Indebtedness				
Current				
Secured and guaranteed				
Term loans	243	243	243	243
Hire purchase payables	103	103	103	103
	346	346	346	346
Non-current				
Secured and guaranteed				
Term loans	1,321	1,321	1,321	1,321
Hire purchase payables	178	178	178	178
	1,499	1,499	1,499	1,499
Total indebtedness	**1,845**	**1,845**	**1,845**	**1,845**
Total capitalisation and indebtedness	**151,083**	**144,461**	**223,631**	**217,326**
Gearing ratio (times)[(2)]	0.01	0.01	0.01	0.01

Notes:

(1) On 11 March 2026, the Company had declared an interim dividend of 0.43 sen per Share in respect of the FYE 2025, amounting to approximately RM6.62 million based on our enlarged total number of 1,540,000,000 Shares upon Listing, further details of which are set out in Section 12.10 of this Prospectus.

(2) Computed based on total indebtedness divided by total capitalisation.

As at the LPD, there is no indirect and / or material contingent liabilities incurred by our Group which may have a substantial impact on the financial position of our Group.

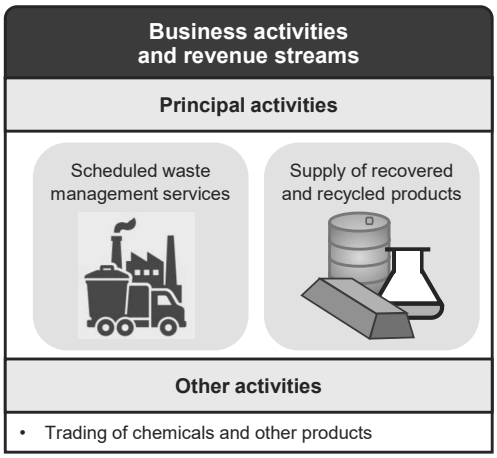
12. FINANCIAL INFORMATION

12.3 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial conditions and results of operations should be read together with the Accountants' Report and related notes as set out in **Section 13** of this Prospectus.

12.3.1 Overview of our business operations

Our principal business activity is in the provision of scheduled waste management services. This involves testing, collection and carrying out the recovery and / or recycling processes to obtain valuable and / or useful materials from the scheduled wastes. Any valuable or useful materials that are recovered and / or recycled will either be sold to our customers, used as input materials for our in-house processes, or collected by third-party companies for further use.



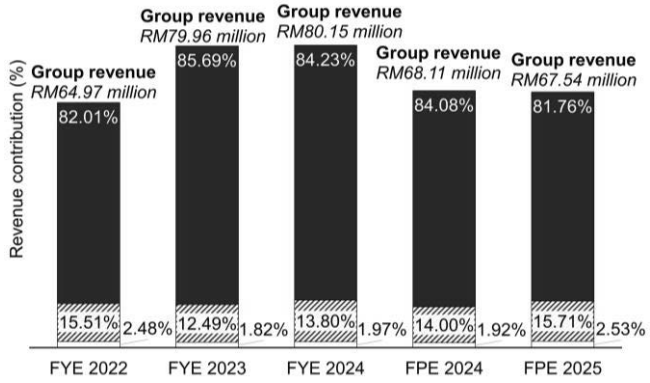
Our scheduled waste management service is complemented by the supply of recovered and recycled products. The recovered and recycled products are those that we recover and recycle during the course of providing scheduled waste management services, as well as from carrying out recovery and recycling processes on scheduled wastes that we purchased from third parties. Our other activities include trading of chemicals and other products.

Please refer to **Section 7.2** of this Prospectus for further information on our business operations.

12.3.2 Overview of our financial results

Our total revenue increased from RM64.97 million in FYE 2022 to RM80.15 million in FYE 2024, representing a CAGR of 11.07%. Our total revenue decreased by 0.52% from RM68.11 million in FPE 2024 to RM67.75 million in FPE 2025.

During the Period Under Review, our main revenue contribution was derived from the provision of scheduled waste management services, which accounted for 82.01%, 85.69%, 84.23%, 84.08% and 81.76% of our total revenue in FYE 2022, FYE 2023, FYE 2024, FPE 2024 and FPE 2025 respectively. This was followed by revenue from the supply of recovered and recycled products which contributed 15.51%, 12.49%, 13.80%, 14.00% and 15.71% of our total revenue in FYE 2022, FYE 2023, FYE 2024, FPE 2024 and FPE 2025 respectively. The remainder of the revenue was derived from trading of chemicals and other



	FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2024 (RM'000)	FPE 2025 (RM'000)
Scheduled waste management services	53,282	68,519	67,507	57,270	55,395
Supply of recovered and recycled products	10,077	9,990	11,059	9,532	10,647
Trading of chemicals and other products	1,610	1,452	1,583	1,306	1,712
Total revenue	**64,969**	**79,961**	**80,149**	**68,108**	**67,754**

products which accounted for 2.48%, 1.82%, 1.97%, 1.92% and 2.53% of our total revenue in FYE 2022, FYE 2023, FYE 2024, FPE 2024 and FPE 2025 respectively.

The revenue from the provision of scheduled waste management services is recognised over time as and when the services are provided. Meanwhile, the revenue from the supply of recovered and recycled products, as well as trading of chemicals and other products are recognised when the control of the goods has been transferred to the customers upon delivery and acceptance by the customers.

For the Period Under Review, our revenue was mainly derived from customers in Malaysia, which accounted for 96.72%, 97.35%, 98.08%, 98.28% and 97.86% of our total revenue in FYE 2022, FYE 2023, FYE 2024, FPE 2024 and FPE 2025 respectively. The remaining 3.28%, 2.65%, 1.92%, 1.72% and 2.14% of our total revenue in FYE 2022, FYE 2023, FYE 2024, FPE 2024 and FPE 2025 respectively was contributed by customers in foreign countries. During the Period Under Review, our sales were mainly transacted in RM.

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12. FINANCIAL INFORMATION

12.3.3 Revenue

(i) Revenue by business activities and products

	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Provision of scheduled waste management services										
- SW 2[(1)]	22,775	35.05	30,357	37.97	23,115	28.84	19,787	29.05	15,199	22.43
- SW 4[(1)]	19,557	30.10	22,595	28.26	22,445	28.01	18,790	27.59	20,512	30.27
- SW 3[(1)]	9,874	15.20	14,269	17.84	18,811	23.47	15,757	23.13	18,901	27.90
- SW 1[(1)]	1,076	1.66	1,298	1.62	3,136	3.91	2,936	4.31	783	1.16
	53,282	**82.01**	**68,519**	**85.69**	**67,507**	**84.23**	**57,270**	**84.08**	**55,395**	**81.76**
Supply of recovered and recycled products	**10,077**	**15.51**	**9,990**	**12.49**	**11,059**	**13.80**	**9,532**	**14.00**	**10,647**	**15.71**
Trading of chemicals and other products[(2)]	**1,610**	**2.48**	**1,452**	**1.82**	**1,583**	**1.97**	**1,306**	**1.92**	**1,712**	**2.53**
Total revenue	**64,969**	**100.00**	**79,961**	**100.00**	**80,149**	**100.00**	**68,108**	**100.00**	**67,754**	**100.00**

Notes:

(1) The descriptions of the SW Codes are in the glossary of technical terms.

(2) Trading of chemicals including acids and other chemicals such as ammonia, urea and industrial alcohol, and other products including laboratory consumables (glass flasks and pipettes), and containers.

12. FINANCIAL INFORMATION

(ii) Revenue by geographical markets

	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
Geographical market[1]	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Peninsular Malaysia										
Johor	42,038	64.71	52,453	65.60	49,524	61.79	42,081	61.79	42,287	62.41
Malacca	6,667	10.26	10,447	13.06	11,661	14.55	9,540	14.01	9,897	14.61
Selangor	8,993	13.84	8,554	10.70	7,572	9.45	6,555	9.62	6,175	9.11
Perak	450	0.69	778	0.97	3,295	4.11	3,190	4.68	901	1.33
Other states[2]	4,688	7.22	5,610	7.02	6,560	8.18	5,574	8.18	7,046	10.40
	62,836	**96.72**	**77,842**	**97.35**	**78,612**	**98.08**	**66,940**	**98.28**	**66,306**	**97.86**
Other countries[3]	**2,133**	**3.28**	**2,119**	**2.65**	**1,537**	**1.92**	**1,168**	**1.72**	**1,448**	**2.14**
Total revenue	**64,969**	**100.00**	**79,961**	**100.00**	**80,149**	**100.00**	**68,108**	**100.00**	**67,754**	**100.00**

Notes:

(1) Based on customers' invoice address.

(2) Other states comprised Kedah, Kelantan, Kuala Lumpur, Negeri Sembilan, Pahang, Perlis, Pulau Pinang, and Terengganu.

(3) Other countries comprised Australia, Japan, and Singapore. All of the customers from these countries are for our supply of recovered and recycled products segment.

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(iii) Collection volume of scheduled wastes

	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	Quantity (tonne)	Average charges (RM/ tonne)	Quantity (tonne)	Average charges (RM/ tonne)	Quantity (tonne)	Average charges (RM/ tonne)	Quantity (tonne)	Average charges (RM/ tonne)	Quantity (tonne)	Average charges (RM/ tonne)
Provision of scheduled waste management services										
SW 2[(1)]	23,523	968	24,784	1,225	18,166	1,272	15,496	1,277	13,093	1,161
SW 4[(1)]	15,838	1,235	17,934	1,260	14,627	1,534	12,430	1,512	13,470	1,523
SW 3[(1)]	10,357	953	11,839	1,205	16,743	1,124	13,874	1,136	15,948	1,185
SW 1[(1)]	725	1,484	1,962	662	2,874	1,091	2,723	1,078	607	1,290
	50,443	**1,056**	**56,519**	**1,212**	**52,410**	**1,288**	**44,523**	**1,286**	**43,118**	**1,285**

Note:
(1) The descriptions of the SW Codes are in the glossary of technical terms.

The average charges for the provision of scheduled waste management services are generally influenced by various factors below:

- type of waste which takes into consideration the handling and disposal method;
- treatment process and volume, which varies depending on the type of waste and complexity of the required treatment; and
- transportation cost, which depends on the customer's location and the distance required for us to pick up the waste.

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Comparison between FYE 2023 and FYE 2022

Our total revenue increased by RM14.99 million or 23.08% to RM79.96 million in FYE 2023 (FYE 2022: RM64.97 million). This was primarily contributed by the increase in revenue from scheduled waste management services segment.

Provision of scheduled waste management services

Revenue from the provision of scheduled waste management services segment increased by RM15.24 million or 28.60% to RM68.52 million in FYE 2023 (FYE 2022: RM53.28 million). This was mainly attributed to the increase in volume of scheduled wastes collected by 6,075 tonnes or 12.04% in FYE 2023, primarily driven by the increase in the collection of wastes which may contain either inorganic or organic constituents (SW 4). This was coupled with the overall higher average charges, which increased by 14.77%, to our customers primarily for the collection of wastes containing primarily inorganic constituents (SW 2), as well as the collection of wastes containing primarily organic constituents (SW 3).

Supply of recovered and recycled products

Revenue from the supply of recovered and recycled products segment decreased marginally by RM0.09 million or 0.86% to RM10.00 million in FYE 2023 (FYE 2022: RM10.08 million). The decrease was mainly due to the lower sales of recovered solvents and oil, as reflected in the decrease in sales volume of recovered solvents and oil by 2,892 tonnes or 50.78% to 2,803 tonnes in FYE 2023 (FYE 2022: 5,695 tonnes), coupled with lower average charges to our customers by 7.43% in FYE 2023.

This was partially offset by an increase in the revenue from the sales of recovered precious and other metals by RM2.70 million or 111.59% to RM5.11 million in FYE 2023 (FYE 2022: RM2.42 million), arising from an increase in sales volume by 1,552 tonnes or 599.23% to 1,811 tonnes in FYE 2023 (FYE 2022: 259 tonnes).

Trading of chemicals and other products

Revenue from the trading of chemicals and other products segment declined by RM0.16 million or 9.81% to RM1.45 million in FYE 2023 (FYE 2022: RM1.61 million). This was primarily attributed to the lower sales of acids due to lower demand, as reflected in the decrease in sales volume of acids by 57 tonnes or 29.23% to 138 tonnes in FYE 2023 (FYE 2022: 195 tonnes).

Comparison between FYE 2024 and FYE 2023

Our total revenue increased marginally by RM0.19 million or 0.24% to RM80.15 million in FYE 2024 (FYE 2023: RM79.96 million). This was primarily contributed by the increase in revenue from the supply of recovered and recycled products, as well as trading of chemicals and other products segments. The increase was partly moderated by the decrease in revenue from the provision of scheduled waste management services.

Provision of scheduled waste management services

Revenue from the provision of scheduled waste management services decreased by RM1.01 million or 1.48% to RM67.51 million in FYE 2024 (FYE 2023: RM68.52 million). This was mainly attributed to the decrease in volume of scheduled wastes collected by 4,111 tonnes or 7.27% in FYE 2024, driven by the decrease in the collection of wastes containing primarily inorganic constituents (SW 2), and wastes which may contain either inorganic or organic constituents (SW 4).

12. FINANCIAL INFORMATION

Supply of recovered and recycled products

Revenue from the supply of recovered and recycled products segment increased by RM1.07 million or 10.70% to RM11.06 million in FYE 2024 (FYE 2023: RM10.00 million). This was mainly contributed by the increase in revenue from the sales of recovered precious and other metals by RM0.59 million or 11.50% to RM5.70 million in FYE 2024 (FYE 2023: RM5.11 million), primarily due to increased sales of zinc and silver on the back of a higher average selling price.

Trading of chemicals and other products

Revenue from the trading of chemicals and other products segment grew by RM0.13 million or 9.02% to RM1.58 million in FYE 2024 (FYE 2023: RM1.45 million). This was primarily attributed to the higher sales of acids due to higher demand, and this was reflected in the increase in sales volume by 55 tonnes or 39.86% to 193 tonnes in FYE 2024 (FYE 2023: 138 tonnes).

Comparison between FPE 2025 and FPE 2024

Our total revenue decreased by RM0.35 million or 0.52% to RM67.75 million in FPE 2025 (FPE 2024: RM68.11 million). This was mainly due to the decrease in revenue from the provision of scheduled waste management services. The decrease was partially offset by an increase in revenue from the supply of recovered and recycled products.

Provision of scheduled waste management services

Revenue from the provision of scheduled waste management services decreased by RM1.88 million or 3.27% to RM55.40 million in FPE 2025 (FPE 2024: RM57.27 million). This was mainly attributed to the decrease in volume of scheduled wastes collected by 1,405 tonnes or 3.16% in FPE 2025, driven by the decrease in the collection of wastes containing primarily inorganic constituents (SW 2), as well as metal and metal-bearing wastes (SW 1).

Supply of recovered and recycled products

Revenue from the supply of recovered and recycled products segment increased by RM1.12 million or 11.70% to RM10.65 million in FPE 2025 (FPE 2024: RM9.53 million). This was mainly contributed by the higher sales of recovered solvents and oils which increased by RM1.64 million in FPE 2025, and this was also reflected in the increase in its sales volume by 634 tonnes or 19.28% to 3,922 tonnes in FPE 2025 (FPE 2024: 3,288 tonnes). The increase was also partly attributed to the increase in sales of other recycled materials, mainly scrap, by RM1.33 million.

The increase was partially offset by a decrease in sales of recovered precious and other metals by RM1.67 million in FPE 2025 mainly due to lower sales of silver and zinc.

Trading of chemicals and other products

Revenue from the trading of chemicals and other products segment increased by RM0.41 million or 31.09% to RM1.71 million in FPE 2025 (FPE 2024: RM1.31 million). This was primarily attributed to higher sales from the trading of acids on the back of increased sales of hydrochloric acid as well as sulphuric acid.

12.3.4 Cost of Sales

(i) Cost of sales by cost components

	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Material costs	9,795	27.84	10,459	26.05	11,109	25.41	9,444	25.52	10,989	30.53
Subcontracted services	9,788	27.81	12,106	30.15	14,336	32.78	12,344	33.35	9,542	26.51
Direct labour costs	5,843	16.60	6,797	16.93	6,770	15.48	5,635	15.23	5,826	16.18
Overhead costs	9,764	27.75	10,787	26.87	11,513	26.33	9,584	25.90	9,641	26.78
Total cost of sales	**35,190**	**100.00**	**40,149**	**100.00**	**43,728**	**100.00**	**37,007**	**100.00**	**35,998**	**100.00**

(ii) Cost of sales by business activities

	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Provision of scheduled waste management services	27,558	78.31	31,279	77.91	33,989	77.73	28,652	77.43	25,427	70.64
Supply of recovered and recycled products	7,076	20.11	8,479	21.12	9,319	21.31	8,017	21.66	9,915	27.54
Trading of chemicals and other products(1)	556	1.58	391	0.97	420	0.96	338	0.91	656	1.82
Total cost of sales	**35,190**	**100.00**	**40,149**	**100.00**	**43,728**	**100.00**	**37,007**	**100.00**	**35,998**	**100.00**

Note:
(1) Trading of chemicals including acids and other chemicals such as ammonia, urea and industrial alcohol, and other products including laboratory consumables (glass flasks and pipettes), and containers.

12. FINANCIAL INFORMATION

Our cost of sales mainly consists of the following:

- **Material costs**

  Our material costs comprised the following:

  - Scheduled wastes which contain recoverable or recyclable materials with high value. Examples of such wastes include silver paste, metal dross, and certain spent or contaminated metals, solvents, oils, containers, and e-wastes.

  - Chemicals including demulsifying agents, coagulants, flocculants, disinfectants, and nutrient which are essential for scheduled waste recovery and recycling processes such as waste coolant and oil recycling, as well as wastewater treatment.

  - Diesel and fuel oil which are used as primary heat sources for our thermal oxidation and carbonisation processes.

  - Consumables such as filters and activated carbon filters which are used to remove solid particles and VOCs from fluids.

  - Products purchased for trading including acids, other chemicals, industrial alcohol, laboratory consumables and containers.

  Our material costs increased by RM0.66 million or 6.78% to RM10.46 million in FYE 2023 (FYE 2022: RM9.80 million). This was primarily contributed by the increase in purchases of scheduled wastes with valuable materials, and this was reflected in the increase in revenue from the supply of precious and other metals by RM2.70 million or 111.59% in FYE 2023.

  Our material costs further increased by RM0.65 million or 6.21% to RM11.11 million in FYE 2024 (FYE 2023: RM10.46 million), and this was attributed to the increase in material costs attributed to the increase of RM0.24 million or 7.73% in purchases of diesel and fuel oil, as well as treatment chemicals.

  Our material costs increased by RM1.55 million or 16.36% to RM10.99 million in FPE 2025 (FPE 2024: RM9.44 million), and this was mainly attributed to the increase in purchases of scheduled wastes which contain recoverable or recyclable materials, and this was reflected in the increase in revenue from the supply of recovered and recycled products by 11.69% in FPE 2025.

- **Subcontracted services**

  Subcontracted services accounted for 27.81%, 30.15%, 32.78% and 26.51% of our total cost of sales for FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively. The subcontracted services we engaged mainly comprised the following:

  - Sludge disposal services where we engage third-party licensed contractors to collect and further treat the sludge that we generate as a result of our scheduled waste management operations;

  - Collection of recycled usable materials with low immediate economic value where we engage third-party companies to collect and remove them from our facilities;

- Logistic services where we engage third-party licensed logistics service providers to collect scheduled waste from our customers' premises before transporting the scheduled waste to our facilities;

- On-site sorting, labelling and loading services which comprised third-party contractors to carry out the sorting, labelling and loading of scheduled wastes at our customers' premises.

Our subcontracted services increased by RM2.32 million or 23.68% to RM12.11 million in FYE 2023 (FYE 2022: RM9.79 million), and this was primarily contributed by the increase in on-site sorting, labelling and loading services which were engaged to carry out the sorting and loading of scheduled wastes at our customers' premises. The increase was in line with the higher revenue from the provision of scheduled waste management services by 28.60% in FYE 2023. The increase was partly moderated by a decrease in sludge disposal services.

The subcontracted services further increased by RM2.23 million or 18.42% to RM14.34 million in FYE 2024 (FYE 2023: RM12.11 million). This was contributed by the increase in cost incurred for sludge disposal services and on-site sorting, labelling and loading services, and partially offset by decrease in cost incurred for logistic services.

Our subcontracted services decreased by RM2.80 million or 22.70% to RM9.54 million in FPE 2025 (FPE 2024: RM12.34 million), which was due to a decrease in the cost incurred for sludge disposal, collection of recycled usable materials, as well as logistic services.

- **Direct labour costs**

Direct labour costs comprised the salary, statutory contributions, allowance, overtime and bonuses for workers involved in our day-to-day operations at the scheduled waste management facilities.

Our direct labour costs increased by RM0.95 million or 16.33% to RM6.80 million in FYE 2023 (FYE 2022: RM5.84 million). This was mainly contributed by the increase in bonuses as well as increase in the number of workers from 114 workers as at FYE 2022 to 121 workers as at FYE 2023.

Our direct labour costs subsequently decreased marginally by RM0.03 million or 0.40% to RM6.77 million in FYE 2024 (FYE 2023: RM6.80 million).

Our direct labour costs increased by RM0.19 million or 3.39% to RM5.83 million in FPE 2025 (FPE 2024: RM5.64 million), mainly due to salary increment.

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12. FINANCIAL INFORMATION

- **Overhead costs**

  Our overhead costs mainly comprised repair and maintenance costs for our facilities, depreciation of our machinery and equipment, utilities including electricity and water, and rental of forklifts and tanks.

  The overhead costs increased by RM1.02 million or 10.48% to RM10.79 million in FYE 2023 (FYE 2022: RM9.77 million). This was mainly contributed by the increase in utility, repair and maintenance costs on the back of increased activities as reflected in the increase in our revenue in FYE 2023. The increase was partly attributed to increase in rental expenses mainly for forklifts and tanks.

  The overhead costs further increased by RM0.73 million or 6.73% to RM11.51 million in FYE 2024 (FYE 2023: RM10.79 million). This was mainly contributed by the increase in depreciation costs arising from the purchase of equipment for our scheduled waste management processes. The increase was partially offset by a decrease in repair and maintenance costs.

  Our overhead costs increased marginally by RM0.06 million or 0.59% to RM9.64 million in FPE 2025 (FPE 2024: RM9.58 million).

During the Period Under Review, our Group did not engage any foreign service providers and hence was not subject to withholding tax.

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12.3.5 GP and GP margin by business activities

	Audited								
	FYE 2022			FYE 2023			FYE 2024		
	GP RM'000	%	GP margin (%)	GP RM'000	%	GP margin (%)	GP RM'000	%	GP margin (%)
Provision of scheduled waste management services	25,724	86.38	48.28	37,240	93.54	54.35	33,518	92.03	49.65
Supply of recovered and recycled products	3,001	10.08	29.78	1,511	3.80	15.13	1,740	4.78	15.73
Trading of chemicals and other products(1)	1,054	3.54	65.47	1,061	2.66	73.07	1,163	3.19	73.47
Total GP / GP margin	**29,779**	**100.00**	**45.84**	**39,812**	**100.00**	**49.79**	**36,421**	**100.00**	**45.44**

	Unaudited			Audited		
	FPE 2024			FPE 2025		
	GP RM'000	%	GP margin (%)	GP RM'000	%	GP margin (%)
Provision of scheduled waste management services	28,618	92.02	49.97	29,968	94.37	54.10
Supply of recovered and recycled products	1,515	4.87	15.89	732	2.31	6.88
Trading of chemicals and other products(1)	968	3.11	74.12	1,056	3.32	61.68
Total GP / GP margin	**31,101**	**100.00**	**45.66**	**31,756**	**100.00**	**46.87**

Note:

(1) Trading of chemicals including acids and other chemicals such as ammonia, urea and industrial alcohol, and other products including laboratory consumables (glass flasks and pipettes), and containers.

Comparison between FYE 2023 and FYE 2022

Our total GP increased by RM10.03 million or 33.69% to RM39.81 million in FYE 2023 (FYE 2022: RM29.78 million) and GP margin improved from 45.84% in FYE 2022 to 49.79% in FYE 2023. The improvements in GP and GP margin were primarily contributed by the provision of scheduled waste management services segment.

Provision of scheduled waste management services

The GP from the scheduled waste management services segment increased by RM11.52 million or 44.77% to RM37.24 million in FYE 2023 (FYE 2022: RM25.72 million). The increase in GP was mainly contributed by increase in revenue from this segment by 28.60% in FYE 2023 on the back of the increase in volume of scheduled waste collected.

The GP margin from this segment improved from 48.28% in FYE 2022 to 54.35% in FYE 2023 mainly arising from the higher average charges to our customers for managing their scheduled wastes during the year, which increased by 14.77% from RM1,056/tonne during FYE 2022 to RM1,212/tonne during FYE 2023.

Supply of recovered and recycled products

The GP from the supply of recovered and recycled products segment declined by RM1.49 million or 49.65% to RM1.51 million in FYE 2023 (FYE 2022: RM3.00 million). The GP margin from this segment declined from 29.78% in FYE 2022 to 15.13% in FYE 2023. The decrease in GP and GP margin were mainly due to the higher costs incurred by 19.83% in FYE 2023. This was mainly for the purchases of scheduled wastes with valuable materials to be recovered and recycled.

Trading of chemicals and other products

The GP from the trading of chemicals and other products segment increased marginally by RM0.01 million or 0.66% to RM1.06 million in FYE 2023 (FYE 2022: RM1.05 million), and GP margin improved from 65.47% in FYE 2022 to 73.07% in FYE 2023, despite a decrease in revenue in FYE 2023. The improvement in GP and GP margin were mainly due to the decrease in average cost of sales as a result of lower purchase costs of chemicals and other products, coupled with higher average selling prices for these products from RM7,854/tonne during FYE 2022 to RM9,878/tonne during FYE 2023.

Comparison between FYE 2024 and FYE 2023

Our total GP decreased by RM3.39 million or 8.52% to RM36.42 million in FYE 2024 (FYE 2023: RM39.81 million) and GP margin declined from 49.79% in FYE 2023 to 45.44% in FYE 2024. This was mainly attributed to the decrease in GP and GP margin from scheduled waste management services.

Provision of scheduled waste management services

The GP from the scheduled waste management services segment decreased by RM3.72 million or 9.99% to RM33.52 million in FYE 2024 (FYE 2023: RM37.24 million). This was mainly attributed to the decrease in revenue by 1.48% in FYE 2024 as a result of the lower volume of scheduled wastes collected.

The GP margin from this segment declined from 54.35% in FYE 2023 to 49.65% in FYE 2024. This was mainly due to the increase in cost of sales by 8.66% in FYE 2024 notwithstanding a decrease in revenue. The higher cost of sales was mainly arising from higher costs of subcontracted services on the back of increase in cost incurred for sludge disposal and on-site sorting, labelling and loading services, as well as higher material costs mainly for the purchases of diesel and fuel oil, and chemicals for the recovery and recycling of scheduled waste.

Supply of recovered and recycled products

The GP from the supply of recovered and recycled products segment increased by RM0.23 million or 15.16% to RM1.74 million in FYE 2024 (FYE 2023: RM1.51 million) as reflected in the increase in revenue by 10.70% contributed by the sales of zinc and silver on the back of a higher average selling price. The GP margin from this segment remained relatively consistent in FYE 2023 and FYE 2024.

Trading of chemicals and other products

The GP from the trading of chemicals and other products segment increased by RM0.10 million or 9.61% to RM1.16 million in FYE 2024 (FYE 2023: RM1.06 million) as reflected in the increase in revenue by 9.02% on the back of higher sales of acids. The GP margin from this segment remained relatively consistent in FYE 2023 and FYE 2024.

Comparison between FPE 2025 and FPE 2024

Our total GP increased by RM0.66 million or 2.11% to RM31.76 million in FPE 2025 (FPE 2024: RM31.10 million) and GP margin improved from 45.66% in FPE 2024 to 46.87% in FPE 2025. This was mainly attributed to the increase in GP and GP margin from scheduled waste management services.

Provision of scheduled waste management services

The GP from scheduled waste management services segment increased by RM1.35 million or 4.72% to RM29.97 million in FPE 2025 (FPE 2024: RM28.62 million). The GP margin from scheduled waste management services segment increased from 49.97% in FPE 2024 to 54.10% in FPE 2025. Despite a decrease in revenue from this segment by 3.27% in FPE 2025, the improvement in GP and GP margin was mainly attributed to the lower cost of sales as reflected in the decrease in proportion of cost of sales over revenue by 4.13% in FPE 2025.

The lower cost of sales was mainly due to the lower subcontracted costs related to on-site sorting, labelling and loading services at our customers' premises, coupled with lower cost incurred for sludge disposal, collection of recycled usable materials, as well as logistic services, arising from lower demand for waste collection during the period. The decrease in costs of sales was also partly attributed to lower material costs resulting from the decrease in volume of scheduled waste collected.

Supply of recovered and recycled products

The GP from the supply of recovered and recycled products segment decreased by RM0.78 million or 51.68% to RM0.73 million in FPE 2025 (FPE 2024: RM1.52 million), and GP margin declined from 15.89% in FPE 2024 to 6.88% in FPE 2025. This was mainly due to the higher sales of lower margin products namely solvents and oils, as well as scrap.

Trading of chemicals and other products

The GP from the trading of chemicals and other products segment increased by RM0.09 million or 9.09% to RM1.06 million in FPE 2025 (FPE 2024: RM0.97 million), which was reflected in the increase in revenue by 31.09% on the back of higher sales of acids.

GP margin from the trading of chemicals and other products declined from 74.12% in FPE 2024 to 61.68% in FPE 2025, primarily due to the sales of lower-priced hydrochloric acid which have correspondingly lower margin.

12. FINANCIAL INFORMATION

12.3.6 Finance and other operating income

	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Finance income	803	92.51	1,796	88.96	1,974	61.63	1,666	56.15	1,522	98.77
Gain on derecognition of leases	-	-	-	-	1,272	39.71	1,272	42.87	-	-
Gain / (Loss) on foreign exchange	136	15.67	142	7.03	(34)	(1.06)	38	1.28	41	2.66
- realised	136	15.67	45	2.23	75	2.34	38	1.28	(68)	(4.41)
- unrealised	*	*	97	4.80	(109)	(3.40)	-	-	109	7.07
PPE written off	(92)	(10.60)	(4)	(0.20)	(9)	(0.28)	(9)	(0.30)	(2)	(0.13)
Gain / (Loss) on disposal of PPE	-	-	84	4.16	-	-	-	-	(20)	(1.30)
Others[(1)]	21	2.42	1	0.05	-	-	-	-	-	-
Total	**868**	**100.00**	**2,019**	**100.00**	**3,203**	**100.00**	**2,967**	**100.00**	**1,541**	**100.00**

Notes:
* Less than RM500 or 0.01%.

(1) Mainly include refunds from the Human Resources Development Fund.

12. FINANCIAL INFORMATION

Comparison between FYE 2023 and FYE 2022

Our finance and other operating income increased by RM1.15 million or 132.60% to RM2.02 million in FYE 2023 (FYE 2022: RM0.87 million). This was attributed to an increase of RM0.99 million in finance income arising from interest received for deposits placed with licensed banks.

Comparison between FYE 2024 and FYE 2023

Our finance and other operating income further increased by RM1.18 million or 58.64% to RM3.20 million in FYE 2024 (FYE 2023: RM2.02 million). This was mainly contributed by RM1.27 million arising from the gain on derecognition of lease liability for the PLO 321 Facility land pursuant to the completion of the acquisition of the said land in October 2024.

Comparison between FPE 2025 and FPE 2024

Our finance and other operating income decreased by RM1.43 million or 48.06% to RM1.54 million in FPE 2025 (FPE 2024: RM2.97 million). This was mainly due to the absence of the gain on derecognition of lease liability as stated above. The decrease was also partly due to lower finance income due to lower balances of deposits placed with licensed banks.

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12.3.7 Administrative expenses

	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Staff costs	4,461	70.31	6,250	76.87	5,267	74.43	4,530	75.47	2,480	56.17
Depreciation	483	7.61	480	5.90	551	7.79	454	7.56	438	9.92
Others(1)	1,401	22.08	1,401	17.23	1,258	17.78	1,018	16.97	1,497	33.91
Total	**6,345**	**100.00**	**8,131**	**100.00**	**7,076**	**100.00**	**6,002**	**100.00**	**4,415**	**100.00**

Note:
(1) Mainly include professional fees, staff welfare, repair and maintenance expenses, office expenses, travelling and transportation expenses, utilities, insurance, authority fees, training expenses, and security expenses.

Comparison between FYE 2023 and FYE 2022

Our administrative expenses increased by RM1.79 million or 28.15% to RM8.13 million in FYE 2023 (FYE 2022: RM6.35 million). This was attributed mainly to the increase in staff costs by RM1.79 million in FYE 2023 due to salary increment and bonus in FYE 2023.

Comparison between FYE 2024 and FYE 2023

Our administrative expenses declined by RM1.06 million or 12.98% to RM7.08 million in FYE 2024 (FYE 2023: RM8.13 million). This was mainly attributed to the decrease in staff costs by RM0.98 million in FYE 2023 due to lower bonus.

Comparison between FPE 2025 and FPE 2024

Our administrative expenses declined by RM1.59 million or 26.44% to RM4.42 million in FPE 2025 (FPE 2024: RM6.00 million). This was mainly attributed to the decrease in staff costs due to lower accrual for bonus.

The decrease was partially offset by an increase in other expenses, mainly contributed by professional fees pertaining to the pre-IPO restructuring exercise.

12.3.8 Selling and distribution expenses

	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Staff costs and commission	3,229	96.39	2,888	94.07	2,807	94.83	2,412	94.89	1,671	91.41
Others[(1)]	121	3.61	182	5.93	153	5.17	130	5.11	157	8.59
Total	**3,350**	**100.00**	**3,070**	**100.00**	**2,960**	**100.00**	**2,542**	**100.00**	**1,828**	**100.00**

Note:
(1) Mainly include travelling and transportation expenses, entertainment, as well as upkeep of PPE.

Comparison between FYE 2023 and FYE 2022

Our selling and distribution expenses declined by RM0.28 million or 8.36% to RM3.07 million in FYE 2023 (FYE 2022: RM3.35 million). This was mainly attributed to the decrease in staff costs and commission for the sales and marketing department, following the resignation of our marketing advisors, namely Wong Kim Fatt and Ban Kim Wah, in September 2022.

Comparison between FYE 2024 and FYE 2023

The selling and distribution expenses decreased by RM0.11 million or 3.58% to RM2.96 million in FYE 2024 (FYE 2023: RM3.07 million). This was mainly attributed to lower staff costs and commission for the sales and marketing department due to decrease in sales from the provision of scheduled waste management services.

Comparison between FPE 2025 and FPE 2024

The selling and distribution expenses decreased by RM0.71 million or 28.09% to RM1.83 million in FPE 2025 (FPE 2024: RM2.54 million). This was mainly attributed to lower staff costs and commission for the sales and marketing department due to decrease in sales from the provision of scheduled waste management services.

12.3.9 Finance costs

	Audited						Unaudited		Audited	
	FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Interest expense on:										
Term loans	86	18.18	-	-	15	3.95	5	1.37	41	74.54
Hire purchase	-	-	6	1.11	20	5.26	17	4.64	13	23.64
Lease liabilities	387	81.82	536	98.89	345	90.79	344	93.99	1	1.82
Total	**473**	**100.00**	**542**	**100.00**	**380**	**100.00**	**366**	**100.00**	**55**	**100.00**

Comparison between FYE 2023 and FYE 2022

Our finance costs increased by RM0.07 million or 14.59% to RM0.54 million in FYE 2023 (FYE 2022: RM0.47 million). This was mainly due to the increase in interest expense on lease liabilities for the leasing of PLO 321 Facility land for our expansion.

The increase was partially offset by an absence of interest expense on term loans in FYE 2023. (FYE 2022: RM0.09 million).

Comparison between FYE 2024 and FYE 2023

Our finance costs declined by RM0.16 million or 29.89% to RM0.38 million in FYE 2024 (FYE 2023: RM0.54 million). This was attributed to the decrease in interest expenses on lease liabilities due to the reducing balance of the lease liabilities for PLO 321 Facility land, as well as the derecognition of the leased PLO 321 Facility land in October 2024.

Comparison between FPE 2025 and FPE 2024

Our finance costs declined by RM0.31 million or 84.97% to RM0.06 million in FPE 2025 (FPE 2024: RM0.37 million). This was attributed to the decrease in interest expenses on lease liabilities due to the derecognition of the lease liability for the PLO 321 Facility land.

12.3.10 PBT, taxation and PAT

	Audited			Unaudited	Audited
	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
PBT (RM'000)	20,484	30,124	29,166	25,158	26,934
PBT margin (%)	31.53	37.67	36.39	36.94	39.75
Taxation (RM'000)	5,070	6,339	7,386	6,063	6,720
Effective tax rate (%)	24.75	21.04	25.32	24.10	24.95
Statutory tax rate (%)	24.00	24.00	24.00	24.00	24.00
PAT (RM'000)	15,414	23,785	21,780	19,095	20,214
PAT margin (%)	23.73	29.75	27.17	28.04	29.83

Comparison between FYE 2023 and FYE 2022

Our PBT increased by RM9.64 million or 47.06% to RM30.12 million in FYE 2023 (FYE 2022: RM20.48 million), and PAT increased by RM8.37 million or 54.31% to RM23.79 million in FYE 2023 (FYE 2022: RM15.41 million). The increase was mainly contributed by the increase in GP by 33.69% in FYE 2023.

Our PBT margin improved from 31.53% in FYE 2022 to 37.67% in FYE 2023, and similarly, our PAT margin increased from 23.73% in FYE 2022 to 29.75% in FYE 2023. This was attributed to the improvement in our GP margin in FYE 2023, coupled with increase in finance and other operating income.

For the FYE 2022, our effective tax rate was 24.75% which was higher than the statutory tax rate of 24.00%. This was mainly attributed to the tax effect of under provision of income tax in prior financial year as well as non-deductible expenses such as depreciation, provision for bonus and impairment loss.

For the FYE 2023, our effective tax rate was 21.04% which was lower than the statutory tax rate of 24.00%. This was mainly due to the recognition of deferred tax assets arising from deductible temporary differences.

Comparison between FYE 2024 and FYE 2023

Our PBT decreased by RM0.96 million or 3.18% to RM29.17 million in FYE 2024 (FYE 2023: RM30.12 million), and PAT decreased by RM2.01 million or 8.43% to RM21.78 million in FYE 2024 (FYE 2023: RM23.79 million). This was mainly due to the decrease in GP by 8.52% in FYE 2024.

Our PBT margin declined from 37.67% in FYE 2023 to 36.39% in FYE 2024, and similarly PAT margin also decreased from 29.75% in FYE 2023 to 27.17% in FYE 2024. This was in line with the decrease in our GP margin from 49.79% in FYE 2023 to 45.44% in FYE 2024.

For the FYE 2024, our effective tax rate was 25.32% which was higher than the statutory tax rate of 24.00%, mainly due to the tax effect of non-deductible expenses such as depreciation, professional fees and donations, lower capital allowance, under provision of income tax and deferred tax in the prior financial year.

12. FINANCIAL INFORMATION

Comparison between FPE 2025 and FPE 2024

Our PBT increased by RM1.78 million or 7.06% to RM26.93 million in FPE 2025 (FPE 2024: RM25.16 million), and PAT increased by RM1.12 million or 5.86% to RM20.21 million in FPE 2025 (FPE 2024: RM19.10 million). This was mainly attributed to the decrease in administrative, as well as selling and distribution expenses by 26.44% and 28.09% in FPE 2025 respectively. The increase was also partly due to the increase in GP by 2.11% in FPE 2025.

Consequently, our PBT margin improved from 36.94% in FPE 2024 to 39.75% in FPE 2025, and similarly, our PAT margin increased from 28.04% in FPE 2024 to 29.83% in FPE 2025. This was attributed to the improvement in our GP margin in FPE 2025, coupled with the lower administrative, as well as selling and distribution expenses.

For the FPE 2025, our effective tax rate was 24.95% which was higher than the statutory tax rate of 24.00%, mainly due to the under provision of deferred tax in the prior financial year.

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12. FINANCIAL INFORMATION

12.4 SIGNIFICANT FACTORS AFFECTING OUR GROUP'S OPERATIONS AND FINANCIAL PERFORMANCE

(i) Ability to continuously secure new orders from customers

We do not have long-term recurring revenue contracts with our customers and our revenue is derived from purchase orders for specific services and / or products. In this respect, our business sustainability and financial performance depend on our ability to continuously secure new purchase orders in sufficient quantity and value. Please refer to **Section 9.1.2** of this Prospectus for further details.

(ii) Our financial performance including revenue may fluctuate from time to time

Our revenue may fluctuate from time to time depending on the demand and orders we receive from our customers. Our customers are mainly in the manufacturing industries and their demand for our scheduled waste management services is dependent on their volume of waste generated. In this respect, any downturn in the manufacturing industry in Malaysia may reduce the demand for scheduled waste management services which may consequently adversely affect our financial performance. Please refer to **Section 9.1.4** of this Prospectus for further details.

(iii) We are subject to a monthly maximum quantity for the collection and management of scheduled wastes and this may limit our growth in terms of revenue

Each SW Code that we are licensed to collect and manage at our scheduled waste management facilities is subject to a monthly maximum quantity that is granted by the DOE and stipulated in our facilities' respective licence. Our growth may be limited as we cannot exceed the stipulated amount even when opportunities arise. In addition, if the actual quantity of scheduled wastes that we collect and process at any of our scheduled waste management facilities exceeds the stipulated monthly maximum quantity, the scheduled waste management licence for that facility may be revoked, and we may be subject to a fine or other penalties. This would adversely affect our financial performance. Please refer to **Section 9.1.3** of this Prospectus for further details.

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(iv) Impact of interest rates fluctuations

As at 31 October 2025, we have total borrowings of RM1.93 million, all of which were interest-bearing, including RM1.62 million based on floating interest rate and the remaining RM0.31 million were based on fixed interest rates. We incurred finance costs of RM0.47 million, RM0.54 million, RM0.38 million and RM0.06 million in FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

In this respect, any increase in the drawdown of borrowings and / or interest rates may adversely affect our financial performance. If we fail or encounter difficulties in meeting the financial obligations when they fall due, this will result in a financial distress condition which will affect our operations and financial performance.

(v) Impact of inflation

Our financial performance for the Period Under Review was not materially affected by inflation. However, there can be no assurance that future inflation will not have an impact on our business and financial performance.

(vi) Impact on government / economic / fiscal / monetary policies

Our business is subject to risks relating to government, political, economic, fiscal or monetary policies and regulatory risks, geopolitical events, as well as occurrence of force majeure events in Malaysia. Any unfavourable changes in such government policies, economic conditions, or fiscal or monetary policies may materially affect our operations. Please refer to **Section 9.2.2** of this Prospectus for further details on this risk.

12.5 LIQUIDITY AND CAPITAL RESOURCES

(i) Working capital

Our business is financed by a combination of internal and external sources of funds. Internal sources of funds comprised shareholders' equity and cash generated from our business operations while our external sources of funds mainly consist of banking facilities from financial institutions. These funds are mainly used to finance our business operations and growth.

As at 31 October 2025, our cash and cash equivalents were RM51.18 million and our total borrowings were RM1.93 million. As at 31 October 2025, our gearing ratio was 0.01 times and our current ratio was 5.26 times. As at the LPD, we do not have any banking facilities for our working capital purposes.

Our Directors are of the opinion that after taking into consideration our cash and cash equivalents, the payment of the declared dividend of 0.43 sen per Share (details of which are as set out in **Section 12.10** of this Prospectus), the expected profits to be generated from our operations, our expected future cash flows from operations as well as proceeds expected to be raised from our Public Issue, we will have adequate working capital to meet our present and foreseeable requirements for at least a period of 12 months from the date of this Prospectus.

(ii) Cash flow

The following is a summary of our audited combined statements of cash flows for the Period Under Review. This should be read in conjunction with the Accountants' Report as set out in **Section 13** of this Prospectus.

	Audited			
	FYE 2022 RM'000	**FYE 2023 RM'000**	**FYE 2024 RM'000**	**FPE 2025 RM'000**
Net cash flow from operating activities	20,041	25,011	21,641	20,532
Net cash flow for investing activities	(1,870)	(14,664)	(20,127)	(21,602)
Net cash flow from / (for) financing activities	19,939	(8,972)	(9,345)	(1,417)
Net increase / (decrease) in cash and cash equivalents	**38,110**	**1,375**	**(7,831)**	**(2,487)**
Effect of foreign exchange translation	-	97	(109)	109
Cash and cash equivalents at beginning of the year / period	21,917	60,027	61,499	53,559
Cash and cash equivalents at end of the year / period	**60,027**	**61,499**	**53,559**	**51,181**
Details of the cash and cash equivalents:				
Cash and bank balances	14,047	16,283	6,293	7,078
Deposits placed with licensed banks	45,980	45,216	47,266	44,103
Cash and cash equivalents at end of the year / period	**60,027**	**61,499**	**53,559**	**51,181**

12. FINANCIAL INFORMATION

(a) Net cash flow from operating activities

FYE 2022

For the FYE 2022, our operating profit before working capital changes was RM23.56 million, and our net cash flow from operating activities was RM20.04 million after taking into account, the following:

- decrease in trade and other receivables of RM2.44 million, which was mainly due to lower outstanding net trade receivables of RM8.43 million as at 31 December 2022 compared to RM11.32 million as at 31 December 2021. This was mainly attributed to improvements in collections; and
- tax paid of RM5.80 million.

FYE 2023

For the FYE 2023, our operating profit before working capital changes was RM32.07 million, and our net cash flow from operating activities was RM25.01 million after taking into account the following:

- increase in trade and other payables of RM4.30 million, which was mainly due to higher accruals for bonuses;
- increase in trade and other receivables of RM3.76 million, which was mainly due to higher outstanding net trade receivables of RM11.49 million as at 31 December 2023 compared to RM8.43 million as at 31 December 2022, on the back of higher revenue from our operations in the second half of FYE 2023; and
- tax paid of RM7.80 million.

FYE 2024

For the FYE 2024, our operating profit before working capital changes was RM31.11 million, and our net cash flow from operating activities was RM21.64 million after taking into account mainly the following:

- decrease in trade and other payables of RM2.08 million, which was mainly due to lower accruals for bonuses; and
- tax paid of RM6.96 million.

FPE 2025

For the FPE 2025, our operating profit before working capital changes was RM29.57 million, and our net cash flow from operating activities was RM20.53 million after taking into account mainly the following:

- increase in trade and other receivables of RM3.89 million, which was mainly attributed to prepayments of listing expenses; and
- tax paid of RM5.04 million.

(b) Net cash flow for investing activities

FYE 2022

For the FYE 2022, our net cash flow for investing activities was RM1.87 million, which mainly comprised RM3.64 million for the purchase of PPE. This mainly included the following:

- construction works on the PLO 321 Facility; and
- purchase of plant and equipment for our scheduled waste management processes.

This was partially offset by the repayment of RM1.36 million received from 5E Singapore, as well as RM0.80 million of interest received.

FYE 2023

For the FYE 2023, our net cash flow for investing activities was RM14.66 million, which mainly comprised RM17.20 million for the purchase of PPE. This mainly included the following:

- construction works on the PLO 321 Facility;
- purchase of motor vehicles including lorries, prime movers, and trailers to support our operations at both PLO 738 Facility, as well as PLO 83 & 317 Facility; and
- purchase of plant and equipment for our scheduled waste management processes.

This was partially offset by the RM1.80 million of interest received.

FYE 2024

For the FYE 2024, our net cash flow for investing activities was RM20.13 million, which mainly comprised RM14.07 million for the addition of right-of-use assets arising from acquisition of the PLO 321 Facility land.

In addition, our net cash flow for investing activities was attributed to the purchase of PPE which amounted to RM8.12 million and this was mainly for the machinery and equipment for PLO 321 Facility.

This was partially offset by the RM1.97 million of interest received.

FPE 2025

For the FPE 2025, our net cash flow for investing activities was RM21.60 million, which mainly comprised RM23.12 million for the purchase of PPE and land, comprising the acquisition of Lot 13416 & 13417, and assets under construction arising from the purchase of machinery and equipment for, as well as construction works on, PLO 321 Facility.

This was partially offset by the RM1.52 million of interest received.

(c) Net cash flow from / for financing activities

FYE 2022

For FYE 2022, our net cash flow from financing activities was RM19.94 million, mainly attributed to the net advances of RM23.68 million received from 5E Singapore, which comprised the proceeds from 5E Singapore's initial public offering in Singapore for our expansion plans.

This was partially offset by RM3.31 million for the repayments of borrowings as well as RM0.24 million for the repayment of lease liabilities.

FYE 2023

For FYE 2023, our net cash flow for financing activities was RM8.97 million, mainly attributed to RM10.00 million used for dividends paid.

This was partially offset by the net advances of RM2.16 million received from 5E Singapore.

FYE 2024

For FYE 2024, our net cash flow for financing activities was RM9.35 million, mainly attributed to RM8.44 million used for dividends paid.

FPE 2025

For FPE 2025, our net cash flow for financing activities was RM1.42 million, mainly attributed to the dividend payment of RM0.99 million and RM0.36 million for the repayments of borrowings.

(iii) Borrowings

For the Period Under Review, our borrowings are all interest-bearing and denominated in RM. The breakdown of our borrowings as at 31 October 2025 is set out below:

	As at 31 October 2025		
	Payable within 12 months	Payable after 12 months	Total
Type of borrowings	**RM'000**	**RM'000**	**RM'000**
Term loan(1)	250	1,373	1,623
Hire purchase liabilities(2)	84	223	307
Total	**334**	**1,596**	**1,930**
Gearing ratio (times)(3)			0.01

Notes:

(1) Term loan to finance the acquisition of the PLO 83 Facility.

(2) Hire purchase liabilities to finance the purchase of 2 vehicles.

(3) Calculated based on total borrowings divided by total equity.

12. FINANCIAL INFORMATION

As at 31 October 2025, our Group's floating and fixed rate borrowings are set out below:

	RM'000
Floating rate borrowings[1]	1,623
Fixed rate borrowings[2]	307
Total	**1,930**

Notes:
(1) Comprised term loan.

(2) Comprised hire purchase liabilities.

The maturity profile and interest rates of our borrowings as at 31 October 2025 are set out below:

	Term loan	Hire purchase liabilities	Total
Maturity	**RM'000**	**RM'000**	**RM'000**
Under 1 year	250	84	334
1 - 5 years	1,054	223	1,277
More than 5 years	319	-	319
Total	**1,623**	**307**	**1,930**
Interest rates per annum	4.42%	2.33% - 2.36%	

Our Group has not defaulted on any payment of either principal sums and / or interest in relation to our borrowings for the Period Under Review and up to the LPD. We also did not encounter any seasonality in our borrowings trend.

As at the LPD, our Group is not in breach of any terms and conditions or covenants associated with our credit arrangements or bank loans, which can materially affect our financial position and results of business operations, or the investments by holders of securities in our Company.

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12. FINANCIAL INFORMATION

(iv) Financial instrument, treasury policies and objectives

For the Period Under Review and as at the LPD, our Group did not utilise any financial instruments for hedging purposes.

Our Group's operations have been funded through shareholders' equity, cash generated from our operations and external sources of funds comprising banking facilities from financial institutions. The normal credit terms granted by our suppliers range from 30 to 90 days for the FYE 2024 and FPE 2025.

As at the LPD, our Group's banking facilities from financial institutions mainly consist of the following:

- term loan to finance the acquisition of the PLO 83 Facility;
- hire purchase liabilities to finance the purchase of 2 vehicles; and
- bank guarantees for utility security deposits.

The main objective of our capital management is to maintain a sustainable level of shareholders' equity, thereby ensuring our ability to support and grow our business in order to maximise shareholders' value. We review and manage our capital structure to maintain our gearing ratio at an optimal level based on our business requirements and prevailing economic conditions.

(v) Material litigation and contingent liabilities

(a) Material litigation

Neither we nor our subsidiaries are engaged in any governmental, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material or significant effects on our financial position or profitability, in the 12 months immediately preceding the date of this Prospectus.

(b) Contingent liabilities

As at the LPD, save for bank guarantees, we do not have any other material contingent liabilities which, upon becoming enforceable, may have a material adverse impact on our results of operations or financial position.

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12. FINANCIAL INFORMATION

(vi) Material capital commitment

Our capital commitment as at the LPD is as follows:

	Capital commitment RM'000	Source of funds	
		Internally generated funds / Borrowings RM'000	IPO proceeds RM'000
Approved and contracted for:			
Purchase of laboratory testing equipment, wastewater treatment plant equipment, and office equipment	430	430	-
Renovation of PLO 83 & 317 Facility	(1)15	15	-
Setting up PLO 321 Facility (Phase 2)	(2)46,484	46,484	-
Approved but not contracted for:			
Setting up the New Perak Facility	110,655	52,655	58,000
Total	**157,584**	**99,584**	**58,000**

Notes:

(1) The total cost for the renovation of PLO 83 & 317 Facility is RM1.85 million and as at the LPD, RM1.83 million has been paid and the remaining RM0.02 million will be paid progressively upon completion of works. The renovation works such as the construction of on-site detention tanks and associated drainage works, provision of road markings, and modification of awnings, are undertaken in relation to the amalgamation of the 2 parcels of land. The renovation works are expected to be completed by March 2026 and this do not affect our operations at the PLO 83 & 317 Facility.

(2) The total cost of setting up PLO 321 Facility (Phase 2) is RM72.00 million and as at the LPD, RM25.52 million has been paid and the remaining RM46.48 million will be paid progressively upon completion of works.

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(vii) Capital expenditures and divestitures

Capital expenditures

Our capital expenditures for the Period Under Review and up to the LPD are as follows:

	FYE 2022	FYE 2023	FYE 2024	FPE 2025	1 November 2025 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Buildings[(1)]	-	14	199	1,170	-
Plant and equipment[(1)]	690	1,162	189	236	541
Furniture and office equipment[(1)]	293	95	203	55	25
Motor vehicles[(2)]	122	4,017	193	195	-
Assets under construction[(3)(4)]	5,963	9,841	6,807	15,153	7,714
Leasehold land[(3)(4)]	-	-	14,070	-	9,454
Total	**7,068**	**15,129**	**21,661**	**16,809**	**17,734**

Notes:

(1) Funded via internally-generated funds.

(2) Funded via a combination of internally generated funds and bank borrowings.

(3) Funded via a combination of internally-generated funds and the proceeds raised from the SGX Listing for FYE 2022 to FYE 2024, and internally generated funds for FPE 2025, and 1 November 2025 up to the LPD.

(4) The capital expenditure for assets under construction and leasehold land is in relation to the establishment of the PLO 321 Facility and New Perak Facility which are in-progress. Kindly refer to **Section 12.5(vi)** of this Prospectus for further details on the respective capital commitment for both facilities.

FYE 2022

For the FYE 2022, our Group's capital expenditure was RM7.07 million comprised mainly the RM5.96 million for assets under construction arising from construction works on PLO 321 Facility.

FYE 2023

For the FYE 2023, our Group's capital expenditure was RM15.13 million comprised mainly the following:

- RM9.84 million for assets under construction arising from construction works on PLO 321 Facility;
- RM4.02 million for the purchase of motor vehicles including lorries, prime movers, and trailers; and
- RM1.16 million for the purchase of plant and equipment for our scheduled waste management processes.

12. FINANCIAL INFORMATION

FYE 2024

For the FYE 2024, our Group's capital expenditure was RM21.66 million comprised mainly the RM14.07 million for the acquisition of PLO 321 Facility land as well as RM6.81 million for assets under construction arising from machinery and equipment for PLO 321 Facility.

FPE 2025

For the FPE 2025, our Group's capital expenditure was RM16.81 million comprised mainly the following:

- RM15.15 million for assets under construction arising from both machinery and equipment for, as well as construction works on, PLO 321 Facility; and

- RM1.17 million for the acquisition of Property No.31.

From 1 November 2025 up to the LPD

From 1 November 2025 up to the LPD, our Group's capital expenditure was RM17.73 million comprised mainly RM9.45 million for the acquisition of Lot 13416 & 13417 (including the full purchase consideration and directly attributable legal fees paid for the acquisition), as well as RM7.71 million for assets under construction arising from both machinery and equipment for, as well as construction works on, PLO 321 Facility.

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Capital divestitures

Our capital divestitures for the Period Under Review and up to the LPD are as follows:

	FYE 2022	FYE 2023	FYE 2024	FPE 2025	1 November 2025 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Motor vehicles	-	(1)250	-	111	-
Total	**-**	**250**	**-**	**111**	**-**

Note:
(1) Based on cost value.

Save for the disposal of a motor vehicle in FYE 2023 and FPE 2025, our Group had no other capital divestiture during the Period Under Review and from 1 November 2025 up to the LPD.

12.6 KEY FINANCIAL RATIOS

Our key financial ratios for the Period Under Review are as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FPE 2025
Average trade receivables turnover period (days)(1)	55	45	55	58
Average trade payables turnover period (days)(2)	15	11	13	16
Average inventory turnover period (days)(3)	5	4	3	5
Current ratio (times)(4)	1.98	1.96	1.88	5.26
Gearing ratio (times)(5)	0.04	0.03	0.02	0.01

Notes:
(1) Computed based on average of the opening and closing trade receivables (net of loss allowance) as at the end of the respective financial year / period, divided by the total revenue of the respective financial year / period, multiplied by 365 / 304 days for each financial year / period.

(2) Computed based on average of the opening and closing trade payables as at the end of the respective financial year / period, divided by the total cost of sales of the respective financial year / period, multiplied by 365 / 304 days for each financial year / period.

(3) Computed based on average of the opening and closing inventories as at the end of the respective financial year / period, divided by the total cost of sales of the respective financial year / period, multiplied by 365 / 304 days for each financial year / period.

(4) Computed based on current assets over current liabilities as at the end of the respective financial year / period.

(5) Computed based on total borrowings over total equity as at the end of the respective financial year / period.

For the Period Under Review, there was a mismatch of average trade receivables turnover period and average trade payables turnover period, primarily due to our practice of making prompt payments to suppliers to enhance our business relationship. Notwithstanding this, we have positive operating cash flow and net current asset position for the Period Under Review.

(i) Trade receivables turnover period

Our trade receivables turnover period for the Period Under Review is set out as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FPE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Average trade receivables[(1)]	9,877	9,961	12,101	13,016
Revenue	64,969	79,961	80,149	67,754
Average trade receivables turnover period (days)	55	45	55	58

Note:
(1) Computed as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FPE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Opening trade receivables*	11,322	8,431	11,491	12,711
Closing trade receivables*	8,431	11,491	12,711	13,320
Average trade receivables	9,877	9,961	12,101	13,016

Note:
* Net of loss allowance

For the Period Under Review, the credit terms that we generally grant to customers are as follows:

	FYE 2022	**FYE 2023**	**FYE 2024**	**FPE 2025**
Normal credit terms (days)	30 to 120 days	30 to 120 days	30 to 120 days	30 to 120 days

We generally deal with our customers on credit terms, and the normal credit terms granted range from 30 days to 120 days. Other credit terms are assessed and approved by the management on a case-by-case basis.

Our average trade receivables turnover period improved from 55 days for the FYE 2022 to 45 days for the FYE 2023, mainly attributed to better collections from our customers.

Our average trade receivables turnover period increased from 45 days for the FYE 2023 to 55 days for the FYE 2024. This was mainly due to a higher outstanding amount from customers with longer credit terms.

Our average trade receivables turnover period increased from 55 days for the FYE 2024 to 58 days for the FPE 2025. This was mainly due to a higher outstanding amount from customers with longer credit terms.

The ageing analysis of our trade receivables as at 31 October 2025 and the subsequent collections up to the LPD are set out below:

		Exceeded credit period			
	Within credit period	1-90 days	91-180 days	More than 180 days	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Trade receivables	7,737	4,482	1,266	96	13,581
Less: Loss allowance	(31)	(72)	(62)	(96)	(261)
Net trade receivables	7,706	4,410	1,204	-	13,320
% of total net trade receivables	*57.85*	*33.11*	*9.04*	-	*100.00*
Subsequent collections as at the LPD	(7,706)	(2,624)	(1,050)	-	(11,380)
Net trade receivables after subsequent collections	-	1,786	154	-	1,940
% of total net trade receivables after subsequent collections	-	*92.06*	*7.94*	-	*100.00*

As at the LPD, RM11.38 million or 85.44% of our total net trade receivables outstanding as at 31 October 2025 have been collected. The remaining RM1.94 million or 14.56% of our total net trade receivables are still outstanding as at the LPD.

(ii) Trade payables turnover period

Our trade payables turnover period for the Period Under Review is set out as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000
Average trade payables[(1)]	1,441	1,245	1,520	1,894
Cost of sales	35,190	40,149	43,728	35,998
Average trade payables turnover period (days)	15	11	13	16

Note:
(1) Computed as follows:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000
Opening trade payables	1,891	991	1,499	1,540
Closing trade payables	991	1,499	1,540	2,248
Average trade payables	1,441	1,245	1,520	1,894

We deal with our material suppliers and service providers on credit terms. Our suppliers generally grant us credit terms as follows:

	FYE 2022	FYE 2023	FYE 2024	FPE 2025
Normal credit terms (days)	30 to 90 days	30 to 90 days	30 to 90 days	30 to 90 days

Our average trade payables turnover periods range from 11 to 16 days for the Period Under Review, which fall within the normal credit terms granted by our suppliers.

The ageing analysis of our trade payables as at 31 October 2025 and the subsequent payments up to the LPD are set out below:

		Exceeded credit period			
	Within credit period	1-90 days	91-180 days	More than 180 days	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Trade payables	919	1,328	1	-	2,248
% of total trade payables	*40.88*	*59.08*	*0.04*	-	*100.00*
Subsequent payments as at the LPD	(918)	(1,327)	(1)	-	(2,246)
Trade payables after subsequent payments	1	1	-	-	2
% of total trade payables after subsequent payments	50.00	50.00	-	-	100.00

As at the LPD, RM2.25 million or 99.91% of our total trade payables outstanding as at 31 October 2025 have been settled. Approximately RM2,000 of our total trade payables are still outstanding as at the LPD.

(iii) Inventory turnover period

Our inventory turnover period for the Period Under Review is set out as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FPE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Total inventories	552	426	426	714
Consisting of:				
- Raw materials	224	253	240	341
- Machinery spare parts	153	99	120	233
- Trading goods	116	49	50	99
- Finished goods	59	25	16	41
Less: Allowance for slow moving inventories	(12)	(12)	(12)	(12)
Net inventories	**540**	**414**	**414**	**702**
Average inventory[(1)]	520	477	414	558
Cost of sales	35,190	40,149	43,728	35,998
Average inventory turnover period (days)	5	4	3	5

Note:
(1) Computed as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FPE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Opening inventory	499	540	414	414
Closing inventory	540	414	414	702
Average inventory	520	477	414	558

Our average inventory turnover period ranges from 3 to 5 days for the Period Under Review. Our inventory comprises the following:

- Raw materials, including consumables used for the scheduled waste management services;
- Machinery spare parts for the maintenance of machinery used for the scheduled waste management services;
- Trading goods comprising acids, other chemicals and other products for trading; and
- Finished goods comprising recovered and recycled products.

(iv) Current ratio

Our current ratio for the Period Under Review is as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FPE 2025**
Current assets (RM'000)	70,663	75,221	67,859	79,050
Current liabilities (RM'000)	35,727	38,372	36,025	15,018
Current ratio (times)	1.98	1.96	1.88	5.26

Our current ratio decreased from 1.98 times as at 31 December 2022 to 1.96 times as at 31 December 2023. This was mainly due to the increase in our current liabilities, primarily arising from the increase of RM2.16 million of amount due to 5E Singapore, coupled with the higher accrued costs by RM2.70 million in FYE 2023. The decrease in our current ratio was partly offset by the increase in current assets, arising mainly from the higher outstanding net trade receivables as at 31 December 2023.

Our current ratio decreased from 1.96 times as at 31 December 2023 to 1.88 times as at 31 December 2024. This was mainly due to the decrease in our current assets, primarily arising from the lower cash and cash equivalents by RM7.94 million. The decrease in our current ratio was partly offset by the decrease in current liabilities, arising mainly from the lower accrued costs by RM1.33 million in FYE 2024.

Our current ratio increased from 1.88 times as at 31 December 2024 to 5.26 times in 31 October 2025. This was mainly due to the decrease in current liabilities, as the amount owing to 5E Singapore has been settled via the capitalisation of amount owing to 5E Singapore, further details of which are set out in **Section 6.2.1** of this Prospectus. The increase was also partly attributed to the increase in current assets, primarily arising from the increase in other receivables in FPE 2025 pertaining mainly to the purchase consideration paid for the acquisition of Lot 13416 & 13417 amounting to RM8.80 million. As the acquisition has yet to complete as at 31 October 2025, the purchase consideration paid was classified under other receivables instead of property, plant equipment.

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12. FINANCIAL INFORMATION

(v) Gearing ratio

Our gearing ratio for the Period Under Review is as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FPE 2025**
Borrowings (RM'000)	2,613	2,732	2,289	1,930
Total equity (RM'000)	71,567	85,352	98,692	143,758
Gearing ratio (times)	0.04	0.03	0.02	0.01

Our gearing ratio decreased from 0.04 times as at 31 December 2022 to 0.03 times as at 31 December 2023, and this was due mainly to the increase in our retained earnings by 18.40% or RM13.79 million to RM88.72 million as at 31 December 2023 (as at 31 December 2022: RM74.93 million).

Our gearing ratio decreased from 0.03 times as at 31 December 2023 to 0.02 times as at 31 December 2024, and this was due mainly to the increase in our retained earnings by 15.04% or RM13.34 million to RM102.06 million as at 31 December 2024 (as at 31 December 2023: RM88.72 million).

Our gearing ratio decreased from 0.02 times as at 31 December 2024 to 0.01 times as at 31 October 2025. This was mainly attributed to the increase in total equity arising from the increase in share capital, as well as increase in retained earnings by 18.84% or RM19.23 million to RM121.29 million as at 31 October 2025 (as at 31 December 2024: RM102.06 million).

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12. FINANCIAL INFORMATION

12.7 ACCOUNTING POLICIES AND AUDIT QUALIFICATION

There was no accounting policy adopted which is peculiar to our Group because of the nature of our business or the industry we operate in during the Period Under Review. The Accountants' Report did not contain any audit qualification for the Period Under Review.

12.8 TREND ANALYSIS

As at the LPD, our Board confirms that our operations have not been and are not expected to be affected by any of the following:

(i) known trends, demands, commitments, events or uncertainties that have had, or that we reasonably expect to have, a material favourable or unfavourable impact on our financial performance, position, operations, liquidity and capital resources, save as disclosed in this section, and **Sections 7 and 9** of this Prospectus;

(ii) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group, save as disclosed in this section, and **Sections 7 and 9** of this Prospectus;

(iii) known trends, demands, commitments, events or uncertainties that had resulted in a material impact on our revenue and / or profits, save as disclosed in this section, and **Sections 7 and 9** of this Prospectus; and

(iv) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our Group's historical combined financial statements not indicative of the future financial performance and position, save as disclosed in this section, **Sections 7 and 9** of this Prospectus.

Our Board is positive about the prospects of our Group after taking into consideration the industry outlook and prospects as set out in **Section 8** of this Prospectus, as well as the Group's competitive advantages and key strengths, business strategies and future plans as set out in **Section 7** of this Prospectus.

12.9 ORDER BOOK

We do not maintain an order book as we are involved mainly in scheduled waste management services, supply of recovered and recycled products, as well as the trading of chemicals and other products, whereby our provision of services and sales of products are based on purchase orders received from our customers on an ongoing basis.

12.10 DIVIDEND POLICY

It is our Board's policy to recommend dividends to allow our shareholders to participate in the profits of our Group. Nonetheless, our Company does not have any formal dividend policy.

As we are a holding company, our ability to declare and pay dividends or make other distributions to our shareholders are dependent upon the dividends we receive from our subsidiaries, present and future. The payment of dividends by our subsidiaries is dependent upon various factors, including but not limited to, their distributable profits, financial performance, and cash flow requirements for operations and capital expenditures, as well as other factors that their respective boards of directors deem relevant. As at the LPD, there is no dividend restriction imposed on our subsidiaries pursuant to any agreements or arrangements.

12. FINANCIAL INFORMATION

In addition to the factors above, our Board will also consider, among others, the following when recommending / declaring dividends:

(i) the level of our cash, gearing, return on equity and retained earnings;

(ii) our expected financial performance;

(iii) our working capital requirements;

(iv) our investment plans;

(v) any material impact of tax laws and other regulatory requirements; and

(vi) any restrictive covenants contained in our current and future financing arrangements.

The payment and amount of any dividends and distributions to our shareholders will be at the discretion of our Board and will depend on the factors mentioned above (which may not be exhaustive). There is no assurance as to whether dividend distributions will occur as intended, the amount of dividend payment or timing of such payment.

The following table sets out the dividends paid by our Group for the Period Under Review, and the corresponding dividend payout ratio:

	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000
Dividends declared and paid[(1)]	-	10,000	8,440	985
PAT	15,414	23,785	21,780	20,214
Dividend payout ratio[(2)]	-	42.04%	38.75%	4.87%

Notes:
(1) The dividends were funded entirely from internally generated funds.

(2) Computed based on dividends paid divided by PAT.

The dividends distributed for the Period Under Review and up to the LPD were based on funds within our Group in excess of our funding requirements for our business operations. The payment of such dividends would not affect the execution and implementation of our future plans and strategies moving forward.

After the LPD, we had on 11 March 2026 declared interim dividend of 0.43 sen per Share in respect of the FYE 2025, amounting to approximately RM6.62 million based on our enlarged total number of 1,540,000,000 Shares upon Listing. The RM6.62 million dividend will be paid to entitled shareholders as at an entitlement date after our Listing, which will be determined and announced to Bursa Securities accordingly. This dividend will be funded entirely from our internally generated funds.

Save as disclosed above, no dividends have been declared and / or paid after the FPE 2025 up to the date of this Prospectus, nor are there any dividends which have been declared by us but not paid as at the date of this Prospectus.

No inference should or can be made from any of the foregoing statements as to our actual future profitability or our ability to pay dividends in the future.

12.11 SIGNIFICANT CHANGES

There are no significant changes that have occurred which may have a material effect on our financial position and results of operations subsequent to the FPE 2025 and up to the LPD.

5E RESOURCES HOLDINGS BERHAD

(Incorporated in Malaysia)
Registration No: 202501022128 (1623541-K)

Accountants' Report on the Financial Information

13. ACCOUNTANTS' REPORT

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants
Level 16, Tower C, Megan Avenue II
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
Malaysia
Main +6 03 2788 9999
www.crowe.my

11 MAR 2026

The Board of Directors
5E Resources Holdings Berhad
PLO 738, Jalan Platinum Utama
Zon 12B, Kawasan Perindustrian Pasir Gudang
81700 Pasir Gudang
Johor, Malaysia.

Dear Sirs/Madam,

REPORTING ACCOUNTANTS' OPINION ON THE FINANCIAL INFORMATION CONTAINED IN THE ACCOUNTANTS' REPORT OF 5E RESOURCES HOLDINGS BERHAD ("5ERHB" OR THE "COMPANY")

OPINION

We have audited the financial information of 5ERHB, 5E Resources Sdn. Bhd. ("5ERSB"), TS Heuls Chemical & Engineering Sdn. Bhd. ("TSHSB") and 5E Resources Northern Sdn. Bhd. ("5ERNSB") (collectively known as "the Group") which comprises the combined statements of financial position as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 October 2025 and the combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows of the Group for each of the financial years ended ("FYE") 31 December 2022, 31 December 2023 and 31 December 2024, and for the ten-month financial period ended ("FPE") 31 October 2025, and notes to the combined financial statements, including a summary of material accounting policy information, as set out on page 4 to 77.

This historical financial information has been prepared for inclusion in the prospectus of 5ERHB in connection with the listing and quotation of the entire enlarged issued share capital of 5ERHB on the ACE Market of Bursa Malaysia Securities Berhad ("the Prospectus"). This report is required by the Prospectus Guidelines issued by the Securities Commission Malaysia ("SC") ("Prospectus Guidelines") and is given for the purpose of complying with Paragraph 10.03 of Chapter 10, Part II Division 1: Equity of the Prospectus Guidelines and for no other purpose.

In our opinion, the accompanying financial information gives a true and fair view of the financial positions of the Group as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 October 2025 and of their financial performance and their combined cash flows for each of the financial years ended 31 December 2022, 31 December 2023 and 31 December 2024 and for the ten-month financial period ended 31 October 2025 in accordance with the Malaysian Financial Reporting Standards and IFRS Accounting Standards.

BASIS FOR OPINION

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Reporting Accountant's Responsibilities for the Audit of the Financial Information* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Crowe Malaysia PLT is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Crowe Malaysia PLT and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Crowe Malaysia PLT.

Crowe

Independence and Other Ethical Responsibilities

We are independent of the Group in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL INFORMATION

The Directors of the Company are responsible for the preparation of the combined financial information of the Group that gives a true and fair view in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of combined financial information that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial information of the Group, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

REPORTING ACCOUNTANTS' RESPONSIBILITY FOR THE AUDIT OF FINANCIAL INFORMATION

Our objectives are to obtain reasonable assurance about whether the combined financial information of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial information.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the combined financial information of the Group, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Crowe Malaysia PLT is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Crowe Malaysia PLT and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Crowe Malaysia PLT.

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REPORTING ACCOUNTANTS' RESPONSIBILITY FOR THE AUDIT OF FINANCIAL INFORMATION (CONT'D)

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial information of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the combined financial information of the Group, including the disclosures, and whether the combined financial information of the Group represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

OTHER MATTERS

The comparative information in respect of the combined statements of profit or loss and other comprehensive income, combined statements of changes in equity, combined statements of cash flows and related notes to the combined financial statements of the Group for the ten-month financial period ended 31 October 2024 has not been audited.

RESTRICTION ON DISTRIBUTION AND USE

This report is made solely to the Group for inclusion in the Prospectus of 5ERHB in connection with the listing and quotation of the entire enlarged issued share capital of 5ERHB on the ACE Market of Bursa Malaysia Securities Berhad. As such, this report should not be used for any other purpose without our prior written consent. We do not assume responsibility to any other person for the content of this report.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Lean Wei Ee
03827/05/2026 J
Chartered Accountant

Kuala Lumpur

Crowe Malaysia PLT is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Crowe Malaysia PLT and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Crowe Malaysia PLT.

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Chartered Accountants

5E RESOURCES HOLDINGS BERHAD

COMBINED STATEMENTS OF FINANCIAL POSITION

	Note	Audited 31 December 2022 RM'000	Audited 31 December 2023 RM'000	Audited 31 December 2024 RM'000	Audited 31 October 2025 RM'000
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	4	34,214	46,569	50,151	63,490
Right-of-use assets	5	16,127	15,429	20,260	19,558
Prepayment		290	-	-	-
		50,631	61,998	70,411	83,048
CURRENT ASSETS					
Inventories	6	540	414	414	702
Trade and other receivables	7	9,426	13,176	13,859	26,928
Amount due from former immediate holding company	8	163	-	-	-
Amount due from a related company	9	18	4	-	27
Contract assets		-	43	27	212
Short term deposits	10	489	85	-	-
Cash and cash equivalents	11	60,027	61,499	53,559	51,181
		70,663	75,221	67,859	79,050
TOTAL ASSETS		121,294	137,219	138,270	162,098



5E RESOURCES HOLDINGS BERHAD

COMBINED STATEMENTS OF FINANCIAL POSITION (CONT'D)

	Note	Audited 31 December 2022 RM'000	Audited 31 December 2023 RM'000	Audited 31 December 2024 RM'000	Audited 31 October 2025 RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	12	1,080	1,080	1,080	26,917
Other reserves	13	(4,445)	(4,445)	(4,445)	(4,445)
Retained profits		74,932	88,717	102,057	121,286
TOTAL EQUITY		71,567	85,352	98,692	143,758
NON-CURRENT LIABILITIES					
Borrowings	14	2,252	2,274	1,827	1,596
Lease liabilities	15	9,898	9,871	-	-
Deferred tax liabilities	16	1,850	1,350	1,726	1,726
		14,000	13,495	3,553	3,322
CURRENT LIABILITIES					
Trade and other payables	17	9,746	11,178	8,574	11,946
Amount due to former ultimate holding company	18	23,676	25,836	25,836	-
Contract liabilities		64	143	423	344
Borrowings	14	361	458	462	334
Lease liabilities	15	256	92	19	-
Current tax liabilities		1,624	665	711	2,394
		35,727	38,372	36,025	15,018
TOTAL LIABILITIES		49,727	51,867	39,578	18,340
TOTAL EQUITY AND LIABILITIES		121,294	137,219	138,270	162,098

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Chartered Accountants

5E RESOURCES HOLDINGS BERHAD

COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		< Audited >			Unaudited	Audited
		< Financial Year Ended >			Ten-month Financial Period Ended	
		< 31 December >			< 31 October >	
		2022	2023	2024	2024	2025
	Note	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE	19	64,969	79,961	80,149	68,108	67,754
COST OF SALES		(35,190)	(40,149)	(43,728)	(37,007)	(35,998)
GROSS PROFIT		29,779	39,812	36,421	31,101	31,756
OTHER OPERATING INCOME		65	223	1,229	1,301	19
		29,844	40,035	37,650	32,402	31,775
SELLING AND DISTRIBUTION EXPENSES		(3,350)	(3,070)	(2,960)	(2,542)	(1,828)
ADMINISTRATIVE EXPENSES		(6,345)	(8,131)	(7,076)	(6,002)	(4,415)
FINANCE INCOME		803	1,796	1,974	1,666	1,522
FINANCE COSTS	20	(473)	(542)	(380)	(366)	(55)
NET IMPAIRMENT GAINS/(LOSSES) ON FINANCIAL ASSETS	21	5	36	(42)	-	(65)
PROFIT BEFORE TAXATION	22	20,484	30,124	29,166	25,158	26,934
INCOME TAX EXPENSE	23	(5,070)	(6,339)	(7,386)	(6,063)	(6,720)
PROFIT AFTER TAXATION		15,414	23,785	21,780	19,095	20,214

The annexed notes form an integral part of these financial statements.

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5E RESOURCES HOLDINGS BERHAD

COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

	Note	< Audited > Financial Year Ended 31 December			Unaudited	Audited
					Ten-month Financial Period Ended 31 October	
		2022	2023	2024	2024	2025
		RM'000	RM'000	RM'000	RM'000	RM'000
PROFIT AFTER TAXATION		15,414	23,785	21,780	19,095	20,214
OTHER COMPREHENSIVE INCOME		-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR/PERIOD		15,414	23,785	21,780	19,095	20,214
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-						
Owners of the Company		15,414	23,785	21,780	19,095	20,214
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-						
Owners of the Company		15,414	23,785	21,780	19,095	20,214
EARNINGS PER SHARE (RM)						
- Basic	24	14.27	22.02	20.16	17.67	0.97
- Diluted	24	14.27	22.02	20.16	17.67	0.97

The annexed notes form an integral part of these financial statements.



5E RESOURCES HOLDINGS BERHAD

COMBINED STATEMENTS OF CHANGES IN EQUITY

Audited	Note	Share Capital RM'000	Other Reserve RM'000	Retained Profits RM'000	Attributable to the Owners of the Company RM'000	Total Equity RM'000
Balance as at 1 January 2022		1,080	(4,445)	59,518	56,153	56,153
Profit after taxation/Total comprehensive income for the financial year		-	-	15,414	15,414	15,414
Balance as at 31 December 2022		1,080	(4,445)	74,932	71,567	71,567
Audited						
Balance as at 1 January 2023		1,080	(4,445)	74,932	71,567	71,567
Profit after taxation/Total comprehensive income for the financial year		-	-	23,785	23,785	23,785
Distributions to the owners of the Company: - Dividends	25	-	-	(10,000)	(10,000)	(10,000)
Balance as at 31 December 2023		1,080	(4,445)	88,717	85,352	85,352

The annexed notes form an integral part of these financial statements.

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5E RESOURCES HOLDINGS BERHAD

COMBINED STATEMENTS OF CHANGES IN EQUITY (CONT'D)

Audited	Note	Share Capital RM'000	Other Reserve RM'000	Retained Profits RM'000	Attributable to the Owners of the Company RM'000	Total Equity RM'000
Balance as at 1 January 2024		1,080	(4,445)	88,717	85,352	85,352
Profit after taxation/Total comprehensive income for the financial year		-	-	21,780	21,780	21,780
Distributions to the owners of the Company: - Dividends	25	-	-	(8,440)	(8,440)	(8,440)
Balance as at 31 December 2024		1,080	(4,445)	102,057	98,692	98,692
Audited						
Balance as at 1 January 2025		1,080	(4,445)	102,057	98,692	98,692
Issuance of shares		25,837	-	-	25,837	25,837
Profit after taxation/Total comprehensive income for the financial period		-	-	20,214	20,214	20,214
Distributions to the owners of the Company: - Dividends	25	-	-	(985)	(985)	(985)
Balance as at 31 October 2025		26,917	(4,445)	121,286	143,758	143,758

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Chartered Accountants

5E RESOURCES HOLDINGS BERHAD

COMBINED STATEMENTS OF CHANGES IN EQUITY (CONT'D)

Unaudited	Note	Share Capital RM'000	Other Reserve RM'000	Retained Profits RM'000	Attributable to the Owners of the Company RM'000	Total Equity RM'000
Balance as at 1 January 2024		1,080	(4,445)	88,717	85,352	85,352
Profit after taxation/Total comprehensive income for the financial period		-	-	19,095	19,095	19,095
Distributions to the owners of the Company: - Dividends	25	-	-	(7,448)	(7,448)	(7,448)
Balance as at 31 October 2024		1,080	(4,445)	100,364	96,999	96,999



5E RESOURCES HOLDINGS BERHAD

COMBINED STATEMENTS OF CASH FLOWS

	Note	< Audited Financial Year Ended 31 December > 2022 RM'000	2023 RM'000	2024 RM'000	Unaudited Ten-month Financial Period Ended < 31 October > 2024 RM'000	Audited 2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit before taxation		20,484	30,124	29,166	25,158	26,934
Adjustments for:-						
Depreciation of property, plant and equipment		2,512	2,699	4,000	3,308	3,426
Depreciation of right-of-use assets		810	710	649	507	702
Finance costs		473	542	380	366	55
(Gain)/loss on disposal of property, plant and equipment		-	(84)	-	-	20
Gain on derecognition of leases		-	-	(1,272)	(1,272)	-
Gain on lease modification		-	(1)	-	-	-
Interest income		(803)	(1,796)	(1,974)	(1,666)	(1,522)
Net impairment (gains)/losses on trade receivables		(5)	(36)	42	-	65
Property, plant and equipment written off		92	4	9	9	2
Unrealised (gain)/loss on foreign exchange		-	(97)	109	-	(109)
Operating profit before working capital changes		23,563	32,065	31,109	26,410	29,573

The annexed notes form an integral part of these financial statements.

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5E RESOURCES HOLDINGS BERHAD

COMBINED STATEMENTS OF CASH FLOWS (CONT'D)

	Note	< Audited Financial Year Ended 31 December > 2022 RM'000	2023 RM'000	2024 RM'000	Unaudited Ten-month Financial Period Ended < 31 October > 2024 RM'000	Audited 2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONT'D)						
Operating profit before working capital changes		23,563	32,065	31,109	26,410	29,573
(Increase)/Decrease in inventories		(41)	126	-	(112)	(288)
Decrease/(Increase) in trade and other receivables		2,435	(3,757)	(709)	(814)	(3,887)
(Decrease)/Increase in trade and other payables		(85)	4,296	(2,075)	(1,218)	250
(Decrease)/Increase in contract liabilities		(35)	79	280	176	(79)
Cash from operations		25,837	32,809	28,605	24,442	25,569
Income tax paid		(5,796)	(7,798)	(6,964)	(6,050)	(5,037)
Net cash flow from operating activities		20,041	25,011	21,641	18,392	20,532

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5E RESOURCES HOLDINGS BERHAD

COMBINED STATEMENTS OF CASH FLOWS (CONT'D)

	Note	< Audited >			Unaudited	Audited
		< Financial Year Ended >			Ten-month Financial Period Ended	
		< 31 December >			< 31 October >	
		2022	2023	2024	2024	2025
		RM'000	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FOR INVESTING ACTIVITIES						
Purchase of property, plant and equipment	4	(3,642)	(17,196)	(8,120)	(7,602)	(13,687)
Proceeds from disposal of property, plant and equipment		-	155	-	-	22
Addition of right-of-use assets		-	-	(14,070)	(14,070)	-
Purchase of land		-	-	-	-	(9,432)
(Advances to)/Repayment from former immediate holding company		(28)	163	-	-	-
Repayment from former ultimate holding company		1,356	-	-	-	-
Repayment from/(Advance to) a related company		48	14	4	(3)	(27)
Interest received		796	1,796	1,974	1,666	1,522
(Placement)/Withdrawal of short term deposits		(400)	404	85	85	-
Net cash flow for investing activities		(1,870)	(14,664)	(20,127)	(19,924)	(21,602)

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5E RESOURCES HOLDINGS BERHAD

COMBINED STATEMENTS OF CASH FLOWS (CONT'D)

	Note	< Audited >			Unaudited	Audited
		< Financial Year Ended >			Ten-month Financial Period Ended	
		< 31 December >			< 31 October >	
		2022	2023	2024	2024	2025
		RM'000	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES						
Interest payment on borrowings		(86)	(6)	(35)	(22)	(54)
Interest payment on lease liabilities		(93)	(536)	(345)	(344)	(1)
Principal repayment of borrowings		(3,314)	(388)	(443)	(377)	(359)
Proceeds from issuance of new shares		-	-	-	-	1
Repayment of lease liabilities		(244)	(202)	(82)	(76)	(19)
Advances from former ultimate holding company		23,676	2,160	-	-	-
Dividend paid		-	(10,000)	(8,440)	(7,448)	(985)
Net cash flow from/(for) financing activities		19,939	(8,972)	(9,345)	(8,267)	(1,417)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		38,110	1,375	(7,831)	(9,799)	(2,487)
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		-	97	(109)	-	109
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR/PERIOD		21,917	60,027	61,499	61,499	53,559
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR/PERIOD		60,027	61,499	53,559	51,700	51,181

The annexed notes form an integral part of these financial statements.

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5E RESOURCES HOLDINGS BERHAD

COMBINED STATEMENTS OF CASH FLOWS (CONT'D)

RECONCILIATION OF CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

			<---------- Non-cash changes ---------->				
Audited	At 1 January RM'000	Cash (outflow)/ inflows RM'000	Interest paid RM'000	Interest expense RM'000	New lease RM'000	Lease modification RM'000	At 31 December RM'000
31 December 2022							
Amount due to former ultimate holding company	-	23,676	-	-	-	-	23,676
Term loans	5,927	(3,314)	(86)	86	-	-	2,613
Lease liabilities	328	(244)	(93)	387	9,776	-	10,154
	6,255	20,118	(179)	473	9,776	-	36,443
Audited							
31 December 2023							
Amount due to former ultimate holding company	23,676	2,160	-	-	-	-	25,836
Term loans	2,613	(363)	-	-	-	-	2,250
Hire purchase liabilities	-	(25)	(6)	6	507	-	482
Lease liabilities	10,154	(202)	(536)	536	-	11	9,963
	36,443	(1,570)	(542)	542	507	11	38,531

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5E RESOURCES HOLDINGS BERHAD

COMBINED STATEMENTS OF CASH FLOWS (CONT'D)

RECONCILIATION OF CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES (CONT'D)

			<---------- Non-cash changes ---------->					
Audited	At 1 January RM'000	Cash (outflow)/ inflows RM'000	Interest paid RM'000	Interest expense RM'000	New lease RM'000	Lease modification RM'000	Issuance of new shares RM'000	At 31December RM'000
31 December 2024								
Amount due to former ultimate holding company	25,836	-	-	-	-	-	-	25,836
Term loans	2,250	(350)	(15)	15	-	-	-	1,900
Hire purchase liabilities	482	(93)	(20)	20	-	-	-	389
Lease liabilities	9,963	(82)	(345)	345	-	(9,862)	-	19
	38,531	(525)	(380)	380	-	(9,862)	-	28,144

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5E RESOURCES HOLDINGS BERHAD

COMBINED STATEMENTS OF CASH FLOWS (CONT'D)

RECONCILIATION OF CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES (CONT'D)

			<---------- Non-cash changes ---------->					
Audited	At 1 January RM'000	Cash (outflow)/ inflows RM'000	Interest paid RM'000	Interest expense RM'000	New lease RM'000	Lease modification RM'000	Issuance of new shares RM'000	At 31 October RM'000
31 October 2025								
Amount due to former ultimate holding company	25,836	-	-	-	-	-	(25,836)	-
Term loans	1,900	(277)	(41)	41	-	-	-	1,623
Hire purchase liabilities	389	(82)	(13)	13	-	-	-	307
Lease liabilities	19	(19)	(1)	1	-	-	-	-
	28,144	(378)	(55)	55	-	-	(25,836)	1,930
Unaudited								
31 October 2024								
Amount due to former ultimate holding company	25,836	-	-	-	-	-	-	25,836
Term loans	2,250	(299)	(5)	5	-	-	-	1,951
Hire purchase liabilities	482	(78)	(17)	17	-	-	-	404
Lease liabilities	9,963	(76)	(344)	344	-	(9,862)	-	25
	38,531	(453)	(366)	366	-	(9,862)	-	28,216

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

5E Resources Holdings Sdn Bhd was incorporated in Malaysia under the Companies Act 2016 on 19 May 2025, as a private limited company and is principally engaged in investment holding. On 18 August 2025, 5E Resources Holdings Sdn Bhd was converted into a public limited company under the name of 5E Resources Holdings Berhad ("5ERHB" or "the Company").

5ERHB is embarking on the listing of and quotation of the entire enlarged issued share capital on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities").

5ERHB was incorporated with a total paid-up share capital of RM1,000 comprising 10,000 ordinary shares.

The information of the entities within the combined financial statements is as follows:

(a) 5E Resources Sdn. Bhd. ("5ERSB"), which was incorporated on 26 July 2006 in Malaysia, as a private limited company and is principally engaged in the provision of scheduled waste management services and supply of recovered and recycled products.

(b) TS Heuls Chemical & Engineering Sdn. Bhd. ("TSHSB"), which was incorporated on 10 July 1997 in Malaysia, as a private limited company and is principally engaged in trading of chemicals and other products.

(c) 5E Resources Northern Sdn. Bhd. ("5ERNSB"), which was incorporated on 7 March 2025 in Malaysia, as a private limited company and is principally engaged in the provision of scheduled waste management services and supply of recovered and recycled products.

(d) The registered office and principal place of business of 5ERHB, 5ERSB, TSHSB and 5ERNSB are as follows:

Registered office	:	Third Floor, No. 77, 79 & 81 Jalan SS 21/60, Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan.
Principal place of business	:	PLO 738, Jalan Platinum Utama Zon 12B, Kawasan Perindustrian Pasir Gudang 81700 Pasir Gudang Johor, Malaysia. 26 Jalan Permas 9/13 Bandar Baru Permas Jaya 81750 Masai Johor, Malaysia

Notes:

5E Resources Holdings Berhad	*- 5ERHB*
5E Resources Sdn Bhd	*- 5ERSB*
TS Heuls Chemical & Engineering Sdn Bhd	*- TSHSB*
5E Resources Northern Sdn Bhd	*- 5ERNSB*

(Collectively defined as "the Group")

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

1. GENERAL INFORMATION (CONT'D)

1.1 RESTRUCTURING EXERCISE

The Company entered into a conditional Share Sale Agreement on 15 August 2025 to acquire the entire equity interests in 5ERSB, TSHSB and 5ERNSB for a purchase consideration of RM123,549,000, to be satisfied by the issuance of 1,235,490,000 ordinary shares in the Company at an issue price of RM0.10 per Share.

The acquisition of the above companies were completed on 8 December 2025 and combined using merger method of accounting.

1.2 LISTING SCHEME

In conjunction with and as an integral part of the listing of and quotation for the entire enlarged issued share capital of 5ERHB on the ACE Market of Bursa Securities ("the Listing Scheme"), 5ERHB will implement the following:

(i) Public Issue

The Public Issue of 304,500,000 new ordinary shares ("Shares"), representing approximately 19.77% of the enlarged issued share capital of 5ERHB at an issue price of RM0.26 ("IPO Price") per Share allocated in the following manner:

- 192,500,000 Issue Shares, representing approximately 12.50% of the enlarged issued share capital of the Company, are reserved for private placement to Bumiputera investors approved by the Ministry of Investment, Trade and Industry of Malaysia;

- 35,000,000 Issue Shares, representing approximately 2.27% of the enlarged issued share capital of the Company, are reserved for eligible Directors, employees and persons who have contributed to the success of the Group; and

- 77,000,000 Issue Shares, representing approximately 5.00% of the enlarged issued share capital of the Company, are reserved for application by the Malaysian Public by way of balloting.

(ii) Offer for Sale

Concurrent with the Listing, the offer for sale of 154,000,000 Offer Shares at the IPO Price representing approximately 10.00% of the enlarged issued share capital of the Company, which are reserved for private placement to selected investors.

(iii) Listing

The admission of 5ERHB and the listing of and quotation for the entire enlarged issued share capital of 5ERHB of RM202,720,000 comprising 1,540,000,000 Shares on the ACE Market of Bursa Malaysia Securities Berhad.

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

1. GENERAL INFORMATION (CONT'D)

1.3 SHARE CAPITAL

As at the date of this report, the share capital of 5ERHB is RM1,000 comprising 10,000 Shares.

The details of the changes in the issued share capital of 5ERHB since its incorporation are as follows:

Date of allotment	No. of shares allotted	Cumulative no. of shares allotted	Consideration RM	Consideration	Cumulative issued share capital RM
19 May 2025	10,000	10,000	1,000	Cash	1,000
8 December 2025	1,235,490,000	1,235,500,000	123,549,000	Acquisitions	123,550,000
Upon listing	304,500,000	1,540,000,000	79,170,000	Public issue	202,720,000

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

2. BASIS OF PREPARATION

The combined financial statements for the financial years ended 31 December 2022, 31 December 2023 and 31 December 2024 and for the ten-month financial period ended 31 October 2025 are the combination or aggregation of all of the financial statements of the entities of the Group. The combined financial statements of the Group have been prepared based on the financial statements of the following entities in accordance with Malaysia Financial Reporting Standards and IFRS Accounting Standards for the relevant financial years/period as follows:

	< -------- FYE 31 December --------- >			FPE 31 October
Company	**2022**	**2023**	**2024**	**2025**
5ERHB	(i)	(i)	(i)	√
5ERSB	√	√	√	√
TSHSB	√	√	√	√
5ERNSB	(ii)	(ii)	(ii)	√

(i) No financial statements are available for 5ERHB as 5ERHB was incorporated on 19 May 2025.

(ii) No financial statements are available for 5ERNSB as 5ERNSB was incorporated on 7 March 2025.

√ The combined financial statements of the Group include the financial statements of these combining entities for the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and for the ten-month financial period ended 31 October 2025.

Entities under common control are entities which are ultimately controlled by the same parties and that control is not transitory. Control exists when the same parties have, as a result of contractual agreements, ultimate collective power to govern the financial and operating policies of each of the combining entities so as to obtain benefits from their activities, and that ultimate collective power is not transitory. The financial statements of commonly controlled entities are included in the combined financial statements from the day that control commences until the date that control ceases.

The combined financial statements of the Group for the relevant period were prepared in a manner similar to the "pooling-of-interest" method, as if the entities within the Group were operating as a single economic enterprise from the beginning of the earliest comparative period covered by the relevant period or the date of incorporation of entities within the Group. Such manner of presentation reflects the economic substance of the combining companies, which were under common control throughout the relevant period.

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2. BASIS OF PREPARATION (CONT'D)

The identifiable assets and liabilities of all commonly controlled entities are accounted for at their historical costs. The accounting policies of common controlled entities have been changed where necessary to align them with the policies adopted by the Group.

All material intra-group transactions and balances have been eliminated on combination.

2.1 The combined financial statements of the Group have been prepared under the historical cost convention and modified to include other basis of valuation as disclosed in other sections of the material accounting policy information, and in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and Prospectus Guidelines issued by the Securities Commission Malaysia.

2.2 The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial period:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	**Effective Date**
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is not expected to have material impact on the combined financial statements of the Group upon their initial application except as follows:

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group has yet to be assessed.

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Estimates and judgements are continually evaluated by the Directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:

(a) Estimation of stage of completion for scheduled waste management services

The revenue from scheduled waste management services are recognised over time when performance obligations of services as promised in the contract is satisfied. Revenue is recognised based on the waste management services completed at the end of the financial year/period relative to the total services to be provided under the contract. This is determined based on the time period over which the services are provided.

Management has to estimate the time period to complete the services to determine the Group's recognition of revenue.

Significant assumptions are used to estimate the total estimated time period which affect the accuracy of revenue recognition based on the percentage-of-completion. In making these estimates, management has relied on past experience.

The remaining waste management services that have yet to be completed is insignificant.

(b) Useful lives and residual values of property, plant and equipment

The costs of property, plant and equipment are depreciated on a straight-line basis over their useful lives. Management exercises its judgement in estimating the useful lives and residual values of the depreciable assets. The estimated useful lives reflect management's estimate of the period that the Group intends to derive future economic benefits from the use of the depreciable asset.

The Group reviews annually the estimated useful lives of property, plant and equipment based on the factors that include asset utilisation, internal technical evaluation, technological changes, environmental factors and anticipated use of the assets. It is possible that the Group's future results could be materially affected by changes in these estimates brought about by changes in factors mentioned. A reduction in the estimated useful lives by 1 year would increase the Group's annual/ten-month financial period ended depreciation expense by RM514,000 (ten-month financial period ended 31.10.2024: RM324,000; 31.12.2024: RM402,000, 31.12.2023: RM286,000 and 31.12.2022: RM218,000).

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3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(c) Impairment of trade receivables

The loss allowance for financial assets is based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation.

To measure the expected credit losses, these receivables have been grouped based on days past due. The expected loss rates are based on the payment profiles of sales over a period of 24 months and the corresponding credit losses experienced within this period. The historical loss rates are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and inflationary rate in Malaysia to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. Any possible changes in these inputs could result in revision to the loss allowance recorded by the Group.

The Group has considered a range of possible outcomes, ie a baseline scenario and the worst-case scenario in computing the ECL. In the baseline scenario, management incorporated the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the trade receivables and made adjustments to the expected loss rates accordingly. In the worst-case scenario, management considered a further increase in expected loss rate as computed in the baseline scenario. A probability-weighting of occurrence was subsequently applied to these two different scenarios to derive at the expected credit loss allowance to be made. A 20% increase in the probability-weighting would increase the loss allowance by RM43,000 (31.10.2024: RM46,000; 31.12.2024: RM42,000; 31.12.2023: RM39,000; 31.12.2022: RM30,000).

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(b) Financial Liabilities

Financial Liabilities Through Profit or Loss

The financial liabilities are initially measured at fair value. Subsequent to the initial recognition, the financial liabilities are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest expense.

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Costs includes expenditures that are directly attributable to the acquisition of the asset and other costs directly attributable to bringing the asset to working condition for its intended use.

Property, plant and equipment are depreciated on a straight-line method to write down the cost of each asset to their residual values over their estimated useful lives as follows:

Buildings	40 - 50 years
Plant and equipment	3 - 10 years
Furniture and office equipment	2.5 - 10 years
Motor vehicles	5 years

Depreciation on assets under construction commences when the assets are ready for their intended use.

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at the end of each reporting period.

At the end of the reporting period, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount.

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group apply the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.5 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average bases.

Net realisable value represents the estimated selling price less the estimated costs to completion and the estimated costs necessary to make the sale.

3.6 REVENUE FROM CONTRACTS WITH CUSTOMERS

Scheduled waste management services

Revenue from scheduled waste management services is recognised net of discount over time when performance obligations of services promised in the contract is satisfied.

The scheduled waste management services are fixed-price contracts. Revenue is recognised based on the actual service provided to the end of the financial year/period as a proportion of the total services to be provided. This is determined based on the time period over which the services are provided.

Supply of recovered and recycled products and trading of chemical products

Revenue from supply of recovered and recycled products and trading of chemical products are recognised net of discount at the point in time when control of the goods has transferred to customer. Depending on the terms of the contract with the customer, control transfers either upon delivery of the goods to locations specified by the customer or upon acceptance of the goods by the customer.

3.7 REVENUE FROM OTHER SOURCES AND OTHER OPERATING INCOME

(a) Interest Income

Interest income is recognised on an accrual basis using the effective interest method.

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

4. PROPERTY, PLANT AND EQUIPMENT

Audited	Buildings RM'000	Plant and equipment RM'000	Furniture and office equipment RM'000	Motor vehicles RM'000	Assets under construction RM'000	Total RM'000
31 December 2022						
At cost						
At 1 January 2022	22,455	23,841	3,771	4,236	-	54,303
Additions	-	690	293	122	5,963	7,068
Write off	-	(424)	(231)	(3)	-	(658)
At 31 December 2022	22,455	24,107	3,833	4,355	5,963	60,713
Less: Accumulated depreciation						
At 1 January 2022	2,243	17,058	2,484	2,768	-	24,553
Charge for the financial year	486	1,191	375	460	-	2,512
Write off	-	(383)	(180)	(3)	-	(566)
At 31 December 2022	2,729	17,866	2,679	3,225	-	26,499
Net carrying amount						
At 31 December 2022	19,726	6,241	1,154	1,130	5,963	34,214

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Audited	Buildings RM'000	Plant and equipment RM'000	Furniture and office equipment RM'000	Motor vehicles RM'000	Assets under construction RM'000	Total RM'000
31 December 2023						
At cost						
At 1 January 2023	22,455	24,107	3,833	4,355	5,963	60,713
Additions	14	1,162	95	4,017	9,841	15,129
Disposal	-	-	-	(250)	-	(250)
Write off	-	(409)	(57)	-	-	(466)
At 31 December 2023	22,469	24,860	3,871	8,122	15,804	75,126
Less: Accumulated depreciation						
At 1 January 2023	2,729	17,866	2,679	3,225	-	26,499
Charge for the financial year	486	1,285	344	584	-	2,699
Disposal	-	-	-	(179)	-	(179)
Write off	-	(405)	(57)	-	-	(462)
At 31 December 2023	3,215	18,746	2,966	3,630	-	28,557
Net carrying amount						
At 31 December 2023	19,254	6,114	905	4,492	15,804	46,569

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Audited	Buildings RM'000	Plant and equipment RM'000	Furniture and office equipment RM'000	Motor vehicles RM'000	Assets under construction RM'000	Total RM'000
31 December 2024						
At cost						
At 1 January 2024	22,469	24,860	3,871	8,122	15,804	75,126
Reclassification	15,181	398	87	-	(15,666)	-
Additions	199	189	203	193	6,807	7,591
Write off	-	(46)	(105)	-	-	(151)
At 31 December 2024	37,849	25,401	4,056	8,315	6,945	82,566
Less: Accumulated depreciation						
At 1 January 2024	3,215	18,746	2,966	3,630	-	28,557
Charge for the financial year	1,068	1,456	336	1,140	-	4,000
Write off	-	(37)	(105)	-	-	(142)
At 31 December 2024	4,283	20,165	3,197	4,770	-	32,415
Net carrying amount						
At 31 December 2024	33,566	5,236	859	3,545	6,945	50,151

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Audited	Buildings RM'000	Plant and equipment RM'000	Furniture and office equipment RM'000	Motor vehicles RM'000	Assets under construction RM'000	Total RM'000
31 October 2025						
At cost						
At 1 January 2025	37,849	25,401	4,056	8,315	6,945	82,566
Reclassification	-	13	-	-	(13)	-
Additions	1,170	236	55	195	15,153	16,809
Disposal	-	-	-	(111)	-	(111)
Write off	-	-	(45)	-	-	(45)
At 31 October 2025	39,019	25,650	4,066	8,399	22,085	99,219
Less: Accumulated depreciation						
At 1 January 2025	4,283	20,165	3,197	4,770	-	32,415
Charge for the financial period	990	1,261	272	903	-	3,426
Disposal	-	-	-	(69)	-	(69)
Write off	-	-	(43)	-	-	(43)
At 31 October 2025	5,273	21,426	3,426	5,604	-	35,729
Net carrying amount						
At 31 October 2025	33,746	4,224	640	2,795	22,085	63,490

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Bank borrowings (Note 14) are secured on buildings of the Group with carrying amounts of RM1,741,000 (31.12.2024: RM1,813,000; 31.12.2023: RM1,900,000; 31.12.2022: RM1,987,000).

Purchase of property, plant and equipment

The Group property, plant and equipment were acquired by the following means:

	Audited 31 December 2022 RM'000	Audited 31 December 2023 RM'000	Audited 31 December 2024 RM'000	Unaudited 31 October 2024 RM'000	Audited 31 October 2025 RM'000
Cost of property, plant and equipment	7,068	15,129	7,591	7,021	16,809
Prepayment made for purchase of property, plant and equipment	290	-	-	-	-
Capital expenditure accrued/payable	(4,013)	(1,149)	(620)	(568)	(3,742)
Repayment of capital expenditure accrued/payable in prior year/period	367	4,013	1,149	1,149	620
Lease financing	-	(507)	-	-	-
Cash prepaid in respect of purchases made in previous financial year	(70)	(290)	-	-	-
Cash disbursed for property, plant and equipment	3,642	17,196	8,120	7,602	13,687

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

5. RIGHT-OF-USE ASSETS

Audited	Leasehold land RM'000	Buildings RM'000	Motor vehicles RM'000	Total RM'000
31 December 2022				
At 1 January 2022	6,835	97	229	7,161
Additions	9,643	133	-	9,776
Depreciation charge	(588)	(60)	(162)	(810)
At 31 December 2022	15,890	170	67	16,127
Cost	17,131	230	391	17,752
Less: Accumulated depreciation	(1,241)	(60)	(324)	(1,625)
Net carrying amount	15,890	170	67	16,127
Audited				
31 December 2023				
At 1 January 2023	15,890	170	67	16,127
Additions	-	12	-	12
Depreciation charge	(514)	(129)	(67)	(710)
At 31 December 2023	15,376	53	-	15,429
Cost	17,131	242	391	17,764
Less: Accumulated depreciation	(1,755)	(189)	(391)	(2,335)
Net carrying amount	15,376	53	-	15,429
Audited				
31 December 2024				
At 1 January 2024	15,376	53	-	15,429
Additions	14,070	-	-	14,070
Depreciation charge	(616)	(33)	-	(649)
Disposal	(8,590)	-	-	(8,590)
At 31 December 2024	20,240	20	-	20,260
Cost	21,558	66	-	21,624
Less: Accumulated depreciation	(1,318)	(46)	-	(1,364)
Net carrying amount	20,240	20	-	20,260

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5. RIGHT-OF-USE ASSETS (CONT'D)

Audited	Leasehold land RM'000	Buildings RM'000	Motor vehicles RM'000	Total RM'000
31 October 2025				
At 1 January 2025	20,240	20	-	20,260
Additions				
Depreciation charge	(682)	(20)	-	(702)
At 31 October 2025	19,558	-	-	19,558
Cost	21,558	-	-	21,558
Less: Accumulated depreciation	(2,000)	-	-	(2,000)
Net carrying amount	19,558	-	-	19,558

The Group's leasehold land of RM1,591,000 (31.12.2024: RM1,657,000; 31.12.2023: RM1,736,000; 31.12.2022: RM1,816,000) has been pledged to a financial institution to secure the Group's borrowings (Note 14).

6. INVENTORIES

	Audited 31 December 2022 RM'000	**Audited 31 December 2023** RM'000	**Audited 31 December 2024** RM'000	**Audited 31 October 2025** RM'000
Raw materials	224	253	240	341
Finished goods	59	25	16	41
Trading goods	116	49	50	99
Machinery spare parts	153	99	120	233
	552	426	426	714
Less: Allowance for slow moving inventories	(12)	(12)	(12)	(12)
	540	414	414	702

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

7. TRADE AND OTHER RECEIVABLES

	Audited 31 December 2022 RM'000	Audited 31 December 2023 RM'000	Audited 31 December 2024 RM'000	Audited 31 October 2025 RM'000
Trade receivables	8,620	11,644	12,906	13,581
Less: Loss allowance	(189)	(153)	(195)	(261)
	8,431	11,491	12,711	13,320
Sundry receivables	2	-	-	11
Deposits	907	1,455	698	884
Prepayment	86	230	450	12,713
	9,426	13,176	13,859	26,928
Movement of loss allowance is as follows:				
Balance as at 1 January	(194)	(189)	(153)	(195)
Decrease/(Increase) during the financial year/period	5	36	(42)	(66)
Balance as at 31 December/31 October	(189)	(153)	(195)	(261)

The Group normal trade credit terms range from 30 to 120 (31.12.2024: 30 to 120; 31.12.2023: 30 to 120; 31.12.2022: 30 to 120) days.

As of 31 October 2025, included in prepayment is an amount of RM9,432,000 representing the full purchase consideration, deposits and directly attributable legal fees paid for the acquisition of two (2) parcels of leasehold vacant land. As at the reporting date, the transfer of legal title has not been completed.

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

8. AMOUNT DUE FROM FORMER IMMEDIATE HOLDING COMPANY

The amount due from former immediate holding company as of 31 December 2022 was non-trade in nature, unsecured, interest free, repayable on demand and settled in cash.

9. AMOUNT DUE FROM A RELATED COMPANY

	Audited 31 December 2022 RM'000	Audited 31 December 2023 RM'000	Audited 31 December 2024 RM'000	Audited 31 October 2025 RM'000
Amount due from a related company - trade	18	4	-	27

The trade amount due from a related company is unsecured and repayable within normal terms of trade.

10. SHORT-TERM DEPOSITS

	Audited 31 December 2022 RM'000	Audited 31 December 2023 RM'000	Audited 31 December 2024 RM'000	Audited 31 October 2025 RM'000
Fixed deposits with licensed banks	489	85	-	-

For the financial year ended 31 December 2023, the fixed deposits were denominated in Ringgit Malaysia and had a maturity period of 365 (31.12.2022: 365) days and earned interest at the rate of 2.80% (31.12.2022: 2.06%) per annum.

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

11. CASH AND CASH EQUIVALENTS

	Audited 31 December 2022 RM'000	Audited 31 December 2023 RM'000	Audited 31 December 2024 RM'000	Audited 31 October 2025 RM'000
Cash and bank Balances	14,047	16,283	6,293	7,078
Deposits placed with licensed banks	45,980	45,216	47,266	44,103
Cash and cash equivalents in the statement of financial position	60,027	61,499	53,559	51,181

The deposits have a maturity period of 1 to 6 months (31.12.2024: 1 to 3 months; 31.12.2023: 1 to 3 months; 31.12.2022: 1 to 3 months) and earned interest at the rates of 0.45% to 4.15% (31.12.2024: 2.10% to 5.20%; 31.12.2023: 3.50% to 3.90%; 31.12.2022: 1.50% to 3.55%) per annum.

12. SHARE CAPITAL

	Audited 31 December 2022	Audited 31 December 2023	Audited 31 December 2024	Audited 31 October 2025
	Number Of Shares			
Issued and Fully Paid-Up				
Ordinary Shares				
At beginning of the financial year/period	1,080,370	1,080,370	1,080,370	1,080,370
Issuance of new ordinary shares	-	-	-	25,846,371
At end of the financial year/period	1,080,370	1,080,370	1,080,370	26,926,741

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

12. SHARE CAPITAL (CONT'D)

	Audited 31 December 2022 RM'000	Audited 31 December 2023 RM'000	Audited 31 December 2024 RM'000	Audited 31 October 2025 RM'000
Issued and Fully Paid-Up				
Ordinary Shares				
At beginning and end of the financial year/period	1,080	1,080	1,080	1,080
Issuance of new ordinary shares	-	-	-	25,837
At end of the financial year/period	1,080	1,080	1,080	26,917

The holders of ordinary shares are entitled to receive dividends as and when declared by the Companies and are entitled to one vote per ordinary share at meetings of the Companies. The ordinary shares have no par value.

During the financial period from 1 January 2025 to 31 October 2025, the companies increased its issued and paid-up share capital from RM1,080,000 to RM26,917,000 by way of:-

(i) Issuance of 25,836,371 new ordinary shares by capitalising the amount due to former ultimate holding company of RM25,836,371;

(ii) Issuance of 1 new ordinary shares at RM1.00 each for a cash consideration of RM1; and

(iii) Issuance of 10,000 new ordinary shares at RM0.10 each for a cash consideration of RM1,000.

The new ordinary shares issued rank equally in all respects with the existing ordinary shares of the Companies.

For the purpose of this report, the total number of shares as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 October 2025 represent the total aggregate number of issued and fully paid-up shares of all combined entities within the Group.

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

13. OTHER RESERVES

	Other reserve RM'000
Audited	
31 December 2022	
At beginning and end of financial year	4,445
Audited	
31 December 2023	
At beginning and end of financial year	4,445
Audited	
31 December 2024	
At beginning and end of financial year	4,445
Audited	
31 October 2025	
At beginning and end of financial period	4,445

The acquisition of TSHSB by 5ERSB is regarded as business combination under common control. The Group applies predecessor accounting to account for business combinations under common control. Under predecessor accounting, assets and liabilities acquired are not restated to their respective fair values. They are recognised at the carrying amounts from the consolidated interim financial statements of the Group and adjusted to conform with the accounting policies adopted by the Group. The difference between any consideration given and the aggregate carrying amounts of the assets and liabilities of the acquired entity is recognised as a reserve.

A charge of RM4,445,000 has been recognised within the other reserve and this represent the difference between the share capital of TSHSB of RM50,000 as at the date of acquisition and the consideration of RM4,495,000.

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

14. BORROWINGS

	Audited 31 December 2022 RM'000	Audited 31 December 2023 RM'000	Audited 31 December 2024 RM'000	Audited 31 October 2025 RM'000
Non-current				
Term loans (secured)	2,252	1,886	1,536	1,373
Hire purchase liabilities	-	388	291	223
	2,252	2,274	1,827	1,596
Current				
Term loans (secured)	361	364	364	250
Hire purchase liabilities	-	94	98	84
	361	458	462	334
Total	2,613	2,732	2,289	1,930

The term loans of the Group are secured by certain leasehold land classified under right-of-use assets (Note 5) and property, plant and equipment (Note 4).

Term loans of the Group are carried at floating interest rates. The weighted average interest rate of term loans of the Group is 4.42% (31.12.2024: 4.42%; 31.12.2023: 4.42%; 31.12.2022: 4.17%) per annum.

15. LEASE LIABILITIES

	Audited 31 December 2022 RM'000	Audited 31 December 2023 RM'000	Audited 31 December 2024 RM'000	Audited 31 October 2025 RM'000
Amount due for settlement after 12 months				
- non-current	9,898	9,871	-	-
Amount due for settlement within 12 months				
- current	256	92	19	-
Total	10,154	9,963	19	-

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

16. DEFERRED TAX LIABILITIES

	Audited 31 December 2022 RM'000	Audited 31 December 2023 RM'000	Audited 31 December 2024 RM'000	Audited 31 October 2025 RM'000
Subject to income tax				
- deferred tax liabilities	1,850	1,350	1,726	1,726

The movements are as follows:

	Audited 31 December 2022 RM'000	Audited 31 December 2023 RM'000	Audited 31 December 2024 RM'000	Audited 31 October 2025 RM'000
At beginning of the financial year/period	2,428	1,850	1,350	1,726
(Credited)/Charged to profit or loss				
- property, plant and equipment	(28)	172	(88)	-
- lease liabilities	(164)	(81)	246	-
- loss allowance	1	9	(10)	-
- accruals	(387)	(485)	206	-
- hire purchase liabilities	-	(115)	22	-
	(578)	(500)	376	-
At end of the financial year/period	1,850	1,350	1,726	1,726
Deferred tax assets (before offsetting)				
Lease liabilities	165	246	-	-
Loss allowance	46	37	47	-
Accruals	387	872	666	-
Hire purchase liabilities	-	115	93	-
	598	1,270	806	-
Offsetting	(598)	(1,270)	(806)	-
Deferred tax assets (after offsetting)	-	-	-	-

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16. DEFERRED TAX LIABILITIES (CONT'D)

	Audited 31 December 2022 RM'000	Audited 31 December 2023 RM'000	Audited 31 December 2024 RM'000	Audited 31 October 2025 RM'000
Deferred tax liabilities (before offsetting)				
Property, plant and equipment	2,448	2,620	2,532	-
Offsetting	(598)	(1,270)	(806)	-
Deferred tax liabilities (after offsetting)	1,850	1,350	1,726	-

17. TRADE AND OTHER PAYABLES

	Audited 31 December 2022 RM'000	Audited 31 December 2023 RM'000	Audited 31 December 2024 RM'000	Audited 31 October 2025 RM'000
Trade payables	991	1,499	1,540	2,248
Sundry payables	1,292	2,382	1,595	1,413
Capital expenditure payable/accrued	4,013	1,149	620	3,742
Accruals	3,450	6,148	4,819	4,543
	9,746	11,178	8,574	11,946

The normal trade credit term granted to the Group is 30 to 90 (31.12.2024 - 30 to 90; 31.12.2023 - 30 to 90; 31.12.2022 - 30 to 90) days.

18. AMOUNT DUE TO FORMER ULTIMATE HOLDING COMPANY

The amount due to former ultimate holding company is non-trade in nature, unsecured, interest free, and repayable on demand. The amount was settled through the capitalisation of the amount due via the issuance and allotment of new ordinary shares.

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

19. REVENUE

	< Audited Financial Year Ended 31 December >			Unaudited Ten-month Financial Period Ended < 31 October >	Audited
	2022	2023	2024	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from Contracts with Customers:					
- Scheduled waste management services	53,282	68,519	67,507	57,270	55,395
- Supply of recovered and recycled products	10,077	9,990	11,059	9,532	10,647
- Trading of chemical and other products	1,610	1,452	1,583	1,306	1,712
	64,969	79,961	80,149	68,108	67,754
Timing of revenue recognition:					
- Point in time	11,687	11,442	12,642	10,838	12,359
- Over time	53,282	68,519	67,507	57,270	55,395
	64,969	79,961	80,149	68,108	67,754

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19. REVENUE (CONT'D)

Revenue recognised in relation to contract liabilities:

The following table shows how much of the revenue recognised in the current financial year/period relates to carried-forward contract liabilities:

	< Audited >			Unaudited	Audited
	< Financial Year Ended >			Ten-month Financial Period Ended	
	< 31 December >			< 31 October >	
	2022	2023	2024	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue recognised that was included in the contract liabilities balance at the beginning of the year/period	73	51	58	54	335

Management expects that contract liabilities amounting to RM335,000 (31.10.2024: RM54,000; 31.12.2024: RM125,000; 31.12.2023: RM58,000; 31.12.2022: RM51,000) will be recognised as revenue within 12 months from the financial reporting date.

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

20. FINANCE COSTS

	< Audited >			Unaudited	Audited
	< Financial Year Ended >			Ten-month Financial Period Ended	
	< 31 December >			< 31 October >	
	2022	2023	2024	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Interest expenses on:					
- term loans	86	-	15	5	41
- hire purchase liabilities	-	6	20	17	13
- lease liabilities	387	536	345	344	1
	473	542	380	366	55

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

21. NET IMPAIRMENT (GAINS)/LOSSES ON FINANCIAL ASSETS

	< Audited Financial Year Ended 31 December >			Unaudited Ten-month Financial Period Ended 31 October	Audited
	2022	2023	2024	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Impairment losses:					
- trade receivables (Note 7)	-	-	42	-	65
Reversal of impairment losses:					
- trade receivables (Note 7)	(5)	(36)	-	-	-
	(5)	(36)	42	-	65

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

22. PROFIT BEFORE TAXATION

	< Audited Financial Year Ended 31 December >			Unaudited Ten-month Financial Period Ended 31 October	Audited
	2022	2023	2024	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting)					
Auditors' remuneration:					
- audit fees	105	115	80	87	98
Material Expenses/(Income)					
Depreciation of property, plant and equipment	2,512	2,699	4,000	3,308	3,426
Depreciation of right-of-use assets	810	710	649	507	702
Gain on derecognition of leases	-	-	(1,272)	(1,272)	-
(Gain)/loss on disposal of property, plant and equipment	-	(84)	-	-	20
Property, plant and equipment written off	92	4	9	9	2
Short-term leases	101	283	670	614	303
Consumables	905	1,077	1,119	910	1,024
Fuel oil and petrol	2,230	1,180	1,304	1,085	1,118
Raw material consumed	6,883	10,281	12,320	10,723	10,149
Repair and maintenance fee	3,692	3,860	2,924	2,307	2,347
Sludge disposal	6,916	5,634	6,756	5,636	4,952
Subcontractor charges	579	2,091	2,569	2,235	2,316
Transportation charges	2,068	2,303	1,375	1,199	972
Utility expenses	2,038	2,396	2,415	2,028	1,956

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

22. PROFIT BEFORE TAXATION (CONT'D)

	< Audited >			Unaudited	Audited
	< Financial Year Ended >			Ten-month Financial Period Ended	
	< 31 December >			< 31 October >	
	2022	2023	2024	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Staff cost (excluding Directors' remuneration)					
Salaries, bonuses, allowances and commission	7,476	8,858	8,733	7,335	7,404
Defined contribution plan	678	729	812	655	633
Others	89	97	111	91	105
	8,243	9,684	9,656	8,081	8,142
Directors' remuneration					
Directors' salaries, bonus and other allowances	4,295	5,304	4,163	3,668	1,267
Defined contribution plan	396	576	716	625	436
Others	5	5	4	3	4
	4,696	5,885	4,883	4,296	1,707

The estimated monetary value of benefits-in-kind provided by the Group to its directors was RM24,000 (31.10.2024: RM27,000; 31.12.2024: RM33,000; 31.12.2023: RM11,000; 31.12.2022: RM11,000).

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

23. INCOME TAX EXPENSE

(a) Income Tax Expenses Recognised in Profit or Loss

	< Audited >			Unaudited	Audited
	< Financial Year Ended >			Ten-month Financial Period Ended	
	< 31 December >			< 31 October >	
	2022	2023	2024	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Current Malaysian income tax expense					
Current financial year/period	5,439	7,012	6,792	5,600	6,714
Under/(Over) provision in the previous financial year/period	209	(173)	218	218	6
	5,648	6,839	7,010	5,818	6,720
Deferred tax (Note 16)					
- Origination and reversal of temporary differences	(578)	(500)	166	-	-
- Underprovision in the previous financial year/period	-	-	210	245	-
	(578)	(500)	376	245	-
Tax expense	5,070	6,339	7,386	6,063	6,720

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

23. INCOME TAX EXPENSE (CONT'D)

(b) Numerical Reconciliation of Income Tax Expense:

The explanation of the relationship between income tax expense and profit before taxation is as follows:

	< Audited >			Unaudited	Audited
	< Financial Year Ended >			Ten-month Financial Period Ended	
	< 31 December >			< 31 October >	
	2022	2023	2024	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Profit before taxation	20,484	30,124	29,166	25,158	26,934
Tax calculated at the Malaysian tax rate of 24% (31.10.2024: 24%; 31.12.2024: 24%; 31.12.2023: 24%; 31.12.2022: 24%)	4,916	7,230	7,000	6,038	6,464
Tax effects of:					
- expenses not deductible for tax purposes	202	117	263	98	283
- income not subject to tax	-	(20)	(305)	(20)	(33)
- deductible temporary differences not recognised in prior year/period	(257)	(815)	-	(516)	-
- underprovision of deferred taxation in the previous financial year/period	-	-	210	245	-
- under/(over) provision in the previous financial year/period	209	(173)	218	218	6
	5,070	6,339	7,386	6,063	6,720

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

24. EARNINGS PER SHARE

	< Audited Financial Year Ended 31 December >			< Unaudited Ten-month Financial Period Ended 31 October >	< Audited >
	2022	2023	2024	2024	2025
Profit after taxation attributable to owners of the Company (RM'000)	15,414	23,785	21,780	19,095	20,214
Weighted average number of ordinary shares in issue (number)	1,080,370	1,080,370	1,080,370	1,080,370	20,863,440
Basic earnings per share (RM)	14.27	22.02	20.16	17.67	0.97

The Group has not issued any potential dilutive ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share.

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

25. DIVIDENDS

	< Audited >			Unaudited	Audited
	< Financial Year Ended >			Ten-month Financial Period Ended	
	< 31 December >			< 31 October >	
	2022	2023	2024	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
First interim dividend of RM9.256088 per ordinary share in the respective financial year	-	10,000	-	-	-
Single tier dividend of RM2.661613 per ordinary share in the respective financial year/period	-	-	2,875	2,875	-
Single tier dividend of RM2.6034 per ordinary share in the respective financial year/period	-	-	2,813	2,813	-
Single tier dividend of RM0.462804 per ordinary share in the respective financial year/period	-	-	500	500	-
Single tier dividend of RM0.145242 per ordinary share in the respective financial year/period	-	-	157	157	-
Single tier dividend of RM0.274346 per ordinary share in the respective financial year/period	-	-	296	296	-
Single tier dividend of RM0.103283 per ordinary share in the respective financial year/period	-	-	112	112	-

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

25. DIVIDENDS (CONT'D)

	< Audited >			Unaudited	Audited
	< Financial Year Ended >			Ten-month Financial Period Ended	
	< 31 December >			< 31 October >	
	2022	2023	2024	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Single tier dividend of RM0.11271 per ordinary share in the respective financial year/period	-	-	122	122	-
Single tier dividend of RM0.53071 per ordinary share in the respective financial year/period	-	-	573	573	-
Single tier dividend of RM0.91845 per ordinary share in the respective financial year	-	-	992	-	-
Single tier dividend of RM0.608328 per ordinary share in the respective financial period	-	-	-	-	657
Single tier dividend of RM0.303572 per ordinary share in the respective financial period	-	-	-	-	328
	-	10,000	8,440	7,448	985

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

26. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group include executive directors and certain members of senior management of the Group.

The key management personnel compensation for the financial years/period are as follows:

	< Audited Financial Year Ended 31 December >			Unaudited Ten-month Financial Period Ended < 31 October >	Audited
	2022	**2023**	**2024**	**2024**	**2025**
	RM'000	RM'000	RM'000	RM'000	RM'000
Salaries, bonuses and allowances	5,007	6,541	5,216	4,668	2,271
Defined contribution benefits	483	709	844	753	552
Others	8	8	8	7	9
	5,498	7,258	6,068	5,428	2,832

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

27. SIGNIFICANT RELATED PARTY DISCLOSURES

Related parties are those parties that have the ability to control, jointly control or exert significant influence over the other party in holding power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. Parties are also considered to be related if they are subject to common control or joint control. Related parties may be individuals or other entities.

(a) Related party relationship

The Directors of the Group are of the view that the following companies were related parties that had transactions or balances with the Group during the financial year/period:

Name of the related party	Relationship with the Group
5E Resources Limited	Former ultimate holding company
Wentel Engineering Sdn. Bhd.	Controlled by substantial shareholders of the Group (related company)
Wencor (M) Sdn. Bhd.	Controlled by common directors/substantial shareholders of the Group (related company)
Golden Oriental Realty Sdn. Bhd.	Controlled by common directors/substantial shareholders of the Group (related company)



5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

27. SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

(b) Related party transactions

	< Audited >			Unaudited	Audited
	< Financial Year Ended >			Ten-month Financial Period Ended	
	< 31 December >			< 31 October >	
	2022	2023	2024	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
With related companies					
Scheduled waste management services	185	167	180	146	134
Hostel cleaning services	-	(2)	(2)	(1)	(1)

28. CONTINGENT LIABILITIES

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

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29. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Board of Directors as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services provided. In addition, the businesses are also considered from a geographical perspective.

The Group is organised into 3 main reportable segments as follows:

(i) Scheduled waste management services

(ii) Supply of recovered and recycled products

(iii) Trading of chemicals and other products

Chief operating decision maker monitors the segment results of its business units separately for the purpose of making decisions about resources allocation and performance assessment. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis but exclude tax asset and liabilities.

Segment assets and liabilities information are not provided to the chief operating decision maker. Hence, no disclosure is made on segment assets and liabilities.

Transaction between reportable segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on combination.

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

29. OPERATING SEGMENTS (CONT'D)

29.1 BUSINESS SEGMENTS

Audited **31 December 2022**	Scheduled waste management services RM'000	Supply of recovered and recycled products RM'000	Trading of chemicals and other products RM'000	Consolidation adjustments RM'000	The Group RM'000
Revenue					
External revenue	53,282	10,077	1,610	-	64,969
Inter-segment revenue	-	1	2,103	(2,104)	-
Total revenue	53,282	10,078	3,713	(2,104)	64,969
Results					
Segments profit					20,011
Finance costs					473
Profit before taxation					20,484
Other information					
Depreciation of property, plant and equipment					2,512
Depreciation of right-of-use assets					810
Interest income					(803)
Interest expenses					473
Property, plant and equipment written off					92
Reversal of impairment losses on trade receivables					(5)

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

29. OPERATING SEGMENTS (CONT'D)

29.1 BUSINESS SEGMENTS (CONT'D)

Audited **31 December 2023**	Scheduled waste management services RM'000	Supply of recovered and recycled products RM'000	Trading of chemicals and other products RM'000	Consolidation adjustments RM'000	The Group RM'000
Revenue					
External revenue	68,519	9,990	1,452	-	79,961
Inter-segment revenue	-	1	1,844	(1,845)	-
Total revenue	68,519	9,991	3,296	(1,845)	79,961
Results					
Segments profit					29,582
Finance costs					542
Profit before taxation					30,124
Other information					
Depreciation of property, plant and equipment					2,699
Depreciation of right-of-use assets					710
Interest income					(1,796)
Interest expenses					542
Property, plant and equipment written off					4
Gain on disposal of property, plant and equipment					(84)
Reversal of impairment losses on trade receivables					(36)
Unrealised gain on foreign exchange					(97)

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

29. OPERATING SEGMENTS (CONT'D)

29.1 BUSINESS SEGMENTS (CONT'D)

Audited 31 December 2024	Scheduled waste management services RM'000	Supply of recovered and recycled products RM'000	Trading of chemicals and other products RM'000	Consolidation adjustments RM'000	The Group RM'000
Revenue					
External revenue	67,507	11,058	1,583	-	80,149
Inter-segment revenue	-	1	1,935	(1,936)	-
Total revenue	67,507	11,059	3,518	(1,936)	80,149
Results					
Segments profit					28,786
Finance costs					380
Profit before taxation					29,166
Other information					
Depreciation of property, plant and equipment					4,000
Depreciation of right-of-use assets					649
Gain on derecognition of leases					(1,272)
Interest income					(1,974)
Interest expenses					380
Impairment losses on trade receivables					42
Property, plant and equipment written off					9
Unrealised loss on foreign exchange					109

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

29. OPERATING SEGMENTS (CONT'D)

29.1 BUSINESS SEGMENTS (CONT'D)

Audited 31 October 2025	Scheduled waste management services RM'000	Supply of recovered and recycled products RM'000	Trading of chemicals and other products RM'000	Consolidation adjustments RM'000	The Group RM'000
Revenue					
External revenue	55,395	10,647	1,712	-	67,754
Inter-segment revenue	-	-	1,497	(1,497)	-
Total revenue	55,395	10,647	3,209	(1,497)	67,754
Results					
Segments profit					26,879
Finance costs					55
Profit before taxation					26,934
Other information					
Depreciation of property, plant and equipment					3,426
Depreciation of right-of-use assets					702
Interest income					(1,522)
Interest expenses					55
Impairment losses on trade receivables					65
Loss on disposal of property, plant and equipment					20
Property, plant and equipment written off					2
Unrealised gain on foreign exchange					(109)

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

29. OPERATING SEGMENTS (CONT'D)

29.1 BUSINESS SEGMENTS (CONT'D)

Unaudited 31 October 2024	Scheduled waste management services RM'000	Supply of recovered and recycled products RM'000	Trading of chemicals and other products RM'000	Consolidation adjustments RM'000	The Group RM'000
Revenue					
External revenue	57,270	9,532	1,306	-	68,108
Inter-segment revenue	-	2	1,656	(1,658)	-
Total revenue	57,270	9,534	2,962	(1,658)	68,108
Results					
Segments profit					24,792
Finance costs					366
Profit before taxation					25,158
Other information					
Depreciation of property, plant and equipment					3,308
Depreciation of right-of-use assets					507
Gain on derecognition of leases					(1,272)
Interest income					(1,666)
Interest expenses					366
Property, plant and equipment written off					9

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29. OPERATING SEGMENTS (CONT'D)

29.2 GEOGRAPHICAL INFORMATION

The Group operates predominantly in Malaysia. Accordingly, the information by geographical segments is not presented.

29.3 MAJOR CUSTOMERS

The following are major customers with revenue equal to or more than 10% of the Group's total revenue:

	< Audited Financial Year Ended 31 December >			Unaudited Ten-month Financial Period Ended < 31 October >	Audited
	2022	**2023**	**2024**	**2024**	**2025**
	RM'000	RM'000	RM'000	RM'000	RM'000
Customer #1	6,640	-	-	-	-
Customer #2	-	17,239	10,059	8,475	705

30. CAPITAL COMMITMENTS

	Audited 31 December 2022	**Audited 31 December 2023**	**Audited 31 December 2024**	**Audited 31 October 2025**
	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment	10,489	87	7,740	6,766

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31. FINANCIAL RISK MANAGEMENT

The Group's activities are exposed to credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's policy in respect of the major areas of treasury activity is as follows:

(a) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group adopts the policy of dealing only with customers of appropriate credit standing and history where appropriate to mitigate credit risk. For cash and cash equivalents, the Group adopts the policy of dealing with financial institutions with high credit ratings.

Credit exposure to an individual customer is restricted by the credit limit approved by the credit controller. Customers' payment profile and credit exposure are continuously monitored by the credit controller and reported to the management and Board of Directors.

Credit risk concentration profile

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the group of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group's portfolio of financial instrument is broadly diversified along industry, product and geographical lines, and transactions are entered into with diverse creditworthy counterparties, thereby mitigate any significant concentration of credit risk.

Maximum exposure to credit risk

As of the end of the reporting date, the maximum exposure to credit risk arising from financial assets is limited to the carrying amounts in the statements of financial position.

(i) Cash and cash equivalents and short-term deposits

The Group places their cash deposits with banks which are rated AAA, AA1 and AA3 based on Risk Assessment Model ("RAM") ratings as follows:

	Audited 31 December 2022	**Audited 31 December 2023**	**Audited 31 December 2024**	**Audited 31 October 2025**
	RM'000	RM'000	RM'000	RM'000
Credit rating				
AAA	14,862	12,481	6,638	6,672
AA1	133	48,950	19,336	44,490
AA3	45,482	140	27,566	1
	60,477	61,571	53,540	51,163

The financial institutions are considered to have a low credit risk. The cash and cash equivalents and short-term deposits are measured on 12-month expected credit losses and subject to immaterial credit loss.

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31. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Credit risk (Cont'd)

(ii) Trade receivables

The Group applies the simplified approach to provide for expected credit losses prescribed by MFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables.

To measure the expected credit losses, these receivables have been grouped based on days past due. The expected loss rates are based on the payment profiles of sales over a period of 24 months and the corresponding credit losses experienced within this period. The historical loss rates are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and inflationary rate in Malaysia to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The Group considers a financial asset to be in default if the counterparty fails to make contractual payments within 90 days when they fall due. Receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group when a debtor fails to make contractual payments on debts greater than 365 days past due. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The following table contains an analysis of the credit risk exposure of trade receivables (external) for which a loss allowance is recognised using the simplified approach. The gross carrying amount of trade receivables below also represents the Group's maximum exposure to credit risk on these assets:

Audited	Current	1 - 90 days overdue	91 - 180 days overdue	More than 180 days overdue	Total
31 December 2022					
Expected loss rate (%)	0.6	0.6	41	100	
Gross carrying amount (RM'000):					
- external trade receivables	4,565	3,821	161	73	8,620
- intercompany trade receivable	18	-	-	-	18
Less: Loss allowance	(26)	(24)	(66)	(73)	(189)
Carrying amount (net of loss allowance)	4,557	3,797	95	-	8,449

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Credit risk (Cont'd)

Impairment of financial assets (Cont'd)

(ii) Trade receivables (Cont'd)

Audited	Current	1 - 90 days overdue	91 - 180 days overdue	More than 180 days overdue	Total
31 December 2023					
Expected loss rate (%)	0.4	1	24	100	
Gross carrying amount (RM'000):					
- external trade receivables	5,865	5,505	274	-	11,644
- intercompany trade receivable	4	-	-	-	4
Less: Loss allowance	(24)	(64)	(65)	-	(153)
Carrying amount (net of loss allowance)	5,845	5,441	209	-	11,495

Audited	Current	1 - 90 days overdue	91 - 180 days overdue	More than 180 days overdue	Total
31 December 2024					
Expected loss rate (%)	0.3	0.9	14.5	100	
Gross carrying amount (RM'000):					
- external trade receivables	7,100	4,996	802	8	12,906
- intercompany trade receivable	-	-	-	-	-
Less: Loss allowance	(24)	(47)	(116)	(8)	(195)
Carrying amount (net of loss allowance)	7,076	4,949	686	-	12,711

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Credit risk (Cont'd)

Impairment of financial assets (Cont'd)

(ii) Trade receivables (Cont'd)

Audited	Current	1 - 90 days overdue	91 - 180 days overdue	More than 180 days overdue	Total
31 October 2025					
Expected loss rate (%)	0.4	1.61	4.90	100	
Gross carrying amount (RM'000):					
- external trade receivables	7,737	4,482	1,266	96	13,581
- intercompany trade receivable	27	-	-	-	27
Less: Loss allowance	(31)	(72)	(62)	(96)	(261)
Carrying amount (net of loss allowance)	7,733	4,410	1,204	-	13,347

(iii) Other receivables and intercompany receivables (non-trade)

The Group's other receivables and non-trade intercompany receivable amounted to Nil (31.12.2024: Nil; 31.12.2023: Nil; 31.12.2022: RM2,000). The Group has assessed these other receivables and determined that the other receivables and non-trade intercompany receivable are fully recoverable, and no loss allowance is to be recorded.

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31. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group's interest-bearing assets and liabilities are bank borrowings, cash and cash equivalents. Therefore, the Group's interest rate risk mainly arises from bank borrowings, cash and cash equivalents.

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

	Audited 31 December 2022 RM'000	**Audited 31 December 2023** RM'000	**Audited 31 December 2024** RM'000	**Audited 31 October 2025** RM'000
Variable rate borrowings	2,613	2,250	1,900	1,623

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates. Impact on post tax profit with the fluctuation of interest rate is as follows:

	Audited 31 December 2022 RM'000	**Audited 31 December 2023** RM'000	**Audited 31 December 2024** RM'000	**Audited 31 October 2025** RM'000
Interest rates - increase by 100 basis points	20	17	14	12

An analysis by maturities is provided in Note 31(c) below.

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31. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Liquidity risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):

Audited	On demand/ within 1 year RM'000	Between 2 - 5 years RM'000	Over 5 years RM'000	Total contractual amount RM'000
31 December 2022				
Trade and other payables	9,746	-	-	9,746
Amount due to former ultimate holding company	23,676	-	-	23,676
Borrowings:				
- term loans	361	1,442	1,305	3,108
Lease liabilities	736	2,256	14,779	17,771
	34,519	3,698	16,084	54,301
Audited				
31 December 2023				
Trade and other payables	11,178	-	-	11,178
Amount due to former ultimate holding company	25,836	-	-	25,836
Borrowings:				
- term loans	364	1,457	924	2,745
- hire purchase liabilities	113	421	-	534
Lease liabilities	557	2,286	14,195	17,038
	38,048	4,164	15,119	57,331

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Liquidity risk (Cont'd)

Audited	On demand/ within 1 year RM'000	Between 2 - 5 years RM'000	Over 5 years RM'000	Total contractual amount RM'000
31 December 2024				
Trade and other payables	8,574	-	-	8,574
Amount due to former ultimate holding company	25,836	-	-	25,836
Borrowings:				
- term loans	364	1,457	560	2,381
- hire purchase liabilities	113	307	-	420
Lease liabilities	20	-	-	20
	34,907	1,764	560	37,231

Audited	On demand/ within 1 year RM'000	Between 2 - 5 years RM'000	Over 5 years RM'000	Total contractual amount RM'000
31 October 2025				
Trade and other payables	11,946	-	-	11,946
Borrowings:				
- term loans	304	1,520	-	1,824
- hire purchase liabilities	94	232	-	326
	12,344	1,752	-	14,096



5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Fair values

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

(ii) Level 2 - Valuation techniques for the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

(iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The fair values of the financial assets and financial liabilities of the Group which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms. The fair values of term loans approximate their carrying amounts as they are repriced to market interest rates on or near the reporting date.

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31. FINANCIAL RISK MANAGEMENT (CONT'D)

(e) Financial instruments by categories

	Audited 31 December 2022 RM'000	Audited 31 December 2023 RM'000	Audited 31 December 2024 RM'000	Audited 31 October 2025 RM'000
Financial assets classified at amortised cost				
Trade and other receivables	9,340	12,946	13,409	14,215
Amount due from former immediate holding company	163	-	-	-
Amount due from related companies	18	4	-	27
Short-term deposits	489	85	-	-
Cash and bank balances	60,027	61,499	53,559	51,181
	70,037	74,534	66,968	65,423
Financial liabilities classified as amortised cost				
Trade and other payables	9,746	11,178	8,574	11,946
Amount due to former ultimate holding company	23,676	25,836	25,836	-
Borrowings	2,613	2,732	2,289	1,930
Lease liabilities	10,154	9,963	19	-
	46,189	49,709	36,718	13,876

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31. FINANCIAL RISK MANAGEMENT (CONT'D)

(f) Net (loss) or gain arising from financial instruments

	Audited 31 December 2022 RM'000	**Audited 31 December 2023** RM'000	**Audited 31 December 2024** RM'000	**Audited 31 October 2025** RM'000
Financial assets classified at amortised cost				
Net gain recognised in profit or loss	808	1,832	1,932	1,457
Financial liabilities classified as amortised cost				
Net (loss)/gain recognised in profit or loss	(473)	(541)	892	(55)

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(g) Fair value information

The fair values of the financial liabilities of the Group which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	RM'000	RM'000
31.12.2022								
Financial liability								
Borrowings	-	-	-	-	2,613	-	2,613	2,613
31.12.2023								
Financial liability								
Borrowings	-	-	-	-	2,732	-	2,732	2,732
31.12.2024								
Financial liability								
Borrowings	-	-	-	-	2,289	-	2,289	2,289
31.10.2025								
Financial liability								
Borrowings	-	-	-	-	1,930	-	1,930	1,930

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31. FINANCIAL RISK MANAGEMENT (CONT'D)

(g) Fair value information (Cont'd)

Fair Value of Financial Instruments Not Carried at Fair Value

The fair values, which are for disclosure purposes, have been determined using the following basis:

(i) The fair value of Group's term loan that carrying floating interest rates are determined appropriated their carrying amount as it is repriced to market interest rate on or near the reporting date.

(ii) The fair value of hire purchase liabilities that carry fixed interest rates are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting date.

	Audited 31 December 2022 %	Audited 31 December 2023 %	Audited 31 December 2024 %	Audited 31 October 2025 %
Term loans	4.17	4.42	4.42	4.42

32. CAPITAL RISK MANAGEMENT

The Group manage its capital to ensure that it will be able to maintain an optimal capital structure so as to support its business and maximise shareholder value. To achieve this objective, the Group may adjust the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

	Audited 31 December 2022 RM'000	Audited 31 December 2023 RM'000	Audited 31 December 2024 RM'000	Audited 31 October 2025 RM'000
Borrowings	2,613	2,732	2,289	1,930
Total equity	71,567	85,352	98,692	143,758
Debt-to-equity ratio	3.65%	3.20%	2.32%	1.34%

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5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

33. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

(a) Restructuring Exercise

In conjunction with, and as an integral part of the listing of 5E Resources Holdings Berhad's ("the Company") shares on the ACE Market of Bursa Malaysia Securities Berhad, the Company has undertaken the following restructuring exercise:

The Company entered into a conditional Share Sale Agreement on 15 August 2025 to acquire the entire equity interests in 5E Resources Sdn. Bhd., TS Heuls Chemical & Engineering Sdn. Bhd. and 5E Resources Northen Sdn. Bhd. for a purchase consideration of RM123,549,000, to be satisfied by the issuance of 1,235,490,000 ordinary shares in the Company at an issue price of RM0.10 per Share.

The acquisition of the above companies were completed on 8 December 2025 and combined using merger method of accounting.

(b) Declaration of Dividend

On 11 March 2026, the directors declared an interim dividend of RM0.0043 per ordinary share on 1,540,000,000 ordinary shares amounting to RM6,622,000, in respect of the financial year ended 31 December 2025.

The said dividend will be paid to the entitled shareholders as at an entitlement date after the Listing, which will be determined and announced to Bursa Malaysia Securities Berhad accordingly.

Such a dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2026.

5E RESOURCES HOLDINGS BERHAD

STATEMENT BY DIRECTORS

We, Lim Te Hua and Shankar A/L Narasingam, being two of the directors of 5E Resources Holdings Berhad, state that, in the opinion of the directors, the combined financial statements set out on pages 4 to 77 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and Prospectus Guidelines issued by the Securities Commission Malaysia so as to give a true and fair view of the combined financial position of the Group as of 31 December 2022, 31 December 2023, 31 December 2024 and 31 October 2025 and of their combined financial performance and combined cash flows for the financial years ended 31 December 2022, 31 December 2023 and 31 December 2024 and for the ten-month financial period ended 31 October 2025.

Signed in accordance with a resolution of the directors dated 11 MAR 2026

Lim Te Hua

Shankar A/L Narasingam

STATUTORY DECLARATION

I, Sim Ting Ling, being the officer primarily responsible for the financial management of 5E Resources Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 4 to 77 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declaration Act 1960.

Subscribed and solemnly declared by the abovementioned
Sim Ting Ling, NRIC Number: 950302-01-6876
at Kuala Lumpur
in the Federal Territory
on this 11 MAR 2026

Sim Ting Ling

Before me

AESURUHJAYA SUMPAH
W737
MUHAMMAD FAIZ DHARMENDRA
BIN ABDULLAH
01 JAN 2024 - 31 DEC 2026
MALAYSIA

No. 30, Tingkat Bawah, Blok B,
Flat PKNS, Jalan Raja Muda Musa,
50300 Kg. Baru, Kuala Lumpur

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants
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Malaysia
Main +6 03 2788 9999
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11 MAR 2026

The Board of Directors
5E Resources Holdings Berhad
PLO 738, Jalan Platinum Utama
Zon 12B, Kawasan Perindustrian Pasir Gudang
81700 Pasir Gudang
Johor, Malaysia.

Dear Sirs

5E RESOURCES HOLDINGS BERHAD ("5ERHB" or the "Company")
REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION INCLUDED IN A PROSPECTUS

We have completed our assurance engagement to report on the compilation of Pro Forma Combined Statements of Financial Position of 5E Resources Holdings Berhad, 5E Resources Sdn Bhd, TS Heuls Chemical & Engineering Sdn Bhd and 5E Resources Northern Sdn Bhd (collectively known as "the Group") as at 31 October 2025 together with the accompanying notes thereon prepared by the Board of Directors of the Company, for which we have stamped for the purpose of identification.

The Pro Forma Combined Statements of Financial Position have been prepared for inclusion in the Prospectus in connection with the initial public offering in the ordinary shares and the listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad ("the Listing").

The application criteria on the basis of which the Board of Directors of the Company have compiled the Pro Forma Combined Statements of Financial Position are described in the notes thereon to the Pro Forma Combined Statements of Financial Position. The Pro Forma Combined Statements of Financial Position are prepared in accordance with the requirements of the Prospectus Guidelines issued by the Securities Commission Malaysia ("Prospectus Guidelines") and the Guidance Note For Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants ("Guidance Note").

The Pro Forma Combined Statements of Financial Position have been compiled by the Board of Directors of the Company to illustrate the impact of the transactions as set out in notes thereon to the Pro Forma Combined Statements of Financial Position as at 31 October 2025 as if the events have occurred or the transactions have been undertaken throughout the financial period. As part of this process, information about the Group's financial position as at 31 October 2025 has been extracted by the Board of Directors of the Company from the Group's audited combined financial statements as at 31 October 2025.

Crowe Malaysia PLT is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Crowe Malaysia PLT and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Crowe Malaysia PLT.

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

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THE BOARD OF DIRECTORS' RESPONSIBILITIES

The Board of Directors of the Company is responsible for compiling the Pro Forma Combined Statements of Financial Position on the basis as described in notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines and Guidance Note.

REPORTING ACCOUNTANTS' INDEPENDENCE AND QUALITY CONTROL

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our firm applies International Standard on Quality Management 1 (ISQM 1), *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal regulatory requirements.

REPORTING ACCOUNTANTS' RESPONSIBILITIES

Our responsibility is to express an opinion, as required by the Prospectus Guidelines issued by the Securities Commission Malaysia, about whether the Pro Forma Combined Statements of Financial Position has been compiled, in all material respects, by the Board of Directors of the Company on the basis as described in notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

We conducted our engagement in accordance with the International Standard on Assurance Engagement (ISAE) 3420, *Assurance Engagement to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards as adopted by the Malaysian Institute of Accountants. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Board of Directors has compiled, in all material respects, the Pro Forma Combined Statements of Financial Position on the basis as described in notes thereon to Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinion on any historical financial information used in compiling the Pro Forma Combined Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Combined Statements of Financial Position.

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REPORTING ACCOUNTANTS' RESPONSIBILITIES (CONT'D)

The purpose of the Pro Forma Combined Statements of Financial Position included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Combined Statements of Financial Position have been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Board of Directors in the compilation of the Pro Forma Combined Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Combined Statements of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the Pro Forma Combined Statements of Financial Position have been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Combined Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, the Pro Forma Combined Statements of Financial Position of the Group has been compiled, in all material respects, on the basis as described in notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

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OTHER MATTER

This letter has been prepared solely for the purpose stated above, in connection with the Listing. As such, this letter should not be used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Lean Wei Ee
03827/05/2026 J
Chartered Accountant

Kuala Lumpur

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14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

Registration No: 202501022128 (1623541-K)

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APPENDIX A

5E RESOURCES HOLDINGS BERHAD

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2025

	Note	Audited As at 31 October 2025 RM'000	Adjustment For Material Subsequent Event RM'000	Pro Forma I After Adjustment For Material Subsequent Event RM'000	Pre-IPO Exercise RM'000	Pro Forma II After Pro Forma I and Adjustment for Acquisitions RM'000	Public Issue RM'000	Pro Forma III After Pro Forma II and Public Issue RM'000	Utilisation of Proceeds RM'000	Pro Forma IV After Pro Forma III and Utilisation of Proceeds RM'000
ASSETS										
NON-CURRENT ASSETS										
Property, plant and equipment		63,490	-	63,490	-	63,490	-	63,490	-	63,490
Right-of-use assets		19,558	-	19,558	-	19,558	-	19,558	-	19,558
		83,048		83,048		83,048		83,048		83,048
CURRENT ASSETS										
Inventories		702	-	702	-	702	-	702	-	702
Trade and other receivables	7.1	26,928	-	26,928	-	26,928	-	26,928	(2,525)	24,403
Amount due from a related company		27	-	27	-	27	-	27	-	27
Contract assets		212	-	212	-	212	-	212	-	212
Cash and cash equivalents	7.2	51,181	(6,622)	44,559	-	44,559	79,170	123,729	(4,353)	119,376
		79,050		72,428		72,428		151,598		144,720
TOTAL ASSETS		162,098		155,476		155,476		234,646		227,768

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APPENDIX A

5E RESOURCES HOLDINGS BERHAD

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2025 (CONT'D)

		Audited		Pro Forma I		Pro Forma II		Pro Forma III		Pro Forma IV
	Note	As at 31 October 2025 RM'000	Adjustment For Material Subsequent Event RM'000	After Adjustment For Material Subsequent Event RM'000	Pre-IPO Exercise RM'000	After Pro Forma I and Adjustment for Acquisitions RM'000	Public Issue RM'000	After Pro Forma II and Public Issue RM'000	Utilisation of Proceeds RM'000	After Pro Forma III and Utilisation of Proceeds RM'000
EQUITY AND LIABILITIES										
EQUITY										
Share capital and invested capital	7.3	26,917	-	26,917	96,633	123,550	79,170	202,720	(1,280)	201,440
Merger reserve	7.4	(4,445)	-	(4,445)	(96,633)	(101,078)	-	(101,078)	-	(101,078)
Retained profits	7.5	121,286	(6,622)	114,664	-	114,664	-	114,664	(5,025)	109,639
TOTAL EQUITY		143,758		137,136		137,136		216,306		210,001
NON-CURRENT LIABILITIES										
Borrowings		1,596	-	1,596	-	1,596	-	1,596	-	1,596
Deferred tax liabilities		1,726	-	1,726	-	1,726	-	1,726	-	1,726
		3,322		3,322		3,322		3,322		3,322

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

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APPENDIX A

5E RESOURCES HOLDINGS BERHAD

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2025 (CONT'D)

		Audited		Pro Forma I		Pro Forma II		Pro Forma III		Pro Forma IV
	Note	As at 31 October 2025 RM'000	Adjustment For Material Subsequent Event RM'000	After Adjustment For Material Subsequent Event RM'000	Pre-IPO Exercise RM'000	After Pro Forma I and Adjustment for Acquisitions RM'000	Public Issue RM'000	After Pro Forma II and Public Issue RM'000	Utilisation of Proceeds RM'000	After Pro Forma III and Utilisation of Proceeds RM'000
CURRENT LIABILITIES										
Trade and other payables	7.6	11,946	-	11,946	-	11,946	-	11,946	(573)	11,373
Contract liabilities		344	-	344	-	344	-	344	-	344
Borrowings		334	-	334	-	334	-	334	-	334
Current tax liabilities		2,394	-	2,394	-	2,394	-	2,394	-	2,394
		15,018		15,018		15,018		15,018		14,445
TOTAL LIABILITIES		18,340		18,340		18,340		18,340		17,767
TOTAL EQUITY AND LIABILITIES		162,098		155,476		155,476		234,646		227,768
Number of ordinary shares		26,926,741	-	26,926,741	1,208,573,259	1,235,500,000	304,500,000	1,540,000,000	-	1,540,000,000
Net assets ("NA") (RM'000)		143,758		137,136		137,136		216,306		210,001
NA per ordinary share (RM)		5.34	-	5.09	-	0.11	-	0.14	-	0.14

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APPENDIX A

5E RESOURCES HOLDINGS BERHAD

NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2025

1. ABBREVIATIONS

Unless the context otherwise requires, the following abbreviations shall apply throughout this report:

IPO	Initial public offering comprising the Public Issue and the Offer for Sale
IPO Price	The issue/offer price of RM0.26 per IPO Share
IPO Share(s)	Collectively, the Issue Share(s) and the Offer Share(s)
Issue Share(s)	New Share(s) to be issued by the Company under the Public Issue
Listing	The admission of 5ERHB to the Official List and the listing and quotation of its entire enlarged issued share capital of 1,540,000,000 Shares on the ACE Market of Bursa Malaysia Securities Berhad
Malaysian Public	Malaysian citizens, companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia
Offer for Sale	Offer for sale of 154,000,000 Offer Shares at the IPO Price representing approximately 10.00% of the enlarged issued share capital of the Company, which are reserved for private placement to selected investors
Offer Share(s)	Existing Share(s) to be offered by the selling shareholders pursuant to the Offer for Sale
Public Issue	Public issue of 304,500,000 Issue Shares at the IPO Price where: (a) 192,500,000 Issue Shares, representing approximately 12.50% of the enlarged issued share capital of the Company, are reserved for private placement to Bumiputera investors approved by the Ministry of Investment, Trade and Industry of Malaysia; (b) 35,000,000 Issue Shares, representing approximately 2.27% of the enlarged issued share capital of the Company, are reserved for eligible Directors, employees and persons contributed to the success of the Group; and (c) 77,000,000 Issue Shares, representing approximately 5.00% of the enlarged issued share capital of the Company, are reserved for application by the Malaysian Public by way of balloting
RM and sen	Ringgit Malaysia and sen, the lawful currency of Malaysia
Share(s)	Ordinary share(s) in the Company
The Company or 5ERHB	5E Resources Holdings Berhad (Registration No: 202501022128 (1623541-K))
The Group	5ERHB and its subsidiaries

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Chartered Accountants

NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2025 (CONT'D)

2. INTRODUCTION

The Pro Forma Combined Statements of Financial Position of the Group as at 31 October 2025 ("the Pro Forma Combined Statements of Financial Position") together with the notes thereon, for which the Board of Directors of the Company ("the Directors") are solely responsible, have been prepared for illustrative purposes only for the purpose of inclusion in the Prospectus of the Company to be issued in conjunction with the IPO and the Listing and should not be relied upon for any other purposes.

3. BASIS OF PREPARATION

The Pro Forma Combined Statements of Financial Position have been prepared based on the audited combined statements of financial position of the Group as at 31 October 2025, which was prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and IFRS Accounting Standards, and in a manner consistent with the format of the financial statements and the accounting policies of the Group.

The Pro Forma Combined Statements of Financial Position together with the related notes thereon, have been prepared solely to illustrate the impact of the events and transactions set out in Notes 4, 5, and 6 to the Pro Forma Combined Statements of Financial Position of the Group as at 31 October 2025 had the events occurred or transactions been undertaken on 31 October 2025. As part of this process, information about the Group's financial position have been extracted by the Directors from the audited combined statements of financial position of the Group as at 31 October 2025, on which an audit report has been issued.

The financial statements used in the preparation of this Pro Forma Combined Statements of Financial Position as at 31 October 2025 are not subject to any qualification, modification or disclaimer of opinion.

The Pro Forma Combined Statements of Financial Position are not necessarily indicative of the financial position that would have been attained had the Listing actually occurred at the respective dates. The Pro Forma Statements of Financial Position have been prepared for illustrative purpose only, and because of this nature, may not give a true picture of the actual financial position of the Group.

4. MATERIAL SUBSEQUENT EVENT

Declaration of dividend

On 11 March 2026, the directors declared an interim dividend of RM0.0043 per ordinary share on 1,540,000,000 ordinary shares amounting to RM6,622,000, in respect of the financial year ended 31 December 2025.

The said dividend will be paid to the entitled shareholders as at an entitlement date after the Listing, which will be determined and announced to Bursa Malaysia Securities Berhad accordingly.

Registration No: 202501022128 (1623541-K)

For Identification Only
Crowe
Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

5E RESOURCES HOLDINGS BERHAD

NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2025 (CONT'D)

5. LISTING SCHEME

The following proposals were undertaken in conjunction with, and as an integral part of the Listing:

5.1 Pre-IPO Exercise

Acquisition

5ERHB has acquired the entire issued share capital of 5E Resources Sdn Bhd ("5ERSB"), TS Heuls Chemical & Engineering Sdn Bhd ("TSHSB") and 5E Resources Northern Sdn Bhd ("5ERNSB") from the vendors, namely GreenEdge Sdn Bhd, Loo Sok Ching, Wong Kim Fatt, Ban Kim Wah, Lim Te Hua and Shankar A/L Narasingam, via the conditional Share Sale Agreement ("SSA") dated 15 August 2025.

The total purchase consideration of RM123,549,000 was arrived at on a willing-buyer willing-seller basis, after taking into consideration the audited net assets of 5ERSB and TSHSB as at 31 December 2024 as well as distribution of dividends by 5ERSB amounting to RM985,190 and the capitalisation of amount due to its former ultimate holding company amounting to RM25,836,371.

The acquisition of the above companies was completed on 8 December 2025 and combined using merger method of accounting.

5.2 Public Issue

The Public Issue involves an issuance of 304,500,000 Issue Shares, representing approximately 19.77% of the Company's enlarged issued share capital upon Listing at the IPO Price.

5.3 Offer for Sale

The selling shareholders will undertake an Offer for Sale of 154,000,000 Offer Shares, representing approximately 10.00% of the Company's enlarged issued share capital upon Listing at the IPO Price.

The Offer for Sale does not have any impact on the Pro Forma Combined Statements of Financial Position as at 31 October 2025.

5.4 Listing

Upon completion of the IPO, the Company's entire enlarged issued share capital comprising 1,540,000,000 Shares shall be listed on the ACE Market of Bursa Malaysia Securities Berhad.

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NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2025 (CONT'D)

5. LISTING SCHEME (CONT'D)

5.5 Utilisation of Proceeds

The estimated gross proceeds from the Public Issue of RM79,170,000 will accrue entirely to the Group and are planned to be utilised in the following manner:

Utilisation of proceeds	RM'000	%	Estimated timeframe for utilisation from the date of Listing
Part finance the construction of the New Perak Facility (1) (4)	24,000	30.31	Within 36 months
Part finance the purchase of machinery and equipment for the New Perak Facility (2) (4)	34,000	42.95	Within 36 months
Working capital (3)	14,770	18.66	Within 12 months
Estimated listing expenses (5)	6,400	8.08	Within 3 months
Total	79,170	100.00	

Notes:

(1) The Group intends to construct a new scheduled waste management facility at Lot 13416 & Lot 13417 (Two (2) parcels of leasehold vacant land measuring in aggregate 607,784 sq ft located in Batang Padang, Perak) ("New Perak Facility").

The total estimated costs for the construction of the New Perak Facility are RM46.16 million, out of which RM24.00 million will be funded via the Public Issue proceeds and the balance funding requirement of RM22.16 million will be met via the Group's internally generated funds and/or bank borrowings.

(2) The new machinery and equipment to be purchased and installed at the New Perak Facility include wastewater treatment plant, rotary kiln, spent battery recovery system, waste acid and alkaline recycling system, waste solvent recovery system, waste oil recovery system and storage tanks as well as laboratory equipment.

The total estimated costs for the new machinery and equipment to be purchased and installed at the New Perak Facility are RM64.50 million, out of which RM34.00 million will be funded via the Public Issue proceeds and the balance funding requirement of RM30.50 million will be met via the Group's internally generated funds and/or bank borrowings.

(3) The allocation for working capital will be used for the Group's day-to-day operations including but not limited to payment to suppliers, subcontractors and service providers, payroll and administrative expenses, utility expenses and office related expenses.

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NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2025 (CONT'D)

5. LISTING SCHEME (CONT'D)

5.5 Utilisation of Proceeds (Cont'd)

Notes (Cont'd):

(4) As at latest practicable date of the Prospectus, the Group did not enter into any contractual binding arrangements or issued any purchase orders in relation to the above purposes. Accordingly, the use of proceeds is not reflected in the Pro Forma Combined Statements of Financial Position.

(5) The estimated listing expenses of RM1,280,000 are assumed to be directly attributable to the Public Issue will be set off against share capital. The remaining estimated listing expenses of RM5,120,000 are assumed to be attributable to the Listing and as such, will be expensed to the Statement of Profit or Loss and Other Comprehensive Income.

As at 31 October 2025, the Group has paid RM2,046,661 of listing expenses, which have been recognised as prepayments.

A total of RM573,059 remained unpaid as at 31 October 2025. Of this amount, RM94,400 has been recognised in the Statement of Profit or Loss and Other Comprehensive Income, while the remaining RM478,659 has been recognised as deferred listing expenses in the Statement of Financial Position.

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

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NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2025 (CONT'D)

6. PRO FORMA ADJUSTMENTS TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

6.1 Pro Forma I

Pro Forma I incorporates the effects of the Material Subsequent Event as set out in Note 4 above.

6.2 Pro Forma II

Pro Forma II incorporates the effects of Pro Forma I and the Pre-IPO Exercise as set out in Note 5.1 above.

6.3 Pro Forma III

Pro Forma III incorporates the effects of Pro Forma II and the Public Issue as set out in Note 5.2 above.

6.4 Pro Forma IV

Pro Forma IV incorporates the effects of Pro Forma III and Utilisation of Proceeds as set out in Note 5.5 above.

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NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2025 (CONT'D)

7. EFFECTS ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

7.1 Movement in trade and other receivables

	RM'000
As at 31 October 2025/As per Pro Forma I, II and III	26,928
Pursuant to Adjustment for Pro Forma IV:	
- Estimated listing expenses	(2,525)
As per Pro Forma IV	24,403

7.2 Movement in cash and cash equivalents

	RM'000
As at 31 October 2025	51,181
Pursuant to Adjustment for Pro Forma I:	
- Declaration of dividend #	(6,622)
As per Pro Forma I and II	44,559
Pursuant to Adjustment for Pro Forma III:	
- Proceeds from Public Issue	79,170
As per Pro Forma III	123,729
Pursuant to Adjustment for Pro Forma IV:	
- Estimated listing expenses ^	(4,353)
As per Pro Forma IV	119,376

- The pro forma reduction in cash and cash equivalents reflects the interim dividend of RM6,622,000 declared on 11 March 2026, as described in Notes 4 and 6.1, which will be paid to entitled shareholders after the Public Issue and the Listing, on an entitlement date to be determined and announced to Bursa Malaysia Securities Berhad.

^ - RM2,046,661 of the estimated listing expenses have been paid by the Group.

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NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2025 (CONT'D)

7. EFFECTS ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONT'D)

7.3 Movement in share capital and invested capital

	RM'000
As at 31 October 2025/As per Pro Forma I	26,917
Pursuant to Adjustment for Pro Forma II:	
- Acquisition	96,633
As per Pro Forma II	123,550
Pursuant to Adjustment for Pro Forma III:	
- Public Issue	79,170
As per Pro Forma III	202,720
Pursuant to Adjustment for Pro Forma IV:	
- Estimated listing expenses	(1,280)
As per Pro Forma IV	201,440

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NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2025 (CONT'D)

7. EFFECTS ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONT'D)

7.4 Movement in merger reserve

	RM'000
As at 31 October 2025/As per Proforma I	(4,445)
Pursuant to Adjustment for Pro Forma II:	
- Acquisition	(96,633)
As per Pro Forma II, III, and IV	(101,078)

7.5 Movement in retained profits

	RM'000
As at 31 October 2025	121,286
Pursuant to Adjustment for Pro Forma I:	
- Declaration of dividend	(6,622)
As per Pro Forma I, II and III	114,664
Pursuant to Adjustment for Pro Forma IV:	
- Estimated listing expenses	(5,025)
As per Pro Forma IV	109,639

7.6 Movement in trade and other payables

	RM'000
As at 31 October 2025/As per Pro Forma I, II and III	11,946
Pursuant to Adjustment for Pro Forma IV:	
- Estimated listing expenses	(573)
As per Pro Forma IV	11,373

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

Registration No: 202501022128 (1623541-K)

5E RESOURCES HOLDINGS BERHAD

APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted by the Board of Directors of 5E Resources Holdings Berhad in accordance with a resolution dated 11 MAR 2026

On behalf of the Board of Directors,

Lim Te Hua **Shankar A/L Narasingam**

15. STATUTORY AND OTHER GENERAL INFORMATION

15.1 SHARE CAPITAL

(i) No securities will be allotted, issued or offered on the basis of this Prospectus later than 6 months after the date of this Prospectus.

(ii) As at the date of this Prospectus, we only have 1 class of shares, namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.

(iii) None of our Group's share capital is under option or agreed conditionally or unconditionally to be put under any option as at the date of this Prospectus.

(iv) No person has been or is entitled to be given an option to subscribe for any share, stock, debenture or other security of our Group, except for the Pink Form Allocation.

(v) There is no scheme involving our Directors and employees in the capital of our Group, except for the Pink Form Allocation.

(vi) Save as disclosed in **Sections 4.3, 6.4 and 6.5** of this Prospectus, no shares, debentures, warrants, options, convertible securities or uncalled capital of our Group have been issued or are proposed to be issued as fully or partly paid-up, in cash or otherwise than in cash, within the 3 years preceding the date of this Prospectus.

(vii) Our Group does not have any outstanding convertible securities, options, warrants or uncalled capital as at the date of this Prospectus.

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15. STATUTORY AND OTHER GENERAL INFORMATION

15.2 EXTRACT OF OUR CONSTITUTION

The following provisions relating to the selected matters are extracted from our Constitution which complies with the Listing Requirements, the Act and the Rules.

The words and expressions appearing in the following provisions shall bear the same meanings used in our Constitution unless they are otherwise defined herein or the context otherwise requires.

(i) Transfer of securities

Clause 30 – Transfer in writing

Subject to this Constitution, the Central Depositories Act and the Rules, any Member may transfer all or any of his Securities (except those Deposited Securities which are for the time being designated as securities in suspense) by an instrument in writing in the form prescribed and approved by the Exchange upon which the Company is listed on the Exchange. The instrument shall have been executed by or on behalf of the transferor and the transferee, and the transferor shall remain the holder of the Securities transferred until the transfer is registered and the name of the transferee is entered in the Record of Depositors.

Clause 31 – Transfer of securities

Subject to the restriction imposed by this Constitution, the Listing Requirements, the Central Depositories Act and the Rules (with respect to transfer of Deposited Security), the transfer of any Deposited Securities shall be made by way of book entry by the Central Depository in accordance with the Rules and, notwithstanding Sections 105, 106 and 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such Deposited Securities.

Clause 32 - No restriction on the transfer of fully paid Securities

Subject to this Constitution, the Central Depositories Act and the Rules, there shall be no restriction on the transfer of fully paid Securities except where required by law.

Clause 33(a) - Refusal to register

The Central Depository may, in its absolute discretion, refuse to register any transfer of Deposited Security that does not comply with the Central Depositories Act and / or the Rules.

Clause 34 – Suspension of registration

Subject to the provisions of the Act, the Central Depositories Act, the Rules and the Listing Requirements, the registration of transfers of any Securities may be suspended at such times and for such periods as the Directors may from time to time determine PROVIDED ALWAYS that no part of the Register may be closed for such periods as the Directors may from time to time determine PROVIDED ALWAYS that it shall not be closed for more than thirty (30) days in any year. Any notice of intention to close the Register and the reason therefor shall be given to the Exchange. Such closure of the Register shall be at least fourteen (14) days (or such other period as prescribed by the Exchange from time to time) after the date of notification to the Exchange stating the purpose or purposes for the suspension. In this respect, the Company shall request the Central Depository, in accordance with the Rules, to issue the appropriate Record of Depositors.

15. STATUTORY AND OTHER GENERAL INFORMATION

(ii) Remuneration of directors

Clause 101 – Directors' remuneration

Subject to the Act and the Listing Requirements, the fees of the Directors and any benefits payable to the Directors shall from time to time be determined by way of an ordinary resolution of the Company in a general meeting and such fees shall be divided among the Directors in such proportions and manner as the Directors may determine and in default of agreement equally, except that if a Director has held office for part only of the period in respect of which such fees are payable, such a Director shall be entitled only to that proportion of the fees as is related to the period during which he has held office PROVIDED ALWAYS that:

(i) salaries payable to executive Director(s) may not include a commission on or percentage of turnover;

(ii) fees payable to non-executive Directors shall be a fixed sum and not by way of a commission on or percentage of profits or turnover;

(iii) fees of Directors and any benefits payable to Directors shall be subject to annual shareholders' approval at a general meeting; and

(iv) any fee paid to an Alternate Director shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Clause 102 – Reimbursement of expenses

(a) The Directors shall be entitled to be reimbursed for all travelling or expenses as may be incurred in attending meetings of the Directors or of any committee of the Directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors. In addition to the foregoing, a Director shall be entitled to such reasonable fixed allowance as may be determined by the Directors in respect of any attendance at any meeting and / or the performance of any duty or other things required of him as a Director.

(b) If any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) as may be determined by the Board provided that in the case of non-executive Directors, the said remuneration shall not include a commission on or percentage of profits or turnover. In the case of an executive Director, such fee may be either in addition to or in substitution for any director's fees payable to him from time to time.

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15. STATUTORY AND OTHER GENERAL INFORMATION

Clause 128 – Remuneration of chief executive, executive Director, managing Director

The remuneration of the chief executive, executive Director, managing Director or any person holding an equivalent position, shall, from time to time be fixed by the Directors and may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes but such remuneration shall not include a commission on or percentage of turnover but it may be a term of their appointment that they shall receive a pension, gratuity or other benefits upon their retirement.

(iii) Voting and borrowing powers of Directors

Clause 78 – Chairman's casting vote

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.

Clause 106 – Directors' borrowing powers

(a) Subject to the Act and the Listing Requirements, the Directors may exercise all the powers of the Company to do all or any of the following for any debt, liability, or obligation of the Company or of any related party (as defined in Section 7 of the Act):

(i) borrow money;

(ii) mortgage or charge its undertaking, property, and uncalled capital, or any part of the undertaking, property and uncalled capital;

(iii) issue debentures and other securities whether outright or as security;

(iv) lend and advance money or give credit to any person or company;

(v) guarantee and give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or company; and / or

(vi) secure or undertake in any way the repayment of moneys lent or advanced to or the liabilities incurred by any person or company; and otherwise to assist any person or of any related party (as defined in Section 7 of the Act).

(b) The Directors shall not borrow any money or mortgage or charge any of the Company's or the subsidiaries' undertaking, property or any uncalled capital, or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.

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15. STATUTORY AND OTHER GENERAL INFORMATION

Clause 120 – Votes by majority and chairman of the meeting to have a casting vote

Subject to this Constitution, any question arising at any meeting of Directors shall be decided by a majority of votes of the Directors present and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. In case of an equality of votes, the chairman of the meeting shall have a second or casting vote, except where at the meeting only two (2) Directors form a quorum, the chairman of the meeting at which only such a quorum is present, or only two (2) Directors are competent to vote on the question at issue shall not have a casting vote.

Clause 123 – Restriction on voting

Subject to the Act, a Director shall not participate in any discussion or vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly an interest and if he shall do so his vote shall not be counted. A Director shall, notwithstanding his interest, be counted in the quorum for any meeting where a decision is to be taken upon any contract or proposed contract or arrangement in which he is in any way interested.

Clause 124 – Power to vote

A Director may vote in respect of:

(i) any arrangement for giving the Director himself or any other Directors any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company;

(ii) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part, under a guarantee or indemnity or by the deposit of a security;

(iii) any contract by the Director himself to subscribe for or underwrite shares or debentures of the Company; or

(iv) any contract or arrangement with any other company in which he is interested only as an officer of the Company or as a holder of shares or other securities in that company.

(iv) Changes to share capital or variation of class rights and rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights

Clause 6 – Class of shares

The share capital of the Company is its issued share capital. The shares in the original or any increased capital may be divided into several classes, and there may be attached thereto respectively any preferential, deferred and / or other special rights, privileges, conditions and / or restrictions as to dividends, capital, voting and / or otherwise.

15. STATUTORY AND OTHER GENERAL INFORMATION

Clause 7 – Allotment of shares

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares and subject to the provisions of this Constitution, the Act, any Applicable Laws, and to the provisions of any resolution of the Company, the Board may issue, allot or grant rights to subscribe for or otherwise dispose of such shares to such persons at such price, on such terms and conditions, with such preferred, deferred and / or other special rights and subject to such restrictions and at such times as the Board may determine but the Board in making any issue of shares shall comply with the following conditions:

(i) in the case of shares, other than ordinary shares, no special rights shall be attached until the same has been expressed in this Constitution and in the resolution creating the same;

(ii) no shares shall be issued which shall have the effect of transferring a controlling interest in the Company without the prior approval of the Members in general meetings;

(iii) every issue of shares or options to employees and / or Directors of the Company and / or its subsidiaries under an employee share option scheme shall be approved by the Members in general meeting;

(iv) no Director shall participate in a scheme that involves a new issuance of shares or options unless the Members in a general meeting have approved the specific allotment to be made to such Director; and

(v) except in the case of an issue of Securities on a pro-rata basis to all Members, or, pursuant to a back-to-back placement or a Dividend Reinvestment Scheme undertaken in compliance with the Listing Requirements, there shall be no issuance and allotment of Securities to a Director, major shareholder, chief executive or person connected with any Director, major shareholder or chief executive (hereinafter referred to as the "interested Director", "interested major shareholder", "interested chief executive" or "interested person connected with a Director, major shareholder or chief executive" respectively) unless the Members in a general meeting have approved the specific allotment to be made to such aforesaid interested Director, interested major shareholder, interested chief executive or interested person connected with a Director, major shareholder or chief executive, as the case may be. In this Constitution, "major shareholder", "chief executive", "person connected with any Director, major shareholder or chief executive" and "Dividend Reinvestment Scheme" shall have the meaning ascribed thereto in the Listing Requirements.

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15. STATUTORY AND OTHER GENERAL INFORMATION

Clause 8 – Rights of preference shareholders

Subject to the Act and the Listing Requirements, any preference shares may with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed and the Company shall not unless with the consent of the existing preference shareholders at a class of meeting, issue preference shares ranking in priority above preference shares already issued, but may issue preference shares ranking equally therewith. Preference shareholders shall have:

(i) the same rights as ordinary shareholders as regards to receiving notices, reports and audited accounts and attending general meetings of the Company; and

(ii) the right to vote at any meeting convened for the purpose of reducing the capital of the Company or on a proposal to wind up or during the winding up of the Company, or sanctioning a sale of the whole of the Company's undertaking, property or business, or where any resolution to be submitted to the meeting directly affects their rights and privileges, or when the dividend on the preference shares or part of the dividend is in arrears for more than six (6) months.

Clause 10 - Variation of class rights

Subject to Section 91 of the Act, if at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with:

(i) the consent in writing of the holders of not less than seventy-five per centum (75%) of the total voting rights of the Members in that class; or

(ii) the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting, the provisions of this Constitution relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two (2) persons holding or representing by proxy at least one-third of the number of the issued shares of the class (excluding any shares of that class held as treasury shares) and that any holder of shares of the class present in person or by proxy may demand a poll and shall be entitled on a poll to one (1) vote for every such share held by him. For adjourned meetings, the quorum is one (1) person present holding shares of such class. To every such special resolution, the provisions of Section 292 of the Act shall with such adaptations as are necessary, apply.

Clause 11 – Ranking of class rights

The rights conferred upon the holders of any shares or class of shares issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of such shares, as regards to participation in the profits or assets of the Company in some or in all respect be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

15. STATUTORY AND OTHER GENERAL INFORMATION

Clause 42 – Person entitled may receive dividends etc

Where the registered holder of any share dies or becomes bankrupt, his personal representative or the assignee of his estate, as the case may be, shall, upon the production of such evidence as may from time to time be properly required by the Directors in that behalf, be entitled to receive and may give a discharge for all dividends and other moneys payable in respect of the shares as the registered holder would have been entitled to if he had not died or become bankrupt, but he shall not be entitled to receive notice of or to attend or vote at any meeting, or, save as aforesaid, to exercise any of the rights and privileges of a Member, unless and until he shall have become a Member in respect of the shares.

Clause 54 – Rights of stock holders

The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages with regards to dividends, participation in assets on a winding up, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, so that none of such rights, privileges or advantages (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of the stock which would not, if existing in shares, have conferred such rights, privileges or advantages.

Clause 56 – Power to increase capital

Subject to the Act, this Constitution, the Central Depositories Act, the Rules, the Listing Requirements and any other relevant rules for the time being in force, the Company may from time to time in a general meeting, increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital, voting or otherwise as the general meeting resolving upon such increase may direct.

Clause 57 – Issue of new shares to Members

Subject to any direction to the contrary that may be given by the Company in a general meeting and the Listing Requirements, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of the general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or Securities offered, the Directors may dispose of those shares or Securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new shares or Securities which (by reason of the ratio which the new shares or Securities bear to the shares or Securities held by persons entitled to an offer of new shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution. Notwithstanding the above, the Directors shall not be required to offer any new ordinary shares for the time being unissued and not allotted and any new shares or other convertible securities from time to time to be created to the holders of the existing shares where the said shares or Securities are to be issued as consideration or part consideration for the acquisition of shares or assets by the Company.

15. STATUTORY AND OTHER GENERAL INFORMATION

For the avoidance of doubt, where the approval of Members is obtained in a general meeting for any issuance of shares or convertible securities, including approvals obtained for implementation of a scheme that involves a new issuance of shares or other convertible securities to employees of the Company and its subsidiaries and approval obtained under Sections 75 and 76 of the Act, such approval shall be deemed to be a direction to the contrary given in general meeting which will render the pre-emptive rights above inapplicable.

In any case and in respect of any issuance of shares or convertible securities, the pre-emptive rights of Members are strictly as contained in the Constitution and accordingly, the provisions of Section 85 of the Act in respect of pre-emptive rights to new shares, shall not apply and the Company is not required to offer new shares or convertible securities in proportion to the shareholdings of the existing Members.

Clause 59 – Power to alter capital

Subject to the provisions of this Constitution and the Act, the Company may alter its share capital in any one or more of the following ways by ordinary resolution:

(i) consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived;

(ii) convert all or any of its paid-up shares into stock and reconvert that stock into fully-paid shares;

(iii) subdivide its shares or any of its shares, such that whatever is in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived; or

(iv) cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.

Clause 60 – Power to reduce capital

The Company may by special resolution, reduce its share capital in any manner permitted or authorised under and in compliance with the Act and the Applicable Laws.

Clause 61 – Purchase by the Company of its own shares

The Company may, subject to it obtaining such approval from the relevant authorities (if required) and to its compliance with the Act, the Listing Requirements and the Applicable Laws, purchase its own shares. Any shares so purchased by the Company shall be dealt with in accordance with the Act, the Listing Requirements and all Applicable Laws. The provisions of Clauses 59 and 60 herein above shall not affect the power of the Company to cancel any shares or reduce its share capital pursuant to any exercise of the Company's powers under this Clause. The cancellation of shares purchased shall not be deemed to be a reduction of share capital within the meaning of the Act.

15. STATUTORY AND OTHER GENERAL INFORMATION

Clause 149 – Payment of dividends

Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of call shall be treated for the purposes of this Constitution as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

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15. STATUTORY AND OTHER GENERAL INFORMATION

15.3 LIMITATION ON THE RIGHT TO OWN SECURITIES

There are no limitations on the right to own securities, including limitations on the right of non-residents or foreign shareholders to hold or exercise their voting rights on our Shares imposed by law or by the constituent documents of our Company.

15.4 MATERIAL CONTRACTS

Save as disclosed below, we have not entered into any material contracts which are not in the ordinary course of our Group's business within the Period Under Review and up to the date of this Prospectus:

(i) sale and purchase agreement dated 20 June 2024 for the acquisition of PLO 321 Facility land by 5ERSB from Kumpulan Kenderaan Malaysia Berhad (Registration No. 197401000686 (17729-V)) for a total purchase price of RM13.00 million which has been fully paid by 5ERSB. This acquisition has been completed on 9 October 2024. Please refer to **Section 7.19** of this Prospectus for further details of PLO 321 Facility;

(ii) sale and purchase agreement dated 2 April 2025 for the acquisition of Property No. 31 by TS Heuls from Connie Tay Choon Meng and Tan Siew Tain for a total purchase price of RM1.05 million which has been fully paid by TS Heuls. This acquisition has been completed on 16 September 2025. Please refer to **Section 7.19** of this Prospectus for further details of Property No. 31;

(iii) sale and purchase agreement dated 8 April 2025 for the acquisition of Lot 13416 & 13417 by 5ERNSB from Chie Yat Holding Sdn Bhd (Registration No.: 201901010279 (1319607-X)) for a total purchase price of RM8.80 million which has been fully paid by 5ERNSB. This acquisition has been completed on 5 January 2026. Please refer to **Section 7.19** of this Prospectus for further details of Lot 13416 & 13417;

(iv) conditional share sale agreement dated 15 August 2025 entered into between our Company and vendors of 5ERSB (i.e., Wong Kim Fatt, Loo Sok Ching, Lim Te Hua, Shankar A/L Narasingam, Ban Kim Wah and GreenEdge) for the Acquisition of 5ERSB, details of which are as set out in **Section 6.2.2** of this Prospectus; and

(v) the Underwriting Agreement.

15.5 MATERIAL LITIGATION

Our Group is not engaged in any material litigation and / or arbitration, either as plaintiff or defendant, which has a material effect on our financial position, and our Directors are not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect our financial position or business as at the LPD.

15.6 PUBLIC TAKE-OVERS

During the last financial year up to the LPD, there were no:

(i) public take-over offers by third parties in respect of our Shares; and

(ii) public take-over offers by us in respect of other companies' shares.

15. STATUTORY AND OTHER GENERAL INFORMATION

15.7 LETTERS OF CONSENT

(i) The written consents of our Principal Adviser, Sponsor, Underwriter and Placement Agent, Company Secretaries, Solicitors for our IPO, Share Registrar and Issuing House for the inclusion in this Prospectus of their names in the form and context in which they appear in this Prospectus have been given before the issuance of this Prospectus and have not subsequently been withdrawn.

(ii) The written consent of the Auditors and Reporting Accountants for the inclusion in this Prospectus of their name, the Accountants' Report and the Reporting Accountants' Report on the Compilation of Pro Forma Statements of Financial Position in the form and context in which they are included in this Prospectus has been given before the issuance of this Prospectus and has not subsequently been withdrawn.

(iii) The written consent of the IMR for the inclusion in this Prospectus of its name, the IMR Report and all references thereto in the form and context in which they are included in this Prospectus has been given before the issuance of this Prospectus and has not subsequently been withdrawn.

15.8 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at our registered office during normal business hours for a period of 6 months from the date of this Prospectus:

(i) the Constitution of our Company;

(ii) the IMR Report as included in **Section 8** of this Prospectus;

(iii) the Accountants' Report as included in **Section 13** of this Prospectus;

(iv) the Reporting Accountants' Report on the Compilation of Pro Forma Statements of Financial Position as included in **Section 14** of this Prospectus;

(v) the material contracts as referred to in **Section 15.4** of this Prospectus;

(vi) the letters of consent as referred to in **Section 15.7** of this Prospectus; and

(vii) the audited financial statements of:

(a) 5E Resources for the financial period from 19 May 2025 (date of incorporation) to 31 October 2025;

(b) 5ERSB for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025;

(c) TS Heuls for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025; and

(d) 5ERNSB for the financial period from 7 March 2025 (date of incorporation) to 31 October 2025.

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15. STATUTORY AND OTHER GENERAL INFORMATION

15.9 RESPONSIBILITY STATEMENTS

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

TA Securities, being the Principal Adviser, Sponsor, Underwriter and Placement Agent in relation to our IPO, acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

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16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

THIS SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR ISSUE SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE "DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE" ACCOMPANYING THE ELECTRONIC COPY OF OUR PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT THE ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in our Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

16.1 OPENING AND CLOSING OF APPLICATIONS

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 30 MARCH 2026

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 3 APRIL 2026

Applications for the IPO Shares will open and close at the times and dates stated above.

In the event of any changes to the date or time for closing, we will advertise the notice of changes in a widely circulated daily English and Bahasa Malaysia newspaper in Malaysia, and make an announcement on Bursa Securities' website.

Late Applications will not be accepted.

16.2 METHODS OF APPLICATIONS

16.2.1 Application for our IPO Shares by the Malaysian Public and Eligible Persons

Application must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that your Application will succeed. You agree to be bound by our Constitution.

Types of application and category of investors	Application method
(a) Applications by the Malaysian Public: (i) Individuals	• White Application Form; or • Electronic Share Application; or • Internet Share Application
(ii) Non-Individuals	White Application Form only
(b) Applications by Eligible Persons:	Pink Application Form only

16.2.2 Application by selected investors via private placement

Types of application	Application method
Applications by selected investors	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

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

16.3 ELIGIBILITY

16.3.1 General

You must have a CDS Account and a correspondence address in Malaysia. If you do not have a CDS Account, you may open a CDS Account by contacting any of the ADAs set out in **Section 12** of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities. The CDS Account must be in your own name. **Invalid, nominee or third party CDS Accounts** will not be accepted for the Applications.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 IPO SHARES OR MULTIPLES OF 100 IPO SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

16.3.2 Application by the Malaysian Public

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

(i) You must be one of the following:

  (a) A Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares;

  (b) A corporation / institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors / trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or

  (c) A superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia;

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

(iii) You must submit Applications by using only one of the following methods:

  (a) White Application Form;

  (b) Electronic Share Application; or

  (c) Internet Share Application.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

16.3.3 Application by Eligible Persons

Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation as well as detailed procedures on how to subscribe to the allocated IPO Shares. Applicants must follow the notes and instructions on the said documents and where relevant, in this Prospectus.

Eligible Persons may request for a copy of the printed Prospectus from our Company at no cost and are given an option to have the printed Prospectus delivered to them free of charge, or to obtain the printed Prospectus from our Company, our Issuing House, TA Securities, Participating Organisations of Bursa Securities and Members of the Association of Banks in Malaysia or Malaysian Investment Banking Association.

The Eligible Persons are not precluded from making additional application under the Malaysian Public category using either the White Application Form, Electronic Share Application or Internet Share Application.

16.4 PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The FULL amount payable is based on the IPO Price of RM0.26 for each IPO Share.

Payment must be made out in favour of "**TIIH SHARE ISSUE ACCOUNT NO. 819**" and crossed "**A/C PAYEE ONLY**" and endorsed on the reverse side with your name and address.

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

(i) despatch by **ORDINARY POST** in the official envelopes provided to the following address:

Tricor Investor & Issuing House Services Sdn Bhd (197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

(ii) **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at the following address:

Unit G-3, Ground Floor
Vertical Podium
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

so as to arrive not later than 5.00 p.m. on 3 April 2026 or by such other time and date specified in any change to the date or time for closing.

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

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

16.5 PROCEDURES FOR APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

Only **Malaysian individuals** may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Participating Financial Institutions.

16.6 PROCEDURES FOR APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS

Only **Malaysian individuals** may use the Internet Share Application to apply for our IPO Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, CGS International Securities Malaysia Sdn Bhd, Hong Leong Investment Bank Berhad, iFast Capital Sdn Bhd, Kenanga Investment Bank Berhad, Malacca Securities Sdn Bhd, Malayan Banking Berhad, Moomoo Securities Malaysia Sdn Bhd, Public Bank Berhad, RHB Bank Berhad, TA Securities Holdings Berhad and UOB Kay Hian (M) Sdn Bhd (formerly known as UOB Kay Hian Securities (M) Sdn Bhd). A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions or Participating Securities Firms.

16.7 AUTHORITY OF OUR BOARD AND OUR ISSUING HOUSE

Our Issuing House, on the authority of our Board reserves the right to:

(i) reject Applications which:

  (a) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or

  (b) are illegible, incomplete or inaccurate; or

  (c) are accompanied by an improperly drawn up, or improper form of, remittance; or

(ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and

(iii) bank in all Application monies (including those from unsuccessful / partially successful applicants) which would subsequently be refunded, where applicable (without interest), in accordance with **Section 16.9** below.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of our Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

16.8 OVER / UNDER-SUBSCRIPTION

In the event of over-subscription, our Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our IPO Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of shares and the balloting results in connection therewith will be furnished by our Issuing House to Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on our Issuing House's website https://srmy.vistra.com within 1 Market Day after the balloting event.

Pursuant to the Listing Requirements, we are required to have a minimum of 25% of our Company's issued share capital to be held by at least 200 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of our IPO Shares by the Malaysian Public and / or Eligible Persons, subject to the underwriting arrangement, and clawback and reallocation as set out in **Sections 4.3.3** and **4.3.4** of this Prospectus, any of the abovementioned IPO Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

16.9 UNSUCCESSFUL / PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful / partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner.

16.9.1 For applications by way of Application Forms

(i) The Application monies or the balance of it, as the case may be, will be refunded to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary / registered post to your last address maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.

(ii) If your Application is rejected because you did not provide a CDS account number, your Application monies will be refunded via banker's draft sent by ordinary / registered post to your address as stated in the NRIC or any official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.

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

(iv) Our Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or by issuance of banker's draft sent by ordinary post / registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

16.9.2 For applications by way of Electronic Share Application and Internet Share Application

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

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

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

16.10 SUCCESSFUL APPLICANTS

If you are successful in your Application:

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

(ii) A notice of allotment will be despatched to you at your last address maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.

(iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our IPO Shares issued / offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and the Rules.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

(iv) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS Accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

16.11 ENQUIRIES

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services Telephone at +603-2783 9299
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution, Participating Securities Firm and Authorised Financial Institution

The results of the allocation of IPO Shares derived from successful balloting will be made available to the public at the Issuing House website at https://srmy.vistra.com, within **1 Market Day** after the balloting date.

You may also check the status of your Application at the above website, **5 Market Days** after the balloting date or by calling your respective ADA during office hours at the telephone number as stated in the list of ADAs set out in **Section 12** of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.

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APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

Our Group maintains a master licence monitoring list to track the renewal dates of all licences held by our Group and has assigned persons-in-charge from the relevant departments to monitor and ensure timely renewal of the respective licences.

The details of our major approvals, licences, certificates and permits applicable to our business operations as at the LPD are as set out below:

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
1.	5ERSB	Business premise and advertisement licence for off-site recovery facility for scheduled wastes, storage and office for PLO 83 & 317 Facility	PGCC **Licence no.:** LA033002839	1 January 2026 / 31 December 2026	(a) The licence must be renewed between 1 September and 31 December each year. Penalty will be imposed between 1 January and 31 March of the subsequent year and cancellation will be effected on 1 April. (b) Approval of the licence is subject to compliance with all legislations, bylaws, regulations and orders currently or will be enforced by PGCC including any additional licensing conditions that may be imposed by PGCC from time to time.	Noted Noted
2.	5ERSB	Business premise and advertisement licence for recycled waste storage warehouse (not scheduled wastes) and office for PLO 321 Facility	PGCC **Licence no.:** L0816131	1 January 2026 / 31 December 2026	(a) The licence must be renewed between 1 September and 31 December each year. Penalty will be imposed between 1 January and 31 March of the subsequent year and cancellation will be effected on 1 April. (b) Approval of the licence is subject to compliance with all legislations, bylaws, regulations and orders currently or will be enforced by PGCC including any additional licensing conditions that may be imposed by PGCC from time to time.	Noted Noted

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
3.	5ERSB	Business premise and advertisement licence for off-site recovery facility for scheduled wastes, diesel storage tank, office, and buying and selling scrap items for PLO 738 Facility	PGCC **Licence no.:** L0201972	1 January 2026 / 31 December 2026	(a) The licence must be renewed between 1 September and 31 December each year. Penalty will be imposed between 1 January and 31 March of the subsequent year and cancellation will be effected on 1 April. (b) Approval of the licence is subject to compliance with all legislations, bylaws, regulations and orders currently or will be enforced by PGCC including any additional licensing conditions that may be imposed by PGCC from time to time.	Noted Noted
4.	TS Heuls	Business premise and advertisement licence for selling hazardous chemicals for Property No. 26	JBCC **Licence no.:** L2023L105844	1 January 2026 / 31 December 2026	Nil	N/A
5.	5ERSB	Permission to commence or continue any business of processing or refining of petroleum or manufacture of petrochemical products from petroleum at PLO 317 Facility	MITI **Permit no.:** 000235	23 February 2009 / Nil	(a) The site pursuant to this permission is at PLO 317 Facility (subject to approval from the relevant State Government). (b) This permission cannot be transferred to anyone including 'assignees, servants or agents (henceforth company)' without prior written approval from the Secretary General, MITI. This permission is valid unless revoked by the Secretary General, MITI.	Complied Noted

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
					(c) The composition of the board of directors of the company shall generally reflect the equity structure of the company and the MITI shall be notified regarding the appointment and any changes in its board of directors.	Noted
					(d) The company must recruit and train Malaysians so as to be able to reflect the multi-racial composition of the state's population for all positions.	Noted
					(e) The company's production (based on 1 work shift) of 'hydraulic oil' and 'lubricating oil' cannot exceed 1,838 MT per year. Any expansion of capacity must obtain the approval of the Secretary General, MITI first.	Noted
					(f) The company is not allowed to import waste for recycling from abroad. The company can only recycle domestic waste including from Free Industrial Zones / Licenced Manufacturing Warehouses.	Noted
					(g) The company must submit to the Secretary General, MITI or other authorities that he directed, all necessary data and information about the company.	Noted

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
					(h) The company must also take appropriate measures including installing devices to prevent air, water and noise pollution as well as 'radiation hazards' in accordance with the EQA 1974.	Complied
					(i) It is the responsibility of the company to determine that it achieves adequate safety quality and the highest production standards for all its products. These standards shall at least comply with enterprise standards where such standards exist. The goods produced by this company must reach the quality accepted by the Government of Malaysia.	Noted
					(j) The company shall as far as possible appoint companies owned by Malaysians to distribute its products in the domestic market and shall also appoint Bumiputera distributors to distribute at least 30% of its sales in the domestic market. The selection and appointment of Bumiputera distributors must be done after consultation with the Secretary General, MITI. The appointment of foreign companies as distributors must first be approved by the Secretary General, MITI.	Noted
					(k) The company must obtain site approval and prior written permission from the Department of Environment before this project is implemented.	Complied

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

<table>
<tr><th>No.</th><th>Company</th><th>Description of licence / certificate</th><th>Issuing authority

Certificate / Registration / Licence / Permit no.</th><th>Commencement date / Expiry date</th><th>Major conditions imposed</th><th>Compliance status</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td>(l) The company must comply with the regulations regarding the safety of the petroleum industry as stated in the Petroleum (Safety Measures) Act 1984.

(m) The company must implement its projects as approved and in accordance with the laws and other regulations stipulated in Malaysia.</td><td>Complied

Complied</td></tr>
<tr><td>6.</td><td>5ERSB</td><td>Certificate of registration as a supplier / service provider in the sector, field and subfield under the following sector codes:

<table><tr><th>Field Code</th><th>Description</th></tr><tr><td>060102</td><td>Chemicals, Chemical Materials and Laboratory Equipment / Chemical / Industrial Chemical</td></tr><tr><td>060103</td><td>Chemicals, Chemical Materials and Laboratory Equipment / Chemical /</td></tr></table></td><td>MOF

<u>Registration no.:</u>
K63163471904177762</td><td>12 May 2025 / 11 May 2028</td><td>(a) Approval is granted 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) 5ERSB shall submit any information required by MOF within the prescribed period.

(d) 5ERSB 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 premises.</td><td>Noted

Noted

Noted

Noted</td></tr>
</table>

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
		Water Processors Chemical 221002 Services / Cleaning and Treatment Services / Cleaning Area 221006 Services / Cleaning and Treatment Services / Cleaning Beaches / Rivers / Directions / Dams / Lakes 221008 Services / Cleaning and Treatment Services / Disposal and Treatment of Scheduled Waste			(e) MOF shall have the right to conduct an inspection or audit at any time without prior notification. 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. (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 5ERSB 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.	Noted Noted Noted

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
7.	5ERSB	Certificate of Registration (Form B) for the installation of electrical equipment with aggregate installed power of 11 kV / 1700 kW for PLO 738 Facility	Energy Commission Malaysia **Registration no.:** ST(SJB)P/S/JHR/03493	1 April 2023 / 31 March 2026(1)	Nil	N/A
8.	5ERSB	Licence for provision of collection services for commercial, industrial and institutional solid waste which includes residual waste and recyclable waste, garden waste, bulky waste for PLO 738 Facility	National Solid Waste Management Department, Ministry of Housing and Local Government **Licence no.:** JPSPN20250304925767CIIR	6 January 2026 / 5 January 2029	(a) The licence must not be falsified, amended or have any changes made from the original approval. (b) The grant of a licence shall be personal to the licensee and the license may not be assigned, sublicensed or transferred to any other person except with the prior written approval.	Noted Noted
9.	5ERSB	Wholesaler's Poisons Licence (Type B Licence) granted to Ang Khoon Poh of 5ERSB at PLO 738 Facility to import, store and sell the following poisons (not being Group A poison) by wholesale:	Johor State Health Department, Ministry of Health **Licence no.:** JB0142/2026	1 January 2026 / 31 December 2026	(a) For premises that have storage facilities, the sale of poisons is only allowed to be carried out at the address as stated in the licence. For premises that operate as business offices or have declared as not having storage facilities, it is not allowed to store poison at any time. (b) For licence holders who deal with 'Boric Acid' and 'Sodium Borate', both of these poisons are not allowed to be used / sold in the food industry.	Noted Noted

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
		(i) Hydrochloric acid; hydrogen chloride (9% and over as HCl); (ii) Sodium hydroxide 12% and over (Part II only); and (iii) Sulphuric acid (9% w/w and over)			(c) The disposal of toxic chemicals including precursors must be carried out in accordance with the procedures set out under the EQA 1974 and the EQSWR 2005.	Noted
10.	TS Heuls	Wholesaler's Poisons Licence (Type B Licence) granted to Lim Te Hua of TS Heuls at Property No. 26 to import, store and sell the following poisons (not being Group A Poison) by wholesale: (i) Ammonia (5% and above); (ii) Hydrochloric acid; hydrogen chloride (9% and over as HCl); (iii) Nitric acid (9% w/w and over);	Johor State Health Department, Ministry of Health **Licence no.:** JB0140/2026	1 January 2026 / 31 December 2026	(a) For premises that have storage facilities, the sale of poisons is only allowed to be carried out at the address as stated in the licence. For premises that operate as business offices or have declared as not having storage facilities, it is not allowed to store poison at any time. (b) For licence holders who deal with 'Boric Acid' and 'Sodium Borate', both of these poisons are not allowed to be used / sold in the food industry. (c) The disposal of toxic chemicals including precursors must be carried out in accordance with the procedures set out under the EQA 1974 and the EQSWR 2005.	Noted Noted Noted

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
		(iv) Sodium hydroxide 12% and over (Part II only); and (v) Sulphuric acid (9% w/w and over)				
11.	5ERSB	Permit granted to Lee Wah Kian of 5ERSB at PLO 317 Facility to purchase, store and use sodium hydroxide up to a maximum of 51,000 kg of liquid sodium hydroxide for the purposes of water treatment and scrubber process	Johor State Health Department, Ministry of Health **Permit no.:** JC0252/2026	1 January 2026 / 31 December 2026	(a) Purchases are allowed from local sources only. (b) Purchases are not allowed to exceed the approved quantity. (c) The disposal of poisons must be carried out in accordance with the procedures set out under the EQA 1974 and the EQSWR 2005.	Noted Noted Noted
12.	5ERSB	Permit for the purchase and storage of diesel oil (EURO 2M) (not subsidized) at PLO 317 Facility up to 5,000 litres only	KPDN **Permit no.:** PBKB/2024/B/J-000652	21 August 2024 / 20 August 2027	5ERSB is allowed to purchase and store the scheduled item listed in the license only.	Noted
13.	5ERSB	Permit for the purchase and storage of diesel oil (EURO 2M) (not subsidized) at PLO 738 Facility up to 20,000 litres only	KPDN **Permit no.:** PBKB/2024/B/J-000651	16 August 2024 / 15 August 2027	5ERSB is allowed to purchase and store the scheduled item listed in the license only.	Noted

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
14.	5ERSB	Licence for the operation of scrap business granted to Lim Te Hua of 5ERSB to trade in second-hand goods at PLO 738 Facility	Royal Malaysia Police **Licence no.:** 254582	2 January 2026 / 31 December 2026	Trading of bronze, copper and lead is not allowed.	Noted
15.	5ERSB	Manufacturing Licence for 5ERSB at PLO 317 Facility for 'Recycled Mixed Oil', 'Recycled Silicon Powder', 'Recycled Solvent' and 'Treated N-Methylpyrrolidone (NMP)'	MITI **Licence no.:** A 025776	16 April 2024 / Nil	(a) 5ERSB shall notify MITI and MIDA of any sale of shares in 5ERSB. (b) 5ERSB shall comply with the minimum Capital Investment Per Employee Ratio (CIPE) of RM140,000. (c) The full-time workforce of 5ERSB shall consist of at least 80% Malaysian citizens. Employment of foreign workers will be subject to the applicable policy at the time. (d) 5ERSB shall submit information regarding its investment performance and project implemented under ICA 1975 and the Malaysian Industrial Development Authority (Incorporation) Act 1965 when required by MIDA. Failing to submit such information might result in the company: • being found guilty of an offence and is liable to a fine not exceeding RM1,000 or to imprisonment for a term not exceeding three months or to both and he is also liable to a further fine not exceeding	Noted Complied Exempted(2) Noted

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
					RM500 for every day during which such default continues; or • being held liable for an offence for furnishing statements or information that is false or misleading in any material form which can result in a fine of not more than RM2,000 or imprisonment for a term not exceeding six months or both. (e) 5ERSB is not allowed to import waste materials / residues for recycling from abroad. 5ERSB may only recycle the waste materials in the country only, including from Free Industrial Zones / Licenced Manufacturing Warehouses. (f) 5ERSB shall implement its projects as approved and comply with any laws and regulations of Malaysia.	Noted Complied
16.	5ERSB	Manufacturing Licence for PLO 738 Facility for 'Recycled Mixed Oil', Recycled Solvent', 'Treated N-Methylpyrrolidone (NMP)', Recycled Sodium Lauryl Ester Sulphate (SLES) Flake' and 'Recycled Synthetic Rubber'	MITI **Licence no.:** A 025777	16 April 2024 / Nil	(a) 5ERSB shall notify MITI and MIDA of any sale of shares in 5ERSB. (b) 5ERSB shall comply with the minimum Capital Investment Per Employee Ratio (CIPE) of RM140,000. (c) The full-time workforce of 5ERSB shall consist of at least 80% Malaysian citizens. Employment of foreign workers will be subject to the applicable policy at the time.	Noted Complied Exempted(2)

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
					(d) 5ERSB shall submit information regarding its investment performance and project implemented under ICA 1975 and the Malaysian Industrial Development Authority (Incorporation) Act 1965 when required by MIDA. Failing to submit such information might result in the company: • being found guilty of an offence and is liable to a fine not exceeding RM1,000 or to imprisonment for a term not exceeding three months or to both and he is also liable to a further fine not exceeding RM500 for every day during which such default continues; or • being held liable for an offence for furnishing statements or information that is false or misleading in any material form which can result in a fine of not more than RM2,000 or imprisonment for a term not exceeding six months or both. (e) 5ERSB is not allowed to import waste materials / residues for recycling from abroad. 5ERSB may only recycle the waste materials in the country only, including from Free Industrial Zones / Licenced Manufacturing Warehouses.	Noted Noted

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
					(f) 5ERSB shall implement its projects as approved and comply with any laws and regulations of Malaysia.	Complied
17.	5ERSB	Manufacturing Licence for PLO 83 Facility for 'Recycled Mixed Oil', 'Recycled Silicon Powder', 'Recycled Solvent' and 'Treated N-Methylpyrrolidone (NMP)'	MITI **Licence no.:** A 026464	12 February 2025 / Nil	(a) 5ERSB shall notify MITI and MIDA of any sale of shares in 5ERSB. (b) 5ERSB shall comply with the minimum Capital Investment Per Employee Ratio (CIPE) of RM140,000. (c) The full-time workforce of 5ERSB shall consist of at least 80% Malaysian citizens. Employment of foreign workers will be subject to the applicable policy at the time. (d) 5ERSB shall submit information regarding its investment performance and project implemented under ICA 1975 and the Malaysian Industrial Development Authority (Incorporation) Act 1965 when required by MIDA. Failing to submit such information might result in the company: • being found guilty of an offence and is liable to a fine not exceeding RM1,000 or to imprisonment for a term not exceeding three months or to both and he is also liable to a further fine not exceeding RM500 for every day during which such default continues; or	Noted Complied Exempted(2) Noted

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
					• being held liable for an offence for furnishing statements or information that is false or misleading in any material form which can result in a fine of not more than RM2,000 or imprisonment for a term not exceeding six months or both. (e) 5ERSB is not allowed to import waste materials / residues for recycling from abroad. 5ERSB may only recycle the waste materials in the country only, including from Free Industrial Zones / Licenced Manufacturing Warehouses. (f) 5ERSB shall implement its projects as approved and comply with any laws and regulations of Malaysia.	Noted Noted
18.	5ERSB	Operator's Licence issued to 5ERSB for its vehicles under carrier 'C' ("**Operator's Licence C**")(3)	APAD **Licence no.:** 742213K(LC)	11 August 2025 / 8 November 2030	(a) This licence is subject to the conditions as set out in the Service Level Requirements (*Keperluan Tahap Perkhidmatan*) issued by APAD (effective 1 February 2025) which shall be considered as part of and read together with the Operator's Licence. (b) An application for renewal must be made at least 3 to 6 months before the expiry of the Operator's Licence.	Noted Noted

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
19.	5ERSB	Operator's Licence issued to 5ERSB for its vehicles under carrier 'A' ("**Operator's Licence A**")[4]	APAD **Licence no.:** 200601022459 (LA)	2 October 2022 / 29 February 2028	(a) This licence is subject to the conditions as set out in the Service Level Requirements (*Keperluan Tahap Perkhidmatan*) issued by APAD (effective 1 February 2025) which shall be considered as part of and read together with the Operator's Licence. (b) An application for renewal must be made at least 3 to 6 months before the expiry of the Operator's Licence.	Noted Noted
20.	5ERSB	Fire Certificate for PLO 83 & 317 Facility	FRDM **Certificate no.:** JBPM:JH/7/151/2025	19 May 2025 / 18 May 2026[5]	Nil	N/A
21.	5ERSB	Fire Certificate for PLO 321 Facility	FRDM **Certificate no.:** JBPM:JH/9/025/2025	8 April 2025 / 7 April 2026[6]	Nil	N/A
22.	5ERSB	Fire Certificate for PLO 738 Facility	FRDM **Certificate no.:** JBPM:JH/7/257/2025	18 July 2025 / 17 July 2026[7]	Nil	N/A

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
23.	5ERSB	Certificate of fitness for a unit of air compressor receiver at PLO 317 Facility	DOSH Johor **Registration no**. JH-PMT-13096	17 January 2025 / 8 April 2026[8]	Nil	N/A
24.	5ERSB	Certificate of fitness for a unit of vacuum liquid nitrogen tank at PLO 738 Facility	DOSH Johor **Registration no.** JH-PMT-30751	10 March 2026 / 9 June 2027	Nil	N/A
25.	5ERSB	Certificate of fitness for a unit of vertical air receiver tank at PLO 738 Facility	DOSH Johor **Registration no.** JH-PMT-93433	28 April 2025 / 25 June 2026[9]	Nil	N/A
26.	5ERSB	Certificate of fitness for a unit of vertical air receiver tank at PLO 738 Facility	DOSH Johor **Registration no.** JH-PMT-93434	28 April 2025 / 25 June 2026[9]	Nil	N/A
27.	5ERSB	Certificate of fitness for a unit of monorail crane at PLO 317 Facility	DOSH Johor **Registration no.** JH-PMA-91613	17 January 2025 / 8 April 2026[8]	Nil	N/A
28.	5ERSB	Certificate of fitness for a unit of drum lifter at PLO 738 Facility	DOSH Johor **Registration no.** JH-PMA-94674	28 April 2025 / 25 June 2026[9]	Nil	N/A

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
29.	5ERSB	Certificate of fitness for a unit of monorail crane at PLO 738 Facility	DOSH Johor **Registration no.** JH-PMA-93835	3 February 2026 / 2 May 2027	Nil	N/A
30.	5ERSB	Certificate of fitness for a unit of electrical steam boiler at PLO 738 Facility	DOSH Johor **Registration no.** JH-PMD-1977	10 March 2026 / 9 June 2027	Nil	N/A
31.	5ERSB	Off-site recovery facility licence for scheduled wastes for PLO 83 & 317 Facility	DOE **Licence no.** 003892	1 May 2025 / 30 April 2026(10)	Please refer to Note (11)	Noted and complied
32.	5ERSB	Off-site recovery facility licence for scheduled wastes for PLO 738 Facility	DOE **Licence no.** 006769	1 May 2025 / 30 April 2026(10)	Please refer to Note (11)	Noted and complied

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of licence / certificate	Issuing authority Certificate / Registration / Licence / Permit no.	Commencement date / Expiry date	Major conditions imposed	Compliance status
33.	5ERSB	Licence for designated carrier and vehicles for the purpose of collection, transfer and transportation of scheduled wastes for PLO 83 & 317 Facility	DOE **Licence no.** 003893	1 May 2025 / 30 April 2026(10)	Please refer to Note (12)	Noted and complied
34.	5ERSB	Licence for designated carrier and vehicles for the purpose of collection, transfer and transportation of scheduled wastes for PLO 738 Facility	DOE **Licence no.** 006770	1 May 2025 / 30 April 2026(10)	Please refer to Note (12)	Noted and complied

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APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

Notes:

(1) Despite the validity of the existing certificate of registration, 5ERSB has obtained the renewed Certificate of Registration (Form B) for the installation of electrical equipment with aggregate installed power of 11 kV / 1700 kW for PLO 738 Facility issued by the Energy Commission Malaysia with the validity period from 1 April 2026 to 31 March 2028.

(2) Pursuant to an article issued by MIDA on 16 December 2024 (https://www.mida.gov.my/mida-news/miti-suspension-of-foreign-worker-ratio-in-manufacturingextended-until-multi-tier-levy-is-enforced/), compliance with the condition that the total full-time workforce of a company to be at least 80% Malaysian citizens as stated in all manufacturing licenses is exempted until the multi-tier levy mechanism (MTLM) is fully implemented. This exemption is applicable to 5ERSB.

(3) As at the LPD, in addition to the Operator's Licence C issued to 5ERSB, 5ERSB has obtained permit for its vehicles under carrier "C" for 2 vehicles owned by 5ERSB. These permits are valid until 8 November 2030, which is the expiry date for our Operator's Licence C.

(4) As at the LPD, in addition to the Operator's Licence A issued to 5ERSB, 5ERSB has obtained permit for its vehicles under carrier "A" for 40 vehicles owned by 5ERSB. These permits are valid until 29 February 2028, which is the expiry date for our Operator's Licence A.

(5) We intend to submit the application for the renewal of the Fire Certificate for PLO 83 & 317 Facility by 17 April 2026, which is not less than 30 days before the expiry of the said fire certificate, in accordance with the Fire Services (Fire Certificate) Regulations 2001.

(6) 5ERSB had submitted the application for the renewal of the Fire Certificate for PLO 321 Facility on 27 February 2026 and is awaiting the inspection to be conducted by the FRDM.

(7) We intend to submit the application for the renewal of the Fire Certificate for PLO 738 Facility by 16 June 2026, which is not less than 30 days before the expiry of the said fire certificate, in accordance with the Fire Services (Fire Certificate) Regulations 2001.

(8) 5ERSB had submitted the application for the renewal of the certificates of fitness for a unit of air compressor receiver and monorail crane at PLO 317 Facility on 4 March 2026. As part of the renewal process, the company is in the process of arranging the inspections with DOSH Johor.

(9) We intend to submit the application for the renewal of the certificates of fitness for 2 units of vertical air receiver tank and a unit of drum lifter at PLO 738 Facility by 24 May 2026, which is not less than 30 days before the expiry of the said certificates of fitness.

(10) 5ERSB had submitted the applications for the renewal of off-site recovery facility licences for scheduled wastes as well as the licences for designated carrier and vehicles for the purpose of collection, transfer and transportation of scheduled wastes for PLO 83 & 317 Facility and PLO 738 Facility on 5 January 2026, which is not less than 3 months nor more than 4 months before the date of expiration of the licences, in accordance with the EQA 1974. The renewal applications are still being processed by the DOE.

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

(11) The major conditions imposed are as follows:

No.	Major conditions
1.	Pursuant to the requirements of competent person under Section 49A of the EQA 1974, the owner or occupant of the premises must ensure that an authorized person is always on the premises to carry out any scheduled waste management activities.
2.	The types and quantities of scheduled waste that are allowed to be recovered are as stated in the licence and the current quantity for waste storage must not exceed the maximum quantity allowed as stated in the licence.
3.	Any increase in the capacity of premises / facilities or changes to the type of scheduled waste or the processes involved must be approved in advance by the Director General of Environmental Quality.
4.	The layout and design of the recovery facility should follow the plan stated in the licence and any changes to the layout and design of the recovery facility must obtain written permissions under Section 19 of the EQA 1974 from the Director General of Environmental Quality.
5.	The recovery process carried out must be in accordance with the written permission under Section 19 of the EQA 1974 as approved by the Johor State Department of Environment through the reference letters as stated in the licence.
6.	The flow chart of the scheduled waste recovery process for each licenced waste code must be submitted to the Johor State Department of Environment within 1 month from the date of renewal of the licence.
7.	Any proposal to amend the process flow must obtain prior written permission under Section 19 of the EQA 1974 from the Director General of Environment Quality before the amendment work on the process flow is carried out.
8.	Information about the product must be prepared and kept for inspection by officers from Johor State Department of Environment according to the prescribed format.
9.	The release of impurities into the air from the chimney must comply with the limit value set under the Environmental Quality (Clean Air) Regulations 2014 or at any time if directed by the Johor State Department of Environment.
10.	The wastewater resulting from the production process or any activity that takes place in any industrial premises must be channelled and treated to the industrial effluent treatment system. The drainage system to channel rainwater and surface runoff should be built separately from the effluent channel system. The effluent channel system should be built on the surface of the ground and not buried in the ground or construction.
11.	The treated effluent released from the industrial effluent treatment system on the premises must comply with Standard B under the Fifth Schedule and Seventh Schedule of the EQIER 2009.

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Major conditions
12.	The operation of the industrial effluent treatment system must be supervised by a competent person on duty at any time the system is operating.
13.	The storage of waste (residue) from reclamation activities and other scheduled waste produced from the operation of the premises shall not exceed 20 metric tons or a period of 180 days after its production or whichever is earlier.
14.	Residue from reclamation activities and other scheduled waste produced from the operation of the premises must be sent to a facility licenced by Department of Environment for the purpose of disposal / processing / reclamation.
15.	An environmental audit against the conditions imposed in the Compliance Schedule is to be conducted by an Environmental Auditor registered with the Department of Environment once a year. The implementation of compliance audits by third party auditors must be carried out in accordance with established guidelines. The rectification report of the compliance audit warning must be submitted to the Johor State Department of Environment within 2 weeks of the compliance audit report being received from the third-party auditor.
16.	Provide a closed-circuit camera that records the movement of vehicles entering and exiting the main door of the premises, in the recovery process area and the scheduled waste storage area at all times. Recordings from closed-circuit cameras must be kept for a period of 3 years and shown to the Department of Environment officials during inspections.
17.	A licence condition compliance checklist must be prepared by a competent person every quarter according to the prescribed format under the licence and approved by top management. The report must be kept and submitted to the Johor State Department of Environment.

(12) The major conditions imposed are as follows:

No.	Major conditions
1.	The owner or occupant of the premises must ensure that all drivers of waste transport vehicles are scheduled to attend training program.
2.	The types and quantities of scheduled waste that are allowed to be recovered are as stated in the licence and the collection, transfer and transportation of scheduled waste must be stopped when the current quantity of waste on the premises has reached the maximum capacity as stated in the licence.
3.	The increase in the quantity of waste to be transported must first obtain written permission from the Director General of Environmental Quality.
4.	Waste transport is only allowed from the source of the waste producer's premises to the waste receiver's scheduled waste management facilities.
5.	The operating time limit for the movement of all licenced transport vehicles as stated in the licence is only from 5.00 am to 11.00 pm.

APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

No.	Major conditions
6.	Movement monitoring should be through the Global Positioning System (GPS) which is monitored inside the premises.
7.	Scheduled waste that is transported from the wastes producer's premises, must be taken directly to the premises of the recipient of the waste as stated in the licence without temporary storage in any place including outside the area of the premises of the waste producer.
8.	Each container / barrel to be transported must be clearly labelled in accordance with the Third Schedule, Regulation 10, EQSWR 2005.
9.	Every vehicle used to transport scheduled waste must be accompanied by a Waste Card which is carried in the format of the Seventh Schedule, Regulation 13, EQSWR 2005.
10.	A licence condition compliance checklist must be prepared by a competent person every quarter according to the prescribed format under the licence and approved by top management. The report must be kept and submitted to the Johor State Department of Environment.

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