7. BUSINESS OVERVIEW

7.1 HISTORY OF OUR GROUP

7.1.1 Incorporation

Our Company was incorporated in Malaysia under the Act as a private limited company on 14 May 2025 under the name of EI Power Sdn Bhd. On 18 August 2025, we were converted into a public listed company to facilitate our Listing and adopted the name EI Power Berhad.

7.1.2 History and development

EIPT was incorporated on 3 September 2010 by Ir. Albert Chang and Ho Chun Fay (a non-related party) with equity interests of 70.0% and 30.0% respectively, both of whom were also concurrently appointed as directors. EIPT commenced operations upon incorporation in the provision of conventional power solutions whereby we were involved in the supply of power generation equipment such as generator sets and other related equipment that were used as back-up electricity generators for commercial and industrial buildings. We secured our first contract for the supply of generator set for a commercial property at Kuala Lumpur with contract value of RM0.1 million.

In 2010, Ir. Albert Chang invited Datuk Wira Ooi Chin Khoon, the Managing Director of OCK to participate in our Group. On 1 October 2010, Datuk Wira Ooi Chin Khoon was appointed as a director of EIPT. Following an allotment of shares on 28 October 2010 whereby OCK Setia Engineering subscribed 104,000 ordinary shares of EIPT for a cash consideration of RM104,000, OCK Setia Engineering (a wholly-owned subsidiary of OCK) emerged as a shareholder of EIPT with 52.0% equity interest, alongside Ir. Albert Chang and Ho Chun Fay who held 32.0% and 16.0% respectively. On 2 December 2010, OCK Setia Engineering, Ir. Albert Chang and Ho Chung Fay subscribed for additional 104,000, 64,000 and 32,000 ordinary shares in EIPT respectively, where their equity interests in EIPT remained unchanged.

In 2013, we saw an opportunity to venture into the renewable energy power solutions industry as the Government had initiated several measures to accelerate the adoption of renewable energy in the country. This led to our Group together with OCK Setia Engineering securing our first EPCC of renewable energy power solutions relating to the installation of a 10 megawatt peak solar PV system for the long term car park of a commercial building in Sepang, Selangor in 2013 with a contract value of RM27.87 million.

On 12 December 2014, Ho Chun Fay ceased to be a director and shareholder upon divesting his entire equity interest to Chung Chee Peng (a non-related party), for a consideration of RM260,000, taking into consideration his cost of investment and EIPT's audited NA for FYE 2013. Ho Chun Fay left our Group to pursue other business opportunities. Resulting from this, the shareholders of EIPT comprised Ir. Albert Chang, OCK Setia Engineering and Chung Chee Peng, holding 32.0%, 52.0% and 16.0% equity interests respectively.

In 2015, EIPT became a Registered PV Service Provider under SEDA.

On 12 May 2017, OCK Setia Engineering, Ir. Albert Chang and Chung Chee Peng subscribed for additional 208,000, 128,000 and 64,000 ordinary shares in EIPT respectively, where their equity interests in EIPT remained unchanged.

In 2017, EIPT was registered as a Grade G7 contractor under CIDB for the categories of Building, Civil Engineering and M&E Engineering. The Grade G7 contractor registration enables us to participate in projects of unlimited contract value in Malaysia.

7. BUSINESS OVERVIEW *(Cont'd)*

On 23 March 2021, Siew Wei Foo (a non-related party), acquired the entire shareholdings of Chung Chee Peng (16.0%) for a consideration of RM128,000 based on the nominal value of EIPT's share capital. This led to Ir. Albert Chang, OCK Setia Engineering and Siew Wei Foo holding 32.0%, 52.0% and 16.0% equity interests in EIPT respectively. Siew Wei Foo's acquisition of 16.0% equity interest in EIPT was for investment purposes and he is not involved in the day-to-day operations of our Group.

In 2021, we secured our first EPCC of mission critical power solutions project relating to a data centre in Bukit Jalil, Kuala Lumpur with contract value of RM1.47 million.

In 2022, EIPT was registered as a Class B electrical contractor with the EC. This enabled EIPT to carry out electrical works with contract value of up to RM1.00 million.

In 2023, EIPT's registration as an electrical contractor with the EC was upgraded to Class A, thereby enabling EIPT to carry out electrical works with contract value exceeding RM1.00 million.

On 14 December 2023, OCK acquired the entire equity interests of OCK Setia Engineering for a consideration of RM416,000 (based on the cost of investment). This resulted in Ir. Albert Chang, OCK and Siew Wei Foo holding 32.0%, 52.0% and 16.0% equity interests in EIPT respectively. Since then, OCK's equity interests in EIPT has remained at 52.0% up to the completion of the Acquisition.

Over the years, our Group has achieved the following major milestones:

Year	Milestones
2010	• Incorporation of EIPT • Secured our first project for conventional power solutions relating to the supply of generator set for a commercial property at Kuala Lumpur with contract value of RM0.1 million
2013	• Secured our first project together with OCK Setia Engineering for the EPCC of renewable energy power solutions relating to the installation of a 10 megawatt peak solar PV system for the long term car park of a commercial building in Sepang, Selangor with contract value of RM27.87 million
2015	• EIPT became a Registered PV Service Provider under SEDA • Secured a conventional power solutions project relating to supply, installation, testing and commissioning of generator sets for a commercial building in Damansara Perdana, Selangor with contract value of RM1.90 million
2016	• Secured a conventional power solutions project relating to supply, installation, testing and commissioning of generator sets for a commercial building in Cheras, Kuala Lumpur with contract value of RM3.07 million
2017	• EIPT was registered as a Grade G7 Contractor with the CIDB for the categories of Building, Civil Engineering and M&E Engineering • Secured a conventional power solutions project relating to the supply, installation, testing and commissioning of generator set for a commercial building in Putrajaya with contract value of RM2.84 million
2018	• Secured a conventional power solutions project relating to the supply, installation, testing and commissioning of generator sets at Bukit Bintang, Kuala Lumpur with contract value of RM3.23 million

7. BUSINESS OVERVIEW *(Cont'd)*

Year	Milestones
2019	• Secured a renewable energy power solutions project relating to the installation of 0.924 megawatt peak solar PV system for an industrial building in Bangi, Selangor with contract value of RM2.70 million
2020	• Secured a conventional power solutions project relating to the supply, installation, testing and commissioning of generator set at Subang Jaya, Selangor with contract value of RM2.60 million
2021	• Secured first EPCC of mission critical power solutions comprising the design, manufacture, supply, delivery, installation, testing, commissioning and maintenance of a fuel distribution system for a data centre in Bukit Jalil, Kuala Lumpur with a total contract value of RM1.47 million
2022	• EIPT was registered as a Class B electrical contractor with the EC, which enables EIPT to carry out electrical works with contract value of up to RM1.00 million • Secured Pulau Pinang Project with total contract value of RM27.44 million
2023	• EIPT registration as an electrical contractor with the EC was upgraded to Class A, which enables EIPT to carry out electrical works with contract value of exceeding RM1.00 million
2024	• Secured Johor Bahru Project with total contract value of RM16.00 million
2025	• Secured Nilai 1 Project with total contract value of RM16.00 million
2026	• Secured Nilai 2 Project with total contract value of RM37.00 million

7.2 DESCRIPTION OF OUR BUSINESS

Our Group is a power engineering firm and we are principally involved in the EPCC of:

(a) mission critical power solutions;

(b) conventional power solutions; and

(c) renewable energy power solutions.

Our power engineering solutions focus on the design, project management, supply, installation, testing, commissioning and maintenance of diesel generation and fuel distribution systems as well as solar PV systems to support the continuity of business operations of our clients.

Our Group's EPCC of mission critical power solutions are primarily for mission critical facilities such as data centre or facilities that are core to the operations of businesses, organisations and governments. Mission critical facilities often consume large amounts of electricity, as such, in order to maintain continuous operations of these mission critical facilities, redundant power systems are designed into the facilities' architecture to ensure continuous and uninterrupted power supply. Mission critical facilities' diesel generation and fuel distribution systems rely on fossil fuels such as diesel as backup power generation.

7. BUSINESS OVERVIEW *(Cont'd)*

Our Group's EPCC of conventional power solutions are for commercial, industrial buildings (mainly manufacturing facilities) and residential buildings. Our conventional power solutions relate to the design and build of diesel generation and fuel distribution systems which rely on fossil fuels as backup power generation. Diesel generation systems convert chemical energy from a diesel engine into electrical energy.

Our Group's mission critical power solutions are large scale, complex power generation and distribution systems as compared to our conventional power solutions owing to:

(a) the larger building structure for mission control facilities such as data centres compared to commercial, industrial and residential buildings;

(b) the more complex building systems (such as cooling systems) and IT systems in mission control facilities such as data centres compared to commercial, industrial and residential buildings; and

(c) the higher demand for uninterrupted, reliable and consistent power supply for mission control facilities such as data centres compared to commercial, industrial and residential buildings.

As such, our mission critical power solutions are larger in scale and complexity compared to our conventional power solutions. Essentially, the difference between mission critical power solutions and conventional power solutions is such that mission critical power solutions provide emergency power which can last between 24 and 48 hours for a whole building whilst conventional power solutions provide emergency power which can generally last between 6 and 12 hours to power essential life safety systems such as fire alarm system and emergency lightings. A detailed comparison of features between our mission critical power solutions and conventional power solutions is included in Section 7.2.1.

Our Group's EPCC of renewable energy power solutions rely on natural resources that are green to generate electricity. Our renewable energy power solutions relate to the design, project management, installation, testing and commissioning of rooftop and utility-scale solar PV systems.

The scope of work for our EPCC involves the design, project management, supply, installation, testing, commissioning and maintenance of:

- diesel generation systems, which comprise generator sets and PLC system, that are used to generate backup power in mission critical facilities, commercial, industrial and residential buildings or as the primary source of power in areas without reliable power grid access;

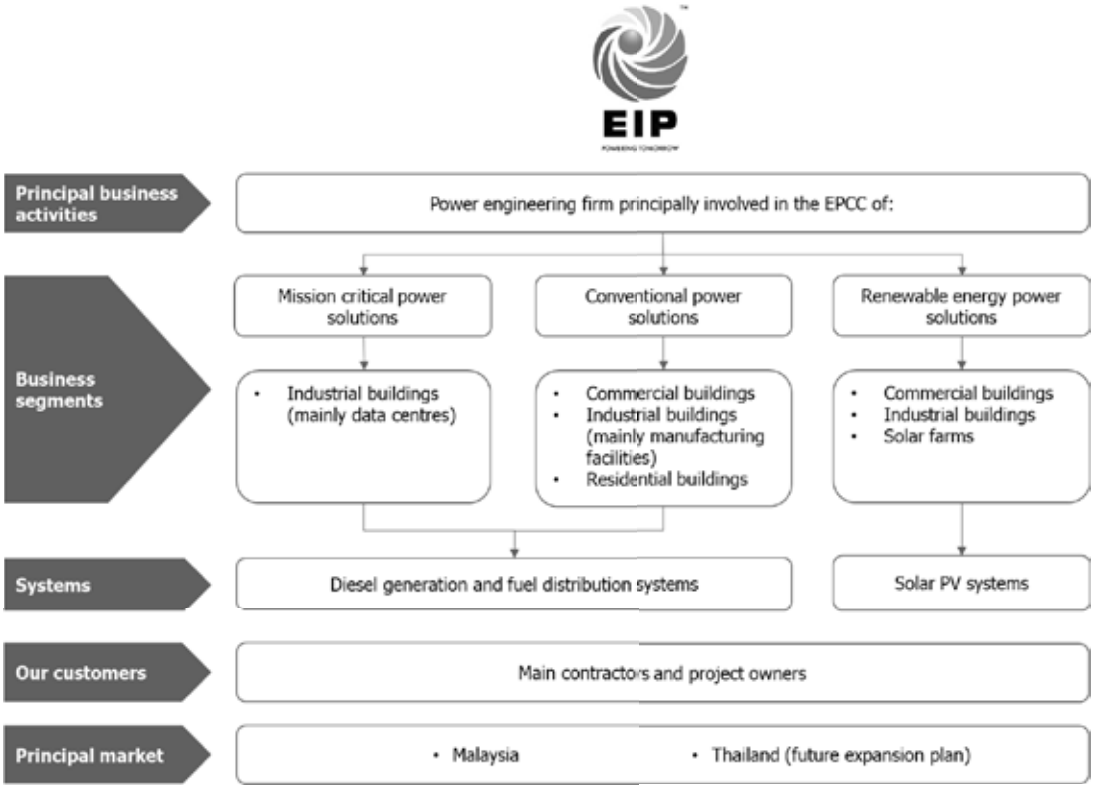
- fuel distribution systems, which comprise underground or aboveground bulk storage tanks, fuel delivery pipeline, day tanks, PLC system, that are used to deliver diesel from the diesel storage tanks to the day tanks for the diesel generation system; and

- solar PV systems that convert solar energy into electricity, to power building systems in commercial and industrial buildings as well as solar farms.

Our Group may also be engaged by clients for the design, project management, supply, installation, testing and commissioning of diesel generation and fuel distribution systems, which comprises the diesel generation and fuel distribution systems.

7. BUSINESS OVERVIEW *(Cont'd)*

Our business model is as follows:



We focus our power engineering solutions on built environments, whereby our power solutions can be installed in new buildings and existing buildings.

Our business model comprises project-based revenue which are non-recurrent and constitutes all of our revenue during the financial years under review. Our project-based revenue is recognised over the period of the contract based on the proportion of work completed. These project-based contracts are for the EPCC of power engineering solutions projects with defined scope of work, deliverables as well as commencement and completion dates.

We secure our power engineering projects from main contractors and project owners that are responsible to deliver a complete facility or building system to the building owners.

7.2.1 EPCC of mission critical power solutions

Mission critical facilities require meticulous planning, construction and maintenance. These facilities are designed and constructed to withstand disasters such as power outages, natural disasters, cyberattacks and other emergencies that could disrupt their vital operations, thereby ensuring continuity of operations. Mission critical facilities include data centres, semiconductor plants, military facilities and financial institutions. These facilities often contain backup power to ensure fundamental assets or systems are stable and operate continuously.

In today's business environment, data centres are the backbone of the digital economy as they house vital infrastructure for cloud computing, storage and communications. A brief power interruption can lead to service disruptions, data loss and significant financial consequences. To ensure uptime, data centres rely heavily on backup diesel generation and fuel distribution systems, which are typically powered by diesel fuel due to their high energy density, reliability and long shelf life.

7. BUSINESS OVERVIEW *(Cont'd)*

The primary source of electricity for data centres in Malaysia is the local power grid. In case of a grid power interruption, a backup power source is essential. This is fulfilled through a diesel generation and fuel distribution systems that is installed within the data centre premises. This also includes on-site storage and handling of fuel with aboveground or underground tanks and a network of pipelines connecting the fuel tanks to the generator room. In the event of power grid outage, an automatic mechanism will seamlessly switch the data centres' electricity source from the power grid to the diesel generation and fuel distribution system.

Depending on the requirements of clients that require mission critical power solutions, we may be engaged for the:

(a) design, project management, supply, installation, testing and commissioning of fuel distribution systems;

(b) supply, installation, testing and commissioning of diesel generation systems; or

(c) design, project management, supply, installation, testing and commissioning of both the diesel generation and fuel distribution systems.

Due to the stringent requirements for uninterrupted, reliable and consistent power supply by mission critical facilities, the diesel generation and fuel distribution systems that our Group designs for mission critical facilities are complex and distinguished from those that it designs for conventional power solutions. The distinguishing factors in the diesel generation and fuel distribution systems for mission critical facilities and commercial, industrial and residential buildings are as follows:

(a) Fuel distribution systems for mission critical facilities are designed with redundancies in the bulk storage and distribution of diesel to support 24 to 48 hours of emergency power.

    Comparatively, fuel distribution systems for our Group's conventional power solutions segment generally utilises day tanks to support 6 to 12 hours of emergency power;

(b) Diesel generation systems for mission critical facilities are designed with multiple generator sets to ensure uninterrupted, reliable and consistent quality of power supply to power all systems throughout the building in the event of any disruption of power supply from the local power grid.

    Comparatively, diesel generation systems for our Group's conventional power solutions segment do not require as many generator sets as emergency power supply is required for essential life safety systems only such as fire protection and lightings in common areas in the event of any disruption of power supply from the local power grid; and

(c) The capacity of generator sets for mission critical facilities typically exceed 10 MVA.

    Comparatively, the capacity of generator sets for our Group's conventional power solutions segment are typically up to 10 MVA.

7. BUSINESS OVERVIEW *(Cont'd)*

Data centres require electricity to operate:

- IT equipment such as servers, storage devices and networking equipment;
- cooling systems such as air conditioners, computer room air handler ("CRAH") units and chillers; and
- supporting infrastructure such as power distribution systems, backup power systems, lighting and other equipment.

Of the abovementioned equipment and systems, cooling systems require the most electricity and influences the backup diesel generation and fuel distribution systems that we design and build for data centres.

In designing diesel generation and fuel distribution systems for data centres, the key factors that we take into consideration are:

- IT load requirements

  Relates to the amount of electricity required to operate IT equipment, including servers, storage devices and networking equipment.

- Cooling system power requirements

  Relates to the cooling system's electricity requirements, which depend on the amount of heat generated by the IT equipment and the desired temperature range within the data centre.

- Supporting infrastructure power usage

  Relates to the total electricity needed for supporting infrastructure components such as lighting, security systems and backup power systems.

- Redundancy

  Redundancy is essential to ensure continuous uptime. It involves duplicating some components of the power system to ensure that there is always a backup in case of failure.

- Future requirements

  When determining electricity requirements, we also take into consideration the future operating requirements in order to ensure that the data centre's diesel generation and fuel distribution systems can meet current electricity needs and that there is enough capacity to handle future growth.

A diesel generation and fuel distribution system refers to the bulk fuel installation system that ensures secure and efficient storage, monitoring and distribution of diesel. The primary function of a diesel generation and fuel distribution system is to provide a reliable electricity supply, minimising downtime and enabling data centres to maintain their operations seamlessly in the event of a power disruption.

7. BUSINESS OVERVIEW *(Cont'd)*

Diesel generation and fuel distribution systems for data centres are generally characterised by large loads and run time durations requiring substantial volumes of fuel on site. These systems are designed with redundancy to avoid single points of failure. The redundancy requires monitoring of component status and auto-switch to alternate components when failure is indicated. These monitoring and auto-switch functions require PLC systems.

The diesel generation and fuel distribution systems designed by our Group supports clients in achieving the Tier I, Tier II, Tier III and Tier IV certifications based on the Tier Design classification from Uptime Institute (a globally recognised standard for data centre availability and overall performance) as follows:

			
Tier I	**Tier II**	**Tier III**	**Tier IV**
A Tier I data centre is the basic capacity level with infrastructure to support IT for an office setting and beyond. The requirements for a Tier I facility include: • an UPS for power sags, outages and spikes; • an area for IT systems; • dedicated cooling equipment that runs outside office hours; and • an engine generator for power outages. Tier I protects against disruptions from human error, but not unexpected failure or outage. Redundant equipment includes chillers, pumps, UPS modules, and engine generators. The facility will have to shut down completely for preventive maintenance and repairs, and failure to do so increases the risk of unplanned disruptions and severe consequences from system failure.	A Tier II data centre has redundant capacity components for power and cooling that provide better maintenance opportunities and safety against disruptions. These components include: • engine generators; • energy storage; • chillers; • cooling units; • UPS; • pumps; • heat rejection equipment; • fuel tanks; and • fuel cells. The distribution path of Tier II serves a critical environment, and the components can be removed without shutting it down. An unexpected shutdown of a Tier II data centre will affect the system.	A Tier III data centre is concurrently maintainable with redundant components as a key differentiator, with redundant distribution paths to serve the critical environment. Unlike Tier I and Tier II, these facilities require no shutdowns when equipment needs maintenance or replacement. The components of Tier III are added to Tier II components so that any part can be shut down without impacting IT operation.	A Tier IV data centre has several independent and physically isolated systems that act as redundant capacity components and distribution paths. The separation is necessary to prevent an event from compromising both systems. The environment will not be affected by a disruption from planned and unplanned events. Tier IV facilities add fault tolerance to the Tier III topology. When a piece of equipment fails, or there is an interruption in the distribution path, IT operations will not be affected. All of the IT equipment must have a fault-tolerant power design to be compatible. Tier IV data centres also require continuous cooling to make the environment stable.

7. BUSINESS OVERVIEW *(Cont'd)*

For clarity, the Tier I, Tier II, Tier III and Tier IV certifications are awarded to the data centre facility operated by clients of our Group. Additionally, our clients are responsible to apply for the certification on their own.

Our Group's role in the EPCC of mission critical power solutions is as follows:

(a) Project planning and management

We are responsible for the overall design and built management of mission critical power solutions project where this encompasses the design, procurement, supply, installation, testing and commissioning of mission critical facilities or data centre's diesel generation and fuel distribution system.

Once we secure a project, we will form a project team that will oversee, manage and monitor the execution of the project. This covers the various stages of project planning and implementation up to the completion and handover to our clients. We are also responsible for liaising with all stakeholders including authorities, suppliers, subcontractors and consultants such as architects and engineers.

Our scope of project planning and management includes:

- ensuring the projects are delivered in accordance with design and specifications;
- ensuring timely completion and delivery of the project;
- ensuring the project adheres to the budget;
- ensuring purchase of insurance such as workmen's compensation, construction all risks and public liability;
- ensuring declaration of projects to the CIDB and payment of CIDB levy, if required;
- ensuring that the licences, permits and approvals required by the relevant authorities are obtained;
- managing, liaising and coordinating with all parties engaged in the project;
- managing and mitigating any unforeseen circumstances or conditions;
- ensuring workers' health and safety; and
- ensuring security of equipment and other assets on site.

Project planning also includes:

- selection and procurement of M&E equipment such as generator sets, switchboards, distribution boards, motor control centre panels, process control panels, power cables and trunking systems and fuel tanks. In some projects, the brand of M&E equipment is specified by our clients, especially critical and high-value equipment such as diesel generator sets and underground fuel tanks; and

- selection and appointment of M&E installation companies to carry out M&E installation, testing and commissioning works.

We are responsible for appointing the relevant suppliers and subcontractors for the projects that we undertake.

The documentation relating to the submissions and obtaining the necessary approvals and permits from the relevant authorities will be managed and coordinated by the main contractor with the necessary supporting documents provided by our Group.

7. BUSINESS OVERVIEW *(Cont'd)*

(b) Design and engineering

The diesel generation and fuel distribution system design starts from the contract procurement and tendering stage. During the tendering stage, we are involved in the conceptual design proposal based on the client's requirements. In situations where the conceptual design has already been prepared by the client or its engineers, we will follow their design. There are also situations where our project management team may provide alternative designs for safety reasons as well as to optimise project cost and delivery timeline.

We utilise BIM software and Autodesk Revit to create detailed three-dimension (3D) models of the facility's power solution system which would include data associated with the physical and functional characteristics of the system.

We carry out the following processes in designing power solutions:

Power system design and analysis

- Calculate the power requirement of the data centre to evaluate and optimise the performance of the diesel generation and fuel distribution system. This involves understanding the operations being carried out in the data centre, load requirements for equipment and machinery installed in the data centre as well as identifying potential areas of instability.

Equipment selection

- The capacity of M&E equipment is selected based on the outcome of our engineering design, load requirements and power consumption of machinery, equipment and devices;
- Cost of equipment and installation method to ensure it is within budget;
- Compatibility of equipment with existing M&E infrastructure, if any; and
- Selection of major M&E equipment such as generator sets, switchgears and switchboards, based on performance as well as to fit within the space provided.

Layout and special access

- Layout of equipment in the plantroom or data centres considering equipment size, configuration and access width and depth; and
- Adequate aisle space and clearances for M&E equipment installation, replacement, operations and maintenance.

(c) Construction and installation

During the execution of the project, we are responsible for supervising and managing the construction and installation of the diesel generation and fuel distribution systems. We engage suppliers and subcontractors to carry out M&E installation works using the work method statements prepared by our project team and approved by our clients, the project consultants and building owners.

7. BUSINESS OVERVIEW *(Cont'd)*

The works involved during this stage include:

Equipment installation

- The diesel generation and fuel distribution systems and supporting M&E equipment such as cables, wires, mechanical piping systems, pumps, valves, control systems, junction boxes, cabling and wiring are installed in designated locations.

- This may involve securing the diesel generation and fuel distribution system on the floors and mounting M&E equipment such as cables and wires onto walls, and connecting them with appropriate mechanical piping systems, pumps, valves, control systems, junction boxes, cabling and wiring. Equipment installation is typically done based on the manufacturer's recommendation.

Cable and wire installation

- Cables and wires are installed and connected between the diesel generation and fuel distribution systems and the data centres' equipment. Cable and wire management systems such as conduits or trays are also installed to protect and organise the cables and wires.

Mechanical piping systems installation

- We install a network of mechanical piping systems that transfer diesel from the bulk storage tanks to the generator set. The mechanical piping systems includes pumps and valves to control the flow of diesel, and meters to monitor and track the supply of diesel.

Underground trenching

- For projects which involve the installation of underground bulk storage tanks for data centres, an underground trench is typically constructed to provide interconnection from the bulk fuel tanks to the data centres' power distribution system.

We oversee the abovementioned installation works involving the interconnecting and interfacing of various M&E equipment with the building's power distribution system, where applicable.

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7. BUSINESS OVERVIEW *(Cont'd)*

The key equipment in the diesel generation and fuel distribution systems under our mission critical power solutions are:

Key components	Purpose
Storage tanks	Storage tanks within diesel generation and fuel distribution systems are designed to hold bulk volume of diesel. These storage tanks may be made of materials such as steel and can be single-wall or double-wall constructions. Double-wall tanks offer additional protection against leaks and spills, with an outer shell surrounding the primary storage tank. Storage tank sizes and capacities are determined based on the specific fuel storage requirements of the business and the available space on-site.
Fuel delivery pipeline	A mechanical piping system used to transport diesel from the bulk storage tanks to the day tanks and generator set. A return line is also installed to return excess diesel to the bulk storage tank. The fuel delivery pipeline is typically constructed of steel, iron, copper tubing or galvanised pipe.
Pumps and valves	Pumps and valves are installed along the fuel delivery pipeline and are used to move diesel from the storage tanks to the point of use.
Filtration units	Filtration units are used to filter dirt and water that may be present in diesel during long term storage.
Tank fill station	At the tank fill station, diesel is unloaded from road tankers and transferred into bulk storage tanks.
Day tanks	Day tanks or auxiliary tanks are smaller storage tanks that are typically installed closer to the generator sets, while the bulk storage tanks are installed at a certain distance from the generator sets.
Fuel management and alert system	A robust fuel management and alert system is critical to gauge and monitor the levels of diesel in the storage tanks, detect and alert users in the event of a leak.
PLC system	A system that monitors the status of equipment in the diesel generation and fuel distribution systems. It automatically switches the data centres' electricity source from the power grid to the diesel generation and fuel distribution system when power failure is detected.

(d) QA

We are responsible for conducting QC procedures, as well as ensuring compliance with our contractual obligations throughout the project lifecycle. We would typically develop a project-specific quality management and control plan to guide our employees and subcontractors.

Our engineers and technicians would then verify that the project is executed following design specifications and quality standards. We are also jointly responsible with our clients and building owners to inspect all incoming M&E equipment and components to ensure that they meet all the necessary specifications, quality, standards and approvals.

7. BUSINESS OVERVIEW *(Cont'd)*

(e) Testing and commissioning

We inspect, test and commission diesel generation and fuel distribution systems to validate and ensure that these systems are installed and operate as per the design drawings and technical specifications.

We conduct various tests based on the approved inspection and testing plans prepared by our project team. As at LPD, we have 1 chargeman and 5 wiremen registered with EC, all of whom are employees of our Group.

The testing and commissioning of diesel generation and fuel distribution systems relating to data centres is a systematic process that ensures all data centre systems and components, including servers, cooling systems, power distribution units, backup systems as well as diesel generation and fuel distribution systems are designed, installed, tested and operating as intended. This involves a comprehensive assessment of every infrastructure element, from power and cooling systems to security and IT operations with the purpose of detecting any issues as early as possible in the process.

To bring structure and traceability to this complex process, data centre commissioning commonly follows a phased methodology with 5 levels of commissioning, spanning from Level 1 to Level 5. These data centre commissioning levels focus on systems level validation and operational readiness.

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7. BUSINESS OVERVIEW *(Cont'd)*

The data centre commissioning levels are as described below:

				
Factory testing	**Pre-installation**	**Pre-commissioning**	**Functional performance testing**	**System integration testing**
Level 1 commissioning involves conducting factory testing of components and systems before they are delivered to the data centre site. This level ensures that equipment, such as servers, cooling units, and diesel generation and fuel distribution systems, undergo rigorous testing in controlled environments to verify their functionality and performance.	Level 2 commissioning focuses on the delivery and pre-installation phase of components and systems at the data centre site. This level includes inspecting the delivered equipment, verifying its compliance with specifications and preparing it for installation.	Level 3 commissioning involves pre-commissioning activities to ensure that individual components and systems are ready for operation. This level includes functional checks, initial startup and testing of components and systems to confirm their readiness for integration.	Level 4 commissioning is the stage where comprehensive functional performance testing of individual components and systems takes place. This level focuses on evaluating the functional performance and capabilities of systems, such as the diesel generation and fuel distribution system when integrated with the power distribution system of the facility.	Level 5 commissioning involves testing the integrated operation and interoperability of all systems within the data centre. It is also named integrated system testing. This level includes comprehensive testing scenarios that evaluate the overall functionality, coordination and performance of the entire data centre system. Normal level 5 testing would be to simulate a power failure (blackout test) and see how the backup systems react. This is to ensure that the data centre can handle a power failure without going down.

7. BUSINESS OVERVIEW *(Cont'd)*

We are capable of undertaking all of the abovementioned levels of commissioning for the diesel generation and fuel distribution systems that we deliver for data centres.

In Level 1 commissioning, our testing and commissioning focuses on validating equipment performance at the suppliers' facility. The key testing and commissioning activities that we perform under Level 1 are as follows:

- conducting factory acceptance test;
- completing QC on non-tested components;
- documenting test results digitally; and
- coordinating delivery logistics.

In Level 2 commissioning, our testing and commissioning focuses on ensuring proper installation of equipment and readiness for system energisation of the diesel generation and fuel distribution systems. The key testing and commissioning activities that we perform under Level 2 are as follows:

- verifying equipment against project specifications;
- inspecting installation quality and alignment with digital documentation available;
- conducting static and pre-startup tests; and
- preparing for energisation.

In Level 3 commissioning, our testing and commissioning focuses on the safe energisation and configuration of systems. The key testing and commissioning activities that we perform under Level 3 are as follows:

- energising systems in a controlled manner;
- applying configurations and settings to equipment;
- running site wide system tests; and
- resolving start-up issues, if any.

In Level 4 commissioning, our testing and commissioning focuses on testing individual systems under various load and failure scenarios. The key testing and commissioning activities that we perform under Level 4 are as follows:

- verifying sequences of operation;
- testing operational modes and failover logic;
- resolving outstanding issues; and
- training end users.

Level 5 commissioning is a full-scale testing to validate system interoperability. The key testing and commissioning activities that we perform under Level 5 are as follows:

- developing and executing detailed test scripts;
- simulating thermal and electrical failure scenarios;
- running integrated load testing; and
- delivering final training and documentation to the client.

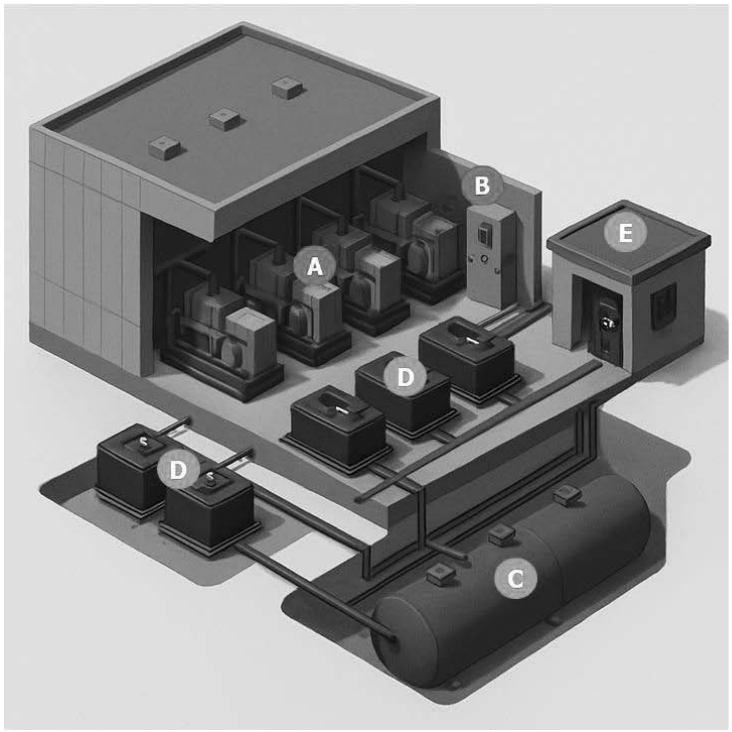
7. BUSINESS OVERVIEW *(Cont'd)*

(f) Completion and handover

Upon satisfactory inspection of our works, the architect or engineer appointed by the project owner will acknowledge the handover report which effectively indicates the successful handover of the project to our client. We are also responsible for the rectification of defects during the DLP which generally ranges from 12 to 24 months depending on the terms of the contract.

Under mission critical power solutions, from time to time we also undertake the maintenance of key equipment such as generator sets to ensure its continuous operations (should this be stipulated in our contracts with our clients or on ad-hoc basis via purchase orders). Our maintenance activities include routine inspection of the diesel engine, checking the alternator as well as testing circuit breakers and automatic transfer switch.

Our Group's diesel generation and fuel distribution system as well as key equipment under our mission critical power solutions segment are as follows:



Legend:

Diesel generation and fuel distribution system comprising:

Diesel generation system

- A Generator sets
- B PLC system for diesel generation system

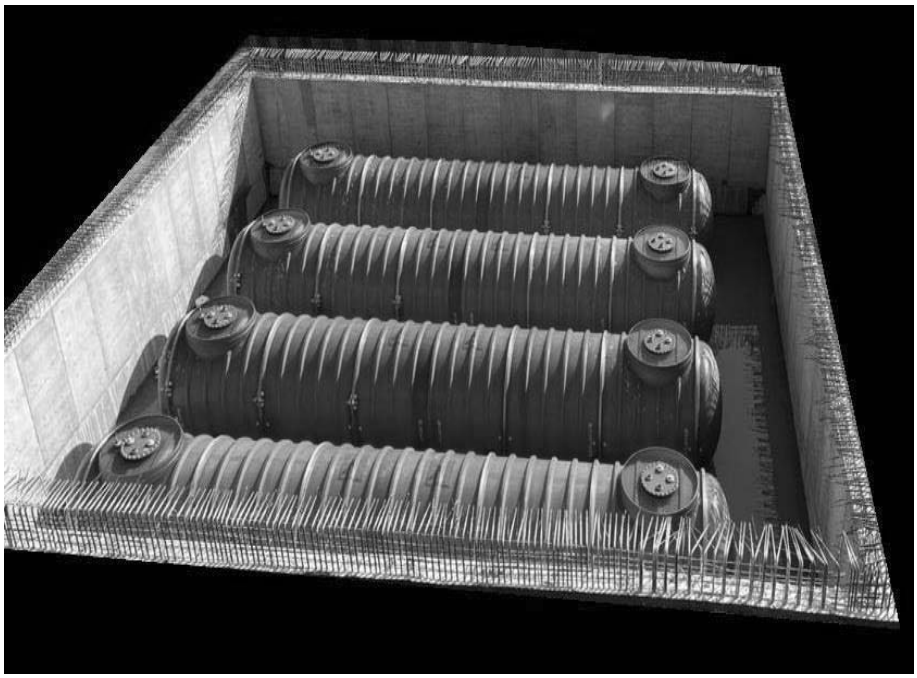
Fuel distribution system

- C Underground bulk storage tanks
- D Day tanks
- E Pump house and PLC system for fuel distribution system

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7. BUSINESS OVERVIEW *(Cont'd)*

An example of our Group's past EPCC of mission critical power solutions project is as follows:



Installation of an underground diesel storage tank for a diesel generation and fuel distribution system for a data centre in Kulai, Johor.



Installation of a pump house and PLC system for a diesel generation and fuel distribution system for a data centre in Cyberjaya, Selangor.

7. BUSINESS OVERVIEW *(Cont'd)*

7.2.2 EPCC of conventional power solutions

Conventional power solutions are crucial for businesses, industries and emergency services to ensure continuous operations if power systems fail. Conventional power solutions function as a backup power source for buildings during power outages and other emergencies. Conventional power solutions include a generator set that automatically activates within seconds of detecting a power outage, providing a seamless transition to backup power. Conventional power solutions often come equipped with an automatic transfer switch, which senses when the primary power source is down and switches to the generator set, ensuring that there is minimal or no interruption to power. Many conventional power solutions rely on diesel fuel systems to power generator sets during power outages.

Our Group is typically engaged by clients for the supply, installation, testing and commissioning of diesel generation systems. In some instances, we may also be engaged by clients for the design, project management, supply, installation, testing and commissioning of fuel distribution systems. Clients may also engage our Group for the design, project management, supply, installation, testing and commissioning of both the diesel generation and fuel distribution systems.

Our EPCC of conventional power solutions focuses on diesel generation and fuel distribution systems for commercial, industrial and residential buildings. We are primarily involved in the supply, installation, testing and commissioning, also known as hook-up and commissioning, of diesel generator sets that provide emergency electricity supply to enable continuity of operations for commercial, industrial and residential buildings during power outages.

Hook-up and commissioning is a crucial phase in the development of power infrastructure for commercial and industrial buildings. It involves the final stages of integrating and connecting various power generation and distribution components and systems to plant and machinery to ensure they function together seamlessly and are ready for operational use.

Diesel generation and fuel distribution systems ensure continuous and stable power supply whereby these systems are used to provide:

- Backup electricity

  Diesel generator sets serve as reliable backup power sources for critical systems in manufacturing facilities as well as commercial and government buildings.

- Power quality

  With the appropriate distribution system, the electricity generated remains stable and free from fluctuations. This ensures the smooth operation of all connected equipment.

- Safety

  The integration of circuit breakers and protection devices within the diesel generation set and fuel distribution system ensures that the electrical system is protected against faults, overloads and potential hazards.

The diesel generation and fuel distribution system under our conventional power solutions is designed to manage and distribute electricity produced by the engine in a diesel generator set. A diesel generator set consists of a diesel engine coupled with an alternator, which converts mechanical energy into electrical energy. The distribution system functions to ensure that the generated electricity is appropriately routed to different electrical circuits or loads.

7. BUSINESS OVERVIEW *(Cont'd)*

The key components of a diesel generation and fuel distribution system comprise:

Components	Purpose
Diesel engine	Combustion process takes place to generate mechanical energy in a diesel engine
Alternator	Converts mechanical energy from the diesel engine into electrical energy, typically in the form of alternating current (AC)
Circuit breakers	Safety devices that prevent electrical overloads by disconnecting the circuit in case of fault conditions
Power distribution panel	Control centre that regulates the flow of electricity to various systems or areas. Power distribution panels include distribution boards, load transfer switches and breakers
Automatic transfer switch	An essential part of the distribution system that enable automatic switches between power sources, such as from the local power grid to the diesel generator set, in case of a power failure
Wiring and busbars	These conduits are used to ensure the smooth transfer of electricity from the generator set to the various load circuits or electrical components

From time to time, we also undertake the maintenance of diesel generation and fuel distribution systems should this be stipulated in our contracts with our clients or on ad-hoc basis via purchase orders. Regular maintenance is essential to maintain the smooth operations of the diesel generation and fuel distribution system. The activities that we undertake for maintenance include:

- routine inspection of diesel engine to ensure the engine is operating efficiently and free from mechanical issues;
- checking the alternator to ensure it is producing the correct output and maintaining proper function;
- testing circuit breakers and automatic transfer switch periodically to ensure they operate correctly during an emergency or power failure;
- cleaning and lubrication to keep the components clean and well-lubricated, as this prevents wear and tear; and
- monitoring the distribution system continuously for overloads, voltage fluctuations and other potential issues.

7. BUSINESS OVERVIEW *(Cont'd)*

Our Group's role in the EPCC of conventional power solutions is as follows:

(a) Project planning and engineering

Our scope of project planning includes:

- ensuring the projects are delivered in accordance with design, technical specifications and budget;
- ensuring timely completion and delivery of the project;
- selection and procurement of equipment;
- ensuring purchase of insurance such as workmen's compensation, construction all risks and public liability;
- ensuring declaration of projects to the CIDB and payment of CIDB levy, if required;
- ensuring that the licences, permits and approvals required by the relevant authorities are obtained;
- managing, liaising and coordinating with all parties engaged in the project;
- managing and mitigating any unforeseen circumstances or conditions;
- ensuring workers' health and safety; and
- ensuring security of equipment and other assets on site.

Our project team is responsible for developing the as-built drawings of the diesel generation and/ or fuel distribution systems that we propose to our clients, for their approval prior to commencing works. The as-built drawings are a set of construction drawings that reflect the final layout of the completed diesel generation and fuel distribution system, and contains precise measurements, material specifications as well as other pertinent details. It also includes all changes and modifications made during the installation process.

During this phase, we also undertake the selection and procurement of power equipment such as diesel generator sets, distribution boards, motor control centre panels, process control panels, power cables and trunking systems. Our clients may occasionally stipulate the brand of power equipment to be used in some projects, especially critical and high-value equipment such as diesel generator sets. We also identify and appoint suppliers for the supply of power equipment such as diesel generator sets. The installation of diesel generator sets is carried out internally by our respective project teams that are assigned to the respective projects.

The capacity of the diesel generator set is determined based on the load requirements and power consumption of machinery, equipment and devices in the building, performance of the power generator set, cost and installation method, as well as its compatibility with existing M&E infrastructure, if any.

We will also determine the layout of equipment in the plantroom considering equipment size, configuration and access width and depth. We will ensure adequate aisle space and access for equipment installation, replacement, operations and maintenance.

(b) Installation

We are responsible for supervising and managing the installation works of our appointed suppliers and subcontractors. Our suppliers and subcontractors carry out M&E installation works using the work method statements prepared by our project team that has been approved by our clients, the project consultants and building owners.

7. BUSINESS OVERVIEW *(Cont'd)*

The diesel generation and fuel distribution system as well as supporting M&E equipment is installed in designated locations. This may involve securing the diesel generation and fuel distribution system on the floors and mounting supporting M&E equipment onto walls, and connecting them with appropriate mechanical piping systems, pumps, valves, control systems, junction boxes, cabling and wiring based on the manufacturer's recommendation.

We use cables and wires to connect the diesel generation and fuel distribution system, supporting M&E equipment and the plant's machinery and equipment. Cable and wire management systems such as conduits or trays are also installed to protect and organise the cables and wires.

We oversee the abovementioned installation works involving the interconnecting and interfacing of the diesel generation and fuel distribution system as well as various M&E equipment with the building's power distribution system, where applicable. Upon completion of the installation works, our QC team will jointly inspect the work done with the client's representative.

(c) QA

We are also responsible to conduct QC procedures, as well as ensuring compliance with our contractual obligations throughout the project lifecycle. We would typically develop a project-specific quality management and control plan to guide our employees and subcontractors.

Our engineers and technicians would then verify that the project is executed following design specifications and quality standards. We are also jointly responsible with our clients and building owners to inspect all incoming M&E equipment and components to ensure that they meet all the necessary specifications, quality, standards and approvals.

(d) Testing and commissioning

We inspect, test and commission the diesel generation and fuel distribution system to validate and ensure that these systems are installed and operate as per the design drawings and technical specifications using testing equipment.

We conduct various tests based on the approved inspection and testing plans prepared by our project team. As at LPD, we have 1 chargeman and 5 wiremen registered with EC, all of whom are employees of our Group.

The testing and commissioning procedures for a diesel generation and fuel distribution systems typically involve:

Visual inspection

- The system is visually inspected to ensure that all equipment and components are properly installed and there are no loose connections, damaged parts or potential failure areas.

Testing of individual equipment

- Each main M&E equipment and component of the power solution system are tested by our project team at the site to ensure they function properly.

7. BUSINESS OVERVIEW *(Cont'd)*

Functional testing

- Once all the individual equipment has been tested, the entire system is tested for its functional performance. This may include simulating different operating conditions to ensure that the system can handle various loads, faults or overcurrent conditions.

Performance testing

- The power solution system is tested under various loads and operating conditions to ensure that it meets the specified performance criteria. This may involve pneumatic/ hydrostatic tests, non-destructive testing on weld quality, fittings of pipe, voltage and current levels tests, power factor, insulation resistance and other parameters testing. Tests are commonly carried out with the clients or their representatives together with our engineers.

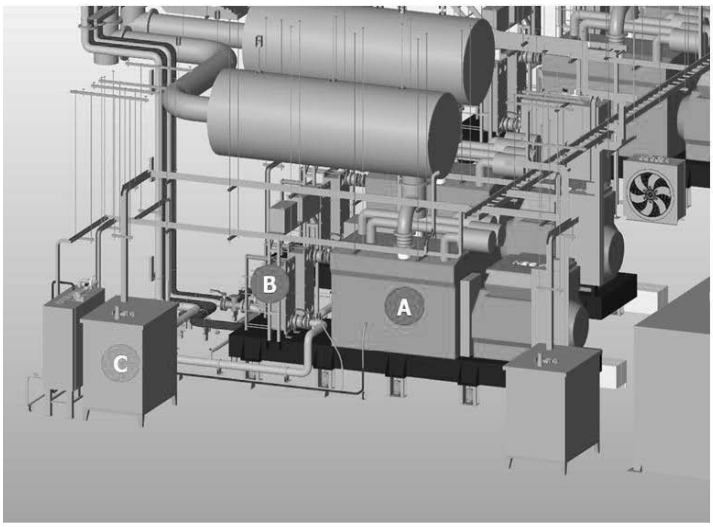
- Once the power solution system has been tested and verified to be functioning, it is commissioned and put into service.

Throughout the testing and commissioning stage, we will document and record all the results of the tests and ensure that the power solution system meets all necessary performance, standards and regulation criteria. These tests form part of the baseline test values for comparison with subsequent routine maintenance tests to identify any abnormality in performance.

(e) Completion and handover

Upon satisfactory inspection of our works, the architect or engineer will acknowledge the handover report which effectively indicates the successful handover of the project to our client. We are also responsible for the rectification of defects during the DLP which generally ranges from 12 to 24 months depending on the terms of the contract.

Our Group's diesel generation and fuel distribution system as well as key equipment under our conventional power solutions segment are as follows:



Legend:

Diesel generation and fuel distribution system comprising:

Diesel generation system

A Generator sets

B PLC system for diesel generation system

Fuel distribution system

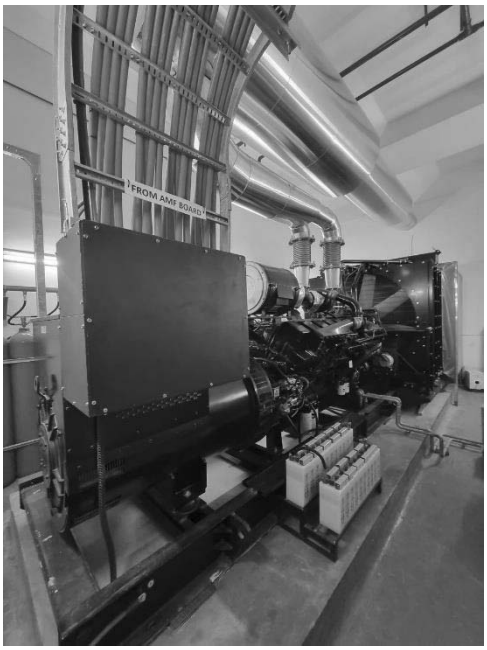
C Day tanks

7. BUSINESS OVERVIEW *(Cont'd)*

Some of our past EPCC of conventional power solutions projects include:



An installed generator set for a diesel generation system installed at an industrial building at Batu Berendam, Melaka



An installed generator set and batteries for a diesel generation system installed at a commercial building at Jalan Tun Razak, Kuala Lumpur



An installed generator set and PLC system for a diesel generation system installed at an industrial building at Kawasan Perindustrian Bayan Lepas, Pulau Pinang

7. BUSINESS OVERVIEW *(Cont'd)*

7.2.3 EPCC of renewable energy power solutions

Solar energy is a renewable energy that is converted into electricity through PV modules that concentrate on solar radiation. As solar energy is sourced from natural resources, it is therefore green energy. Solar PV systems generate electricity through the PV effect. This energy can either be used to generate electricity for self-consumption or, in the event of excess, such excess electricity can be exported to the utility grid.

As part of our EPCC scope of works, we are responsible for the engineering design and planning, procurement and supply, construction, installation as well as testing and commissioning of solar PV systems for installations on commercial and industrial buildings as well as solar farms. We are also involved in the EPCC of utility scale solar PV systems.

A rooftop PV solar system has electricity-generating solar panels mounted on the rooftop of a commercial, industrial or residential building. Solar farms are large scale facilities that generate electricity from solar, and feeds this electricity to the power grid, thereby supplying the utility with energy. Solar PV systems comprise various components, including solar PV modules, mounting systems, cables, solar inverters as well as other electrical accessories.

Our EPCC of renewable energy power solutions encompass:

(a) Planning and engineering design

We develop the master work plan, engineering design and schematic layouts which determine the method of implementing the project and its installation works. The engineering design and schematic layouts that we develop will include equipment specifications and connectivity.

We typically develop an initial design that includes the initial design proposal, equipment list, engineering and procurement specifications and various design estimates. Upon finalisation of the initial design, we will develop a detailed engineering design which encompasses the design of the solar PV array, balance of systems, inverters, transformers and interconnection facilities to the nearest distribution substation or power grid.

(b) Procurement

We are responsible for the procurement of materials and equipment for the installation and integration of solar PV systems, where this includes determining the volume, technical specification, brands and models of equipment based on the detailed engineering design, procurement planning, placement of orders and delivery tracking, material inspection, materials management and transportation to site.

Further, we also identify and engage subcontractors to undertake construction, installation and integration works under our monitoring and supervision.

(c) Installation and integration works

Solar PV plants and systems are ground-mounted and rooftop solar PV facilities that require construction, installation and integration works.

Our responsibilities involve:

- ensuring the projects are delivered in accordance with design and specifications;
- ensuring timely completion and delivery of the project;

7. BUSINESS OVERVIEW *(Cont'd)*

- ensuring the project adheres to the budget;
- ensuring purchase of insurance such as workmen's compensation, construction all risks and public liability;
- ensuring declaration of projects to the CIDB and payment of CIDB levy, if required;
- ensuring that the licences, permits and approvals required by the relevant authorities are obtained;
- managing, liaising and coordinating with all parties engaged in the project;
- managing and mitigating any unforeseen circumstances or conditions;
- ensuring workers' health and safety; and
- ensuring security of equipment and other assets on site.

We undertake the abovementioned activities internally, whereby our employees carry out the abovementioned activities.

Physical works for solar PV systems involve:

- site clearing and foundation works to support solar PV array structures;
- erection of mounting structures and assembly of racking systems;
- installation of solar PV modules and balance of systems;
- construction of physical structures for electricity control room, security room, inverters, transformers, switchgears and substations, if necessary;
- laying of underground power cables;
- interconnection jointing and termination to the nearest distribution substation; and
- equipment and systems integration based on engineering design and specifications.

We engage subcontractors to undertake the abovementioned physical works, all of whom will be managed and monitored by our Group throughout the duration of the project.

(d) Testing and commissioning

We test individual equipment and interconnected systems prior to commissioning the entire solar PV system. This is to ensure that the installed equipment and systems can function as a complete system and meet the operating parameters identified in the detailed engineering design.

Grid-connected solar PV plants and systems are tested to ensure that they meet and comply with the technical specifications and electricity grid requirements. Where testing and commissioning of interconnections to the electricity grid for solar farms are required, such testing and commissioning will be carried out together with a representative of the project owner and/ or representative from the utility grid.

Should there be any performance shortfalls, we will undertake to remedy the installed solar PV system. Upon satisfactory completion of testing, the solar PV systems will be commissioned for commercial operations. We are also responsible for the rectification of defects during the DLP which generally ranges from 12 to 24 months depending on the terms of the contract.

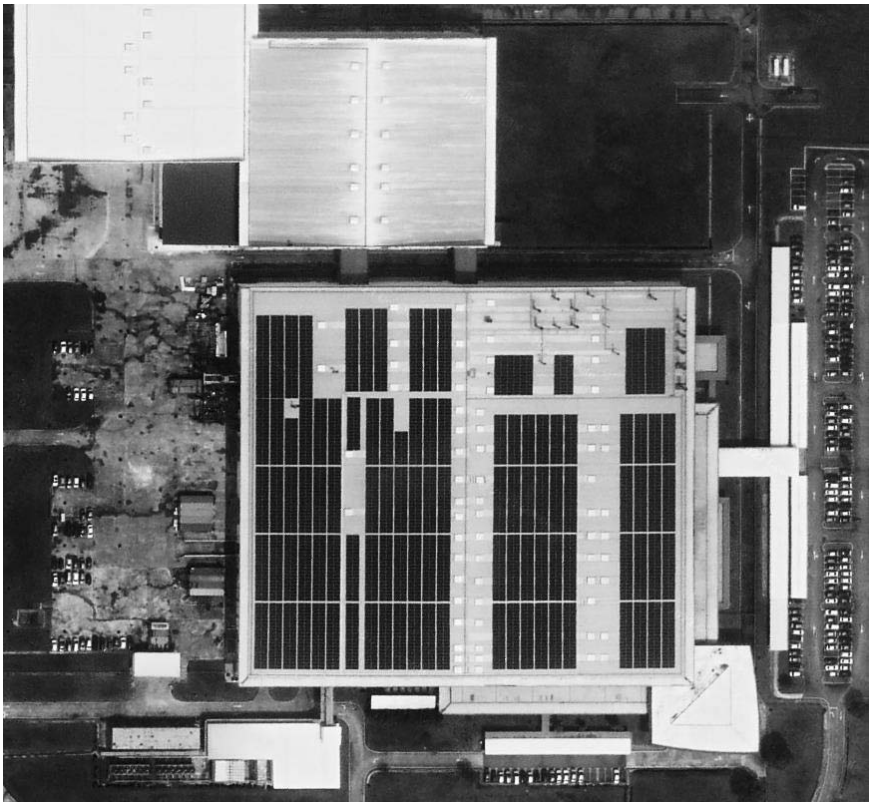
Subsequent to commissioning and handing over the solar PV systems to our clients, we provide maintenance on an ad-hoc basis (via purchase order) based on the request of our clients. During the financial years under review, our Group did not generate any revenue from the provision of maintenance services for renewable energy power solutions.

7. BUSINESS OVERVIEW *(Cont'd)*

Some of our past EPCC of solar PV systems projects include:



A 0.48 megawatt peak solar PV system installed at a commercial building in Seremban, Negeri Sembilan



A 2.30 megawatt peak solar PV system installed at an industrial building in Subang Jaya, Selangor

7. BUSINESS OVERVIEW *(Cont'd)*



A 3.90 megawatt peak solar PV system installed at an industrial building in Nilai, Negeri Sembilan

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7. BUSINESS OVERVIEW *(Cont'd)*

7.3 OUR ONGOING AND COMPLETED PROJECTS

(a) Ongoing projects

Based on LOAs and purchase orders received as at LPD, our Group has a total of 17 ongoing power solutions projects with a total contract value of RM165.87 million and unbilled contract value of RM99.89 million or 60.2% of the total contract value.

Our Group's ongoing projects with contract value of RM1.50 million and above, are set out in the table below:

No.	Project	Client	Type of project	Type of property	Contract period[1]	Contract value/ Unbilled contract value as at LPD[2]	Stage of completion as at LPD[3]	FYE to recognise unbilled contract value
						(RM'000)	%	
1.	Cyberjaya 1 Project	Client L	Mission critical power solutions	Data centre	December 2023 to February 2026[4]	11,899/ 273	97.7	2026
2.	Cyberjaya 2 Project	Promatrix DC Solutions Sdn Bhd	Mission critical power solutions	Data centre	October 2024 to April 2026	8,000/ 595	92.6	2026
3.	Johor Bahru Project	PMX Malaysia Sdn Bhd	Mission critical power solutions	Data centre	July 2024 to December 2026	16,000/ 8,242	48.5	2026
4.	Kulai 8 Project	Seri Yakin Sdn Bhd	Mission critical power solutions	Data centre	August 2024 to April 2026	8,500/ 132	98.4	2026
5.	Cyberjaya 3 Project	CCIE Engineering (M) Sdn Bhd	Mission critical power solutions	Data centre	April 2025 to June 2026	14,694/ 2,190	85.1	2026
6.	Nilai 1 Project	PMX Malaysia Sdn Bhd	Mission critical power solutions	Data centre	June 2025 to January 2027	16,000/ [5]16,000	-	2026 to 2027

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Project	Client	Type of project	Type of property	Contract period[1]	Contract value/ Unbilled contract value as at LPD[2]	Stage of completion as at LPD[3]	FYE to recognise unbilled contract value
						(RM'000)	%	
7.	Cyberjaya 5 Project	Sunway Construction Sdn Bhd	Mission critical power solutions	Data centre	August 2025 to May 2026	13,350/ 11,281	15.5	2026
8.	Cyberjaya 6 Project	Client L	Mission critical power solutions	Data centre	August 2025 to July 2026	5,207/ [6]5,207	-	2026
9.	Johor Bahru 2 Project	CCIE Engineering (M) Sdn Bhd	Mission critical power solutions	Data centre	December 2025 to March 2026[7]	8,600/ 208	97.6	2026
10.	Kulai 11 Project	Client H	Mission critical power solutions	Data centre	October 2025 to March 2026[8]	11,879/ 6,749	43.2	2026
11.	Nilai 2 Project	SECM Sdn Bhd	Mission critical power solutions	Data centre	January 2026 to November 2026[9]	37,000/ 37,000	-	2026
12.	Ulu Tiram 1 Project	CCIE Engineering (M) Sdn Bhd	Mission critical power solutions	Data centre	March 2026 to July 2026	9,960/ 9,960	-	2026
						161,089/ 97,837		

Notes:

(1) Refers to commencement date until the expected completion date of each project. Commencement date of each project is based on the respective LOAs or purchase orders. Completion date of each project is based on the completion date set out in the respective LOAs and includes subsequent extension of time required to deliver variation of work orders from the clients to our Group, if any.

7. BUSINESS OVERVIEW *(Cont'd)*

(2) Contract value and unbilled contract value as at LPD of each project includes original contract value as per LOAs or purchase orders and subsequent variation orders, if any.

(3) Calculated based on progress billing issued as at LPD over total contract value.

(4) We have completed the installation, testing and commissioning works for this project in October 2025, as such our Group is not subject to any LAD claims by the client. As at LPD, the project has been handed over to the client and we are in the midst of finalising the final accounts with client.

(5) As at LPD, our Group has finalised the design drawings for this project as this affects the type of volume of equipment and components to be procured. We had in February 2026 commenced installation works and expect to issue the first progress billing to the client for this project in March 2026.

(6) Our Group has yet to issue the first progress billing to the client for this project due to a change in design from the client as at LPD. Our Group is expected to commence works by May 2026.

(7) We have completed the installation, testing and commissioning works for this project in March 2026, as such our Group is not subject to any LAD claims by the client. As at LPD, we are in the midst of handing over the project to the client and finalising the final accounts with client.

(8) Our Group had on 17 March 2026 informed Client H that our fuel pipe installation has been comprised due to the dismantling works carried out by other contractor on site. As at LPD, we are in the midst of seeking clarification with Client H on the reasons, party responsible for the dismantling works and the proposed extended project period by Client H.

(9) Our Group has commenced works in January 2026, however we have yet to issue the first progress billing to the client for this project as we have yet to achieve any billing milestone.

7. BUSINESS OVERVIEW *(Cont'd)*

(b) Completed projects

During FYE 2022 to 2025 and up to LPD, our Group has completed 146 power solutions projects with a total contract sum of RM188.24 million.

The table below sets forth the completed projects with contract value above RM2.00 million:

No.	Project	Client	Type of project	Type of property	Contract period	Contract value	Status of retention sum as at LPD
						RM'000	
1.	Sunway Project	Sunway Construction Sdn Bhd	Conventional power solutions	Commercial	March 2021 to November 2024(1)	8,500	Not applicable as there is no retention sum allocation in the LOA
2.	Jalan Ampang Project	SECM Sdn Bhd	Conventional power solutions	Commercial	May 2021 to March 2025(2)	4,478	Not applicable as there is no retention sum allocation in the LOA
3.	Johor Bahru 1 Project	CCIE Engineering (M) Sdn Bhd	Mission critical power solutions	Data centre	August 2025 to January 2026	9,439	Not applicable as there is no retention sum allocation in the LOA
4.	Kuala Terengganu Project	Milab Marketing(3)	Renewable energy power solutions	Commercial	August 2021 to June 2025(4)	5,404	Not applicable as there is no retention sum allocation in the LOA
5.	Subang Jaya Project	GSPARX Sdn Bhd	Renewable energy power solutions	Industrial	January 2022 to July 2022	5,150	Released
6.	Pulau Pinang Project	Exyte Malaysia Sdn Bhd	Conventional power solutions	Industrial	March 2022 to August 2025(5)	27,440	Pending release of the remaining 5.0% retention sum upon project acceptance by the project owner and a further 5.0% upon expiry of DLP

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Project	Client	Type of project	Type of property	Contract period	Contract value	Status of retention sum as at LPD
						RM'000	
7.	Kulai 1 Project	CBH Engineering Sdn Bhd	Mission critical power solutions	Data centre	March 2022 to February 2024	4,862	Not applicable as there is no retention sum allocation in the LOA
8.	Nilai Project	GSPARX Sdn Bhd	Renewable energy power solutions	Industrial	September 2022 to May 2025(6)	13,026	Pending release of the remaining 5.0% retention sum upon expiry of DLP
9.	Kulai 3 Project	PMX Malaysia Sdn Bhd	Mission critical power solutions	Data centre	March 2023 to August 2024	7,982	Released
10.	Melaka Project	SECM Sdn Bhd	Mission critical power solutions	Industrial	August 2023 to September 2024	8,050	Not applicable as there is no retention sum allocation in the LOA
11.	Bukit Jalil 1 Project	Client H	Mission critical power solutions	Data centre	October 2023 to October 2024	3,942	Pending release of the remaining 2.5% retention sum upon expiry of DLP
12.	Kulai 6 Project	CCIE Engineering (M) Sdn Bhd	Mission critical power solutions	Data centre	February 2024 to August 2024	9,517	Not applicable as there is no retention sum allocation in the LOA
13.	Kulai 7 Project	CCIE Engineering (M) Sdn Bhd	Mission critical power solutions	Data centre	March 2024 to August 2024	8,200	Not applicable as there is no retention sum allocation in the LOA
14.	Kulai Project	CBH Engineering Sdn Bhd	Mission critical power solutions	Data centre	January 2022 to November 2024	2,545	Not applicable as there is no retention sum allocation in the LOA

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Project	Client	Type of project	Type of property	Contract period	Contract value	Status of retention sum as at LPD
						RM'000	
15.	Kulai 4 Project	CCIE Engineering (M) Sdn Bhd	Mission critical power solutions	Data centre	June 2023 to November 2023	2,435	Not applicable as there is no retention sum allocation in the LOA
16.	Putrajaya Project	SECM Sdn Bhd	Conventional power solutions	Commercial	September 2021 to April 2025(7)	1,996	Not applicable as there is no retention sum allocation in the LOA
17.	Seberang Jaya Project	Sunway Construction Sdn Bhd	Conventional power solutions	Commercial	October 2020 to August 2024(8)	2,600	Not applicable as there is no retention sum allocation in the LOA
18.	Putrajaya 1 Project	Sunway Construction Sdn Bhd	Conventional power solutions	Commercial	May 2017 to March 2025(9)	2,843	Not applicable as there is no retention sum allocation in the LOA
19.	Kulai 2 Project	Syarikat Pembenaan Yeoh Tiong Lay	Mission critical power solutions	Data centre	November 2022 to May 2025(10)	9,902	Pending release of the remaining 5.0% retention sum upon expiry of DLP
20.	Melaka 1 Project	SECM Sdn Bhd	Conventional power solutions	Industrial	July 2024 to January 2025	2,593	Not applicable as there is no retention sum allocation in the LOA
21.	Kulai 10 Project	CCIE Engineering (M) Sdn Bhd	Mission critical power solutions	Data centre	December 2024 to July 2025	4,000	Not applicable as there is no retention sum allocation in the LOA
22.	Ulu Tiram Project	CCIE Engineering (M) Sdn Bhd	Mission critical power solutions	Data centre	January 2025 to July 2025	14,360	Not applicable as there is no retention sum allocation in the LOA
						159,264	

7. BUSINESS OVERVIEW *(Cont'd)*

Notes:

(1) Our Group completed works for this project in December 2022, upon which we handed over this project to our client. The maintenance period of 24 months for this project commenced on even date.

(2) Our Group completed works for this project in March 2025 due to a delay in the completion of other building works that were not part of our Group's scope of works, but ultimately delayed our final installation, testing and commissioning works.

(3) Milab Marketing is a related party of our Group. Further details on the transaction with Milab Marketing for FYE 2022 to 2024 and up to LPD are set out in Section 10.1.

(4) Our Group completed works for this project in June 2025 as the EPCC works at 13 commercial government sites took place in multiple phases, as the purchase orders for the 13 sites were issued by the client to our Group at different points in time during the contract period.

(5) Our Group completed works for this project in August 2025 due to a delay in the completion of other building system works that were not part of our Group's scope of works, but ultimately delayed our installation, testing and commissioning works.

(6) Our Group completed works for this project in May 2025 due to a change in solar PV system design and location of installation, where the latter required approval from local authorities prior to commencement of installation works.

(7) Our Group completed works for this project in April 2025 due to a delay in the completion of other building system works that were not part of our Group's scope of works, but ultimately delayed our final installation, testing and commissioning works.

(8) Our Group completed works for this project in August 2022, upon which we handed over this project to our client. The maintenance period of 24 months for this project commenced on even date.

(9) Our Group completed works for this project in March 2020, upon which we handed over this project to our client. The maintenance period of 60 months for this project commenced on even date.

(10) Our Group completed works for this project in May 2025 due to variation orders received from our client for additional works relating to the supply and installation of pipe brackets and leak sensors, corrugated pipes; pipe testing, welding and pressure test; relocation of piping, electrical trunking and cabling and replacement of actuator.

7. BUSINESS OVERVIEW *(Cont'd)*

7.4 MODE OF OPERATIONS

Our mode of operations for our business in terms of securing new projects, payment terms and other main contractual terms and conditions are as follows:

7.4.1 Securing projects

The revenue model for the provision of power solutions is based on contracts or purchase orders issued by clients. We secure these contracts or purchase orders through the submission of tender bids or quotations mainly through invitation or request for quotations from prospective clients including main contractors, project owners and building owners, as well as through referrals from project consultants such as engineers, architects and quantity surveyors.

All our contracts are project specific. While most project contracts cover all scope of work and delivery schedules for a specific project, some contracts also involve the issuance of purchase orders within the project contract. Our contracts are lump sum contracts, which may or may not have variation orders.

In some cases, a tender bond is required to be submitted along with the tender bid document to provide a guarantee to the client that we will undertake the project if we are awarded the project.

7.4.2 Retention sums and performance bonds

For most of our contracts, we are required to provide a retention sum which our clients will retain for an agreed period after the completion of our work. Typically, a retention sum equivalent to 5.0% to 10.0% of the total contract sum will be retained by the client for a period of 12 to 24 months.

Depending on the terms of the contract, the retention sum will usually be released in 2 portions, whereby the first portion (representing 50.0% of the total retention sum) will be released upon handover, while the remaining 50.0% will be released upon the expiration of the DLP.

We retain payment of part of our subcontractors' invoices as retention sum up to a maximum of 5.0% to 10.0% of the total contract sum as stipulated in our contracts with subcontractors. We generally release 50.0% of the retention sum upon handover, while the remaining half of the retention sum will be released after the end of the DLP.

Depending on the terms of the contract, we may be required to issue a performance bond which generally ranges between 5.0% and 10.0% of the total contract sum in the form of a bank guarantee. The requirement for the issuance of performance bond is on a case-by-case basis depending on the terms of the contract agreed with our clients. In the event of any justifiable non-performance on our part, our clients may call on part or all of the performance bond. The performance bond is typically valid until the end of DLP.

Some of our clients require the issuance of performance bond in addition to a retention sum, while others may only require either a performance bond or a retention sum.

7.4.3 Progress claims

During the project, we will submit progress claims based on agreed project milestones or on monthly work progress. The approval of the progress claims is subject to the engineer's certification which allows us to invoice the client.

7. BUSINESS OVERVIEW *(Cont'd)*

7.4.4 Obligations during contract period

We are obligated to complete the project within the timeframe stipulated in the contract. Generally, our projects range from 6 months to 24 months depending on the scope and size of the project.

In the event of any delays in the completion of a project, we are subject to LAD claims by the client as stipulated in the contract. Our contract's LAD generally ranges up to a maximum of 10.0% of the total contract value.

Under normal operating conditions, we will seek an extension of time from the client if the project encounters any unforeseen circumstances that may affect the completion date, which is subject to approval by the client.

7.4.5 Variation order

We may from time to time receive variation orders request from clients of the project which may include additions, omissions, substitutions, alterations and/ or changes to the work scope.

We are usually notified of a variation order in writing describing the details of the variation works and, where required, accompanied with revised drawings. We will submit our costing and the expected timeframe for the variation work to the client for their approval. Variation orders are generally addendums to existing contracts where all general conditions of the original project contracts still hold for the variation orders except for the additional scope of work, price and time extension to complete the additional work.

7.4.6 Post completion of project

We are responsible for the rectification of defects, and equipment warranty during the DLP, which generally ranges from 12 to 24 months from the handover.

We are responsible for any rectification works together with the respective subcontractors who work under our supervision and project management. If there is a defect liability claim that is attributable to the works carried out by a subcontractor, we usually require the subcontractor to perform the rectification works and related costs will be borne by the said subcontractor. The cost of all defect liability claims not attributable to our subcontractors will be fully borne by us.

We are also responsible to replace any defective M&E equipment together with the respective M&E equipment supplier. Generally, the M&E equipment that we purchase are covered against manufacturing defects by their respective product warranties and as such, the manufacturers or suppliers are responsible for providing suitable replacements.

7.5 QC AND QA PROCEDURES

7.5.1 Quality management system

We place emphasis on quality throughout our business and operations as it allows us to ensure that our projects comply with the relevant industry standards, regulations and meet the expectations and requirements of our clients.

7. BUSINESS OVERVIEW *(Cont'd)*

7.5.2 QC on projects

We emphasise maintaining QC of our site works. We normally carry out the following duties pursuant to contracts with main contractors and project owners.

For every project, we assign a team of experienced management and technical staff to reside onsite, to supervise the project and monitor works throughout the project implementation process. Our site team coordinates with our supervisor to operate and control the site works in accordance with the QA plan set up by our project manager.

Our project engineer is responsible for supervising the overall daily activities including those executed by our subcontractors in accordance with the project schedule. Any issues arising from the execution of the project will be immediately reported to our project team.

During the site installation process, we conduct-on-site inspections and/ or hold internal meetings to discuss issues relating to safety management and on-site performance. We also prepare inspection reports and/ or status for our internal records in accordance with our QC measures. Upon completion of construction works, we carry out the necessary testing during the execution of the project works as required by the contract, engineering drawings and standards of local authorities.

During the financial years under review and up to LPD, we did not receive any material claims or complaints from our clients in respect of the quality of our projects, and there was no incident of failure of our QC systems that had a material and adverse impact on our business operations.

7.5.3 QC on materials

Pursuant to our EPCC contracts, we are responsible for the equipment and components provided by suppliers, although we have a right of recourse against our suppliers for defective supplies. Our selection of suppliers is based on stringent criteria such as quality, pricing, product warranty and/ or performance guarantees, timeliness of delivery and ability to comply with our requirements and specifications.

For some projects in relation to the EPCC of solar PV systems, we may be required by the clients to provide a performance ratio guarantee for our EPCC services. Performance ratio serves as a metric of solar PV system efficiency indicated by the ratio of actual and theoretical electricity output of the solar PV system calculated as follows:

$$\text{Performance ratio} = \frac{\text{Actual energy output}}{A * r * H}$$

Where:

A = total area of solar PV modules in square metres;

r = solar PV module yield or efficiency which is the efficiency of the solar panel in converting sunlight (solar irradiance) into usable electricity; and

H = solar insolation or solar irradiance (in kWh/m²/day or kWh/m²/year) produced from tilted solar PV modules (shadings not included)

7. BUSINESS OVERVIEW *(Cont'd)*

Upon receiving the equipment and components at our project site, we will perform inspection on the condition and specifications of the equipment and components to ensure that the products received are in accordance to our requirements based on the purchase orders. Thereafter, we carry out sample functional tests to ensure that these equipment and components are performing in accordance with the pre-determined specifications. If the equipment and components do not meet the relevant standards or are found to be defective or faulty, our suppliers are responsible for providing replacement units. In addition, we have from time to time required our suppliers to provide us with testing certificates for the materials or equipment supplied to us.

If the solar PV system that we install does not meet its annual performance ratio guarantee as set out in the respective contracts, we are responsible for the:

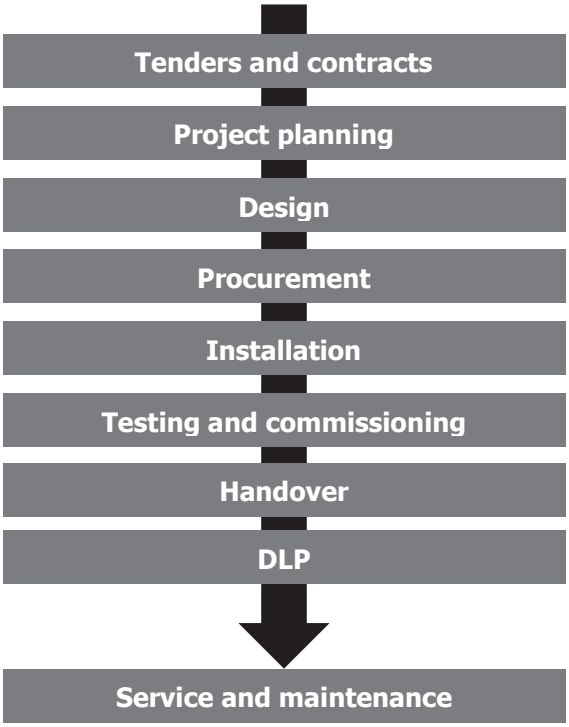
(i) rectification of the PV system to improve the performance efficiency to the guaranteed level; or

(ii) compensation of the difference between the actual electricity generated and the guaranteed performance levels based on terms specified in the respective contracts at the applicable tariff rate of the utilities.

During the financial years under review and up to LPD, our Group has not incurred any claims in relation to performance ratio guarantees.

7.6 BUSINESS PROCESSES

We adopt the following process flow in the provision of EPCC of mission critical power solutions, conventional power solutions and renewable energy power solutions:



7. BUSINESS OVERVIEW *(Cont'd)*

(a) Tender and contracts

We secure EPCC projects either through tenders, invitations or referrals from existing clients or project owners. We will perform a preliminary assessment before deciding whether to participate in the tender exercise by reviewing the scope of services and timeline, understanding the client's requirements and identifying any industry standards, statutory or regulatory requirements, the creditworthiness of the client as well as the financial attractiveness of the project.

When we decide to participate in the tender exercise, our project manager is responsible for preparing the proposal and project costing details. The project manager will also work together with other members of our project team to complete the tender documents for bidding, under the guidance of our Executive Director/ Chief Operating Officer.

We will then carry out site assessment, costing, identification of statutory and regulatory requirements, evaluation of predetermined design and specification, project scheduling as well as resource planning including financial, manpower and supply of materials. Our project manager will prepare the cost estimation for materials and services for inclusion in the tender bid documents or quotation proposals. For design and build projects, we will prepare the initial engineering design for power solutions systems.

We will submit the technical and commercial proposals to the client for their evaluation. For some tenders, we may be required to submit a tender bond with a specified amount as part of tender documents, to provide assurance to our client that we will proceed with the contract upon acceptance of the tender by our client. The tender bond is returned to us upon the announcement of the results of the tender.

During the tendering phase, we may be requested to attend tender interviews, where we will be required to present the details of or provide clarifications on our proposals. If we are successful, the client will typically present us with a LOA prior to the signing of a contract or purchase order.

(b) Project planning

Upon award of a project, a team leader will be assigned to the project and a project team comprising project engineers, project supervisors and health and safety supervisors will be assembled. The project team will hold a project kick-off meeting with the client to establish a common understanding of project requirements and perform a site visit.

The project planning phase involves the preparation of a detailed master project development plan which covers resource allocation, roles and responsibilities of the project team members, work schedules, project deliverables, control and monitoring mechanisms and quality requirements. This plan will also be submitted to our client and their consultants, who will assist in monitoring the project. The implementation of the project plan will also be monitored by our team leader under the supervision of our Executive Directors, who will ensure that the contractual requirements and the needs of our clients are aligned.

Our project team will furnish the relevant supporting documents required for the application of the relevant regulatory permits and approvals required for the commencement of the project. The application of the relevant regulatory permits and approvals as well as development plans and construction permits will be carried out by either the main contractor or the consultant appointed by the client.

7. BUSINESS OVERVIEW *(Cont'd)*

(c) Design

For projects with design component, we are involved in the early development of conceptual design up to the detailed design, including developing drawings for power solution systems. We undertake power solution systems drawings in collaboration with other appointed contractors on the project. We will submit all engineering drawings to the client and their appointed consultants for finalisation and approval.

For projects wherein we are not responsible for design works, we will obtain the engineering drawings from the client or their appointed consultant to facilitate our planning of installation and construction works.

(d) Procurement

We identify the relevant M&E equipment as well as components, subcontractors of civil, structural and M&E services. Our procurement team will source quotations from our approved suppliers and subcontractors or as approved by our clients.

Typically, our clients or their appointed consultants will have a preferred selection or approved list of brands and suppliers for critical equipment such as generator sets, switchboards, distribution boards, process control panels and motor control centre panels, pumps as well as motors. However, the selection of suppliers for other equipment and materials is based on price, timeliness of delivery, reputation, reliability and product quality. Once the suppliers have been identified, we will request quotations from them.

We engage subcontractors for certain portions of work, namely civil, structural and M&E services where these subcontractors will carry out works under our supervision. Potential subcontractors will be requested to provide us with their quotations.

Once we receive the quotations from subcontractors, we will review the quotation and their profile, based on criteria such as quality of work, experience, record of timely completion of work, responsiveness to instruction and availability of manpower resources.

(e) Installation

Once we take possession of the project site, our project team and subcontractors will begin construction and installation works.

Our works involve M&E engineering works. Depending on the requirements of our clients, we may from time to time, be requested to carry out some civil and structural works such as foundation works as part of the scope of our contract. We engage subcontractors to carry out all the construction and installation works under our project management and supervision. Our subcontractors are responsible for sourcing and supplying the necessary machinery and equipment to carry out their respective works.

Our project team will be stationed on-site to supervise and monitor the progress of the installation works, to ensure that the works carried out are in accordance with the drawing plan and contract specifications as well as in compliance with the relevant local regulations and industry standards. The client as well as their consultants and/ or architects will also perform periodic site visits to keep track of the progress of the project and adherence to the specifications.

7. BUSINESS OVERVIEW *(Cont'd)*

(f) Testing and commissioning

Upon the completion of the installation of equipment, our project team will conduct a pre-commissioning exercise to ensure that all equipment and supporting devices are properly installed using testing equipment that are mainly hand tools. The project team will further carry out an initial field test on the installed devices, followed by load tests which involve the live testing of electrical signals running through the system. Finally, an integrated system test is performed to test the entire installed system. This is to ensure that each sub-system can operate independently as well as interface effectively with each other.

We also conduct relevant quality and safety tests during this stage before project completion and handover. For selected specialised equipment, we ensure that the relevant suppliers have tested and commissioned the equipment prior to delivery, such that it meets the relevant contractual specifications and requirements of our clients.

All specified inspections, testing and commissioning are typically carried out under the supervision of the consultant appointed by our client, and are intended to verify that our works meet all technical requirements and contractual obligations.

In some instances, we may be required to undertake rectification works and/ or re-commissioning works and subsequently re-inspect to ensure regulatory and contractual compliance.

(g) Handover

After all the necessary tests have been completed and approvals have been obtained, project implementation will be deemed completed. This also marks the commencement of the DLP. We will handover the as-built drawings as well as equipment operational and maintenance manuals to the project owner.

(h) DLP

During the DLP, upon receiving report on defects identified by the client, our project team will investigate and rectify the issue by getting our technicians or the relevant subcontractors to rectify the defects.

The length of the DLP generally ranges from 12 months to 24 months after handover. Upon expiry of the DLP and the complete rectification of all defects identified, the client or their appointed consultant will conduct an end of DLP inspection. For installation works that are subcontracted to third parties, our practice is to maintain a back-to-back DLP with our subcontractors, whereby our subcontractors are responsible for performing the rectification works and bearing the associated rectification costs.

(i) Service and maintenance

After the DLP is over, we may continue to provide our clients with maintenance if they engage us to do so on an ad-hoc basis via purchase orders.

Our scope of works for maintenance varies based on the needs of our clients, comprising preventive maintenance works.

7. BUSINESS OVERVIEW *(Cont'd)*

7.7 TECHNOLOGIES USED

The technologies that we use are mainly in the following areas:

(a) BIM

We utilise BIM software to create digital representations of power solutions in buildings and their associated systems and processes. BIM software includes a range of tools, functions and features to facilitate visualisation, data analysis, clash detection and collaboration. BIM software allows engineers, contractors and other stakeholders to collaborate on models which provide better insight into how their work fits into the overall project, ultimately helping all parties to work more efficiently and effectively.

We use BIM software to create digital 3D models of the facility's power solution system; insert, extract, update, modify and improve on the power solution system's design based on information provided by the project's engineers and other subcontractors before the system is built; and generate construction documents, shop drawings and as-built drawings.

(b) Autodesk Revit

We use Autodesk Revit to design, document, visualise and collaborate on projects as it enables the creation of 3D models of buildings. Autodesk Revit allows for real-time updates across the entire project when changes are made, resulting in rapid iterations and coordinated efforts across various stakeholders involved in the construction project.

(c) PVsyst

PVsyst is a solar PV modelling application. We use PVsyst as a tool to model the power generation potential of a proposed solar PV system over a period of time. The model in PVsyst can take into consideration various parameters such as weather conditions and shade at the prospective location, solar PV system size and performance of solar PV components over time.

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7. BUSINESS OVERVIEW *(Cont'd)*

7.8 PRINCIPAL MARKETS AND SEGMENTS

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

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Mission critical power solutions	8,409	21.3	18,809	44.7	38,428	76.2	66,800	86.3
Conventional power solutions	19,904	50.4	15,996	38.0	6,973	13.8	5,372	6.9
Renewable energy power solutions	11,197	28.3	7,262	17.3	5,039	10.0	5,223	6.8
39,510	**100.0**	**42,067**	**100.0**	**50,440**	**100.0**	**77,395**	**100.0**	

Our Group's revenue is mainly derived from mission critical power solutions and conventional power solutions segments which constituted 71.7%, 82.7%, 90.0% and 93.2% of our total revenue in FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. Renewable energy power solutions contributed to the remaining 28.3%, 17.3%, 10.0% and 6.8% of our Group's total revenue in FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. In FYE 2022, we strategically and gradually shifted our focus towards mission critical power solutions projects, due to our Group's strengthening technical capabilities and creditability in complex power engineering systems, which also generates higher GP margins due to the higher technical complexity and requirements for meticulous planning, construction and maintenance for these projects. This shift has led to a greater proportion of our Group's revenue being generated from the mission critical power solutions segment in FYE 2023, FYE 2024 and FYE 2025.

During FYE 2022 to 2025, all of our Group's revenue is derived locally. Our revenue breakdown by region in Malaysia is as follows:

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Northern region[(1)]	12,259	31.0	12,925	30.7	4,605	9.1	1,968	2.5
Central region[(2)]	18,021	45.6	9,806	23.3	19,309	38.3	35,598	46.0
Southern region[(3)]	7,352	18.6	17,697	42.1	25,254	50.1	39,791	51.4
East coast region[(4)]	1,097	2.8	1,303	3.1	1,218	2.4	38	0.1
East Malaysia region[(5)]	781	2.0	336	0.8	54	0.1	-	-
39,510	**100.0**	**42,067**	**100.0**	**50,440**	**100.0**	**77,395**	**100.0**	

Notes:

(1) Comprises Pulau Pinang, Kedah, Perlis and Perak.

(2) Comprises Selangor, Kuala Lumpur, Putrajaya and Negeri Sembilan.

(3) Comprises Johor and Melaka.

(4) Comprises Pahang, Terengganu and Kelantan.

(5) Comprises Sabah and Sarawak.

7. BUSINESS OVERVIEW *(Cont'd)*

Our Group's revenue in FYE 2022 was mainly derived from the central region, northern region and southern region of Peninsular Malaysia, which contributed to 45.6%, 31.0% and 18.6% of our revenue respectively. In FYE 2023 and FYE 2024, our revenue contribution from the southern region of Peninsular Malaysia began increasing in line with our Group securing and completing more mission critical power solutions projects in Johor. In FYE 2024, our revenue from the central region of Peninsular Malaysia increased in line with the increase in projects secured and completed for conventional power solutions for commercial and industrial properties. As a result, our revenue contribution in FYE 2024 saw a shift whereby our revenue contribution was mainly from the southern region and central region of Peninsular Malaysia, which constituted 50.1% and 38.3% of our revenue respectively. In FYE 2025, our revenue was mainly derived from the southern and central region of Peninsular Malaysia which constituted 51.4% and 46.0% of our total revenue respectively. The revenue growth from the southern and central region was mainly due to the commencement, completion and higher level of installation activities of certain data centre projects under mission critical power solutions segment in FYE 2025.

7.9 SIGNIFICANT PRODUCTS/ SERVICES INTRODUCED

Save as disclosed in Section 7.18(b), there are no other significant products services introduced or to be introduced by our Group as at LPD.

7.10 COMPETITIVE STRENGTHS

Our success and potential for future growth are attributable to our Group's competitive strengths set out below:

(a) We have an established track record in the power engineering market in Malaysia

The history of our Group can be traced back to the incorporation of EIPT in 2010 which began operations in the supply of generator sets. In our operating history of approximately 16 years, we have grown from a supplier of power generation equipment and acquired the technical expertise to venture into EPCC activities.

As at LPD, we have established ourselves as a power engineering firm with technical capabilities and project track record in the EPCC of mission critical power solutions, conventional power solutions and renewable energy power solutions. Our Group's power engineering solutions encompass design, project management, supply, installation, testing and commissioning of diesel generation and fuel distribution systems as well as solar PV systems. Our power engineering solutions serve various built environments, ranging from commercial, industrial and residential buildings, solar farms, as well as mission critical facilities such as data centres.

Our Group holds a number of licences, registrations, permits and approvals to carry on our power engineering businesses, namely:

- Registered PV Service Provider under SEDA since 2015, which enables us to participate in solar PV projects;
- G7 contractor registration with the CIDB since 2017, which enables us to carry out construction works with unlimited value; and
- Class A contractor with the EC since 2023, which enables us to carry out electrical works with contract value exceeding RM1.00 million.

7. BUSINESS OVERVIEW *(Cont'd)*

With these registrations and certifications, our Group is able to participate in large scale projects and undertake a wide range of power engineering solutions projects ranging from mission critical power solutions, conventional power solutions and renewable energy power solutions.

Our Group's project track record is demonstrated by our completed projects. During FYE 2022 to 2025 and up to LPD, our Group has completed 146 power solutions projects with a total contract sum of RM188.24 million. This track record is supported by technically competent engineering and project teams. As at LPD, our Group has a total of 48 engineering and project employees, comprising 45 employees under our project department, as well as our Head of Division (Mission critical power solutions), Head of Division (Conventional power solutions) and Head of Division (Renewable energy power solutions), of which:

- 30 engineering and project employees are in the mission critical power solutions division;
- 3 engineering and project employees are in the conventional power solutions division;
- 5 engineering and project employees are in the renewable power solutions division; and
- 7 engineering and project employees that provide additional project implementation support across all our Group's mission critical power solutions, conventional power solutions and renewable power solutions projects.

Our Group's proven track record, wide experience and expertise in respect of power solutions and our ability to deliver works on time are contributing factors that have enabled EIPT to gain trust from clients and give us a competitive edge when tendering for new projects.

(b) We have expertise in the EPCC of mission critical power solutions that meets the stringent requirements of data centre operators

In 2021, we ventured into the EPCC of mission critical power solutions when EIPT secured its first data centre project. This was for the EPCC of a fuel distribution system for a data centre in Bukit Jalil, Kuala Lumpur.

Mission critical facilities require meticulous planning, construction and maintenance. These facilities are designed and constructed to withstand various disasters, including power outages, natural disasters, cyberattacks and other emergencies that could disrupt their vital operations, thereby ensuring continuity of operations. To ensure uptime, data centres rely heavily on backup diesel generation and fuel distribution systems.

We design diesel generation and fuel distribution systems for data centres with redundancy to avoid single points of failure, which meets up to Tier IV certification based on the Tier Design classification from Uptime Institute. As such, the diesel generation and fuel distribution systems that we design and build support data centre owners in achieving the highest standard of Tier Design classification, i.e. Tier IV certification. For clarity, the Tier I, Tier II, Tier III and Tier IV certifications are awarded to the data centre facility operated by our clients.

Further, we have a structured method of carrying out testing and commissioning procedures based on Level 1 to Level 5 commissioning for the diesel generation and fuel distribution systems that we deliver for data centres.

7. BUSINESS OVERVIEW *(Cont'd)*

Our ability to secure projects relating to the EPCC of mission critical power solutions is attributable to our Group's track record, work method as well as testing and commissioning procedures. We will continue to leverage on our track record, work method as well as testing and commissioning procedures to secure more projects relating to the EPCC of mission critical power solutions.

(c) We have strong execution capabilities that have contributed to our track record over the years

We have strong execution capabilities throughout different stages of a power engineering solutions project. We are able to assume the management and supervisory role of the entire project and coordinate with our clients, consultants, subcontractors and other parties involved in the project to ensure efficient execution of the project. We are also able to source the necessary materials and carry out quality assessment on the installation works. At the post-completion stage, we are able to provide service and maintenance to our clients, if required. These execution capabilities and expertise contribute to greater efficiency, and allow for better communication, collaborative management and more efficient resolutions for any potential problems or disputes.

Owing to our ability in project execution, we have secured repeat clients for the EPCC of power solutions. From our 29 clients in FYE 2025, 17 are repeat clients whom have engaged our Group for more than 1 project during FYE 2022 to 2025. Our ability to retain these clients is a testament to our execution capabilities and commitment to meeting their project requirements.

Accordingly, we believe that our execution capabilities have reinforced our ability to be awarded contracts for large-scale and complex power solutions projects from our clients.

(d) Our Group have an experienced management team

We have an experienced management team headed by our Executive Director/ Chief Executive Officer, Ir. Albert Chang and our Executive Director/ Chief Operating Officer, Sharon Mak, both of whom have extensive experience in our industry.

Ir. Albert Chang has approximately 24 years of experience in the power engineering industry, while Sharon Mak has approximately 23 years of experience in the power engineering industry. They have been instrumental to the growth and development of our Group, where Ir. Albert Chang is responsible for developing growth strategies and business plans as well as managing the overall operations and business development of our Group, and Sharon Mak is responsible for implementing business growth plans, evaluating market potential and project feasibility as well as managing the sales and marketing activities of our Group.

They are supported by our key senior management comprising:

Key senior management	Designation	Years of relevant working experience
Yong Shan Miao	Head of Finance	15
Muhammad Aikal Bin Hashim	Head of Division (Mission critical power solutions)	13

7. BUSINESS OVERVIEW *(Cont'd)*

Key senior management	Designation	Years of relevant working experience
Abdul Raof Bin Sharif	Head of Division (Conventional power solutions)	16
Muhammad Aiman Nabil Bin Mahadhir	Head of Division (Renewable energy power solutions)	6

Our Group's key senior management team has functional expertise in their respective fields. Their hands-on involvement in our Group demonstrates their strong commitment to our Group's growth as our Group continues to expand.

Our Group also relies on technical personnel, comprising engineering and project employees, to carry out our power engineering solutions projects. From our 48 engineering and project employees as at LPD, 12 employees have been with our Group for a period of at least 3 years.

Please refer to Sections 5.1.2(c) and (d), and 5.3.3 for the profiles of our Group's Executive Directors and key senior management.

7.11 SEASONAL OR CYCLICAL EFFECTS

Our operations are not subject to any seasonal/ cyclical effects as our clients generally operate throughout the year. However, the demand for our services may be affected by local economic conditions and government policies, which may affect the property development, construction and electricity supply industries.

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7. BUSINESS OVERVIEW *(Cont'd)*

7.12 MAJOR CLIENTS

Our Group's top 5 major clients according to their revenue contribution for FYE 2022 to 2025 are as follows:

FYE 2022

No.	Major clients	Services provided	Projects delivered[1]	Revenue contribution		[2]Length of relationship
				RM'000	%	Years
1.	Exyte Malaysia Sdn Bhd	EPCC of conventional power solutions	Pulau Pinang Project	10,766	27.2	<1
2.	GSPARX Sdn Bhd	EPCC of renewable energy power solutions	Subang Jaya Project, Senawang Project and Nilai Project	9,988	25.3	2
3.	CBH group[3]	EPCC of mission critical power solutions	Kulai Project and Kulai 1 Project	7,571	19.2	6
4.	SECM Sdn Bhd	EPCC of conventional power solutions	Jalan Ampang Project, Putrajaya Project, TRX 1 Project and Bukit Bintang Project	4,514	11.4	9
5.	Client W	EPCC of mission critical power solutions	Bukit Jalil Project	1,371	3.5	1
				34,210	**86.6**	

FYE 2023

No.	Major clients	Services provided	Projects delivered[1]	Revenue contribution		[2]Length of relationship
				RM'000	%	Years
1.	Exyte Malaysia Sdn Bhd	EPCC of conventional power solutions	Pulau Pinang Project	12,558	29.9	1
2.	PMX Malaysia Sdn Bhd	EPCC of mission critical power solutions	Kulai 3 Project	7,598	18.0	<1
3.	Syarikat Pembenaan Yeoh Tiong Lay	EPCC of mission critical power solutions	Kulai 2 Project	7,133	17.0	1
4.	GSPARX Sdn Bhd	EPCC of renewable energy power solutions	Senawang Project and Nilai Project	5,392	12.8	3
5.	CCIE Engineering (M) Sdn Bhd	EPCC of mission critical power solutions	Kulai 4 Project	2,435	5.8	<1
				35,116	**83.5**	

7. BUSINESS OVERVIEW *(Cont'd)*

FYE 2024

No.	Major clients	Services provided	Projects delivered[1]	Revenue contribution		[2]Length of relationship
				RM'000	%	Years
1.	CCIE Engineering (M) Sdn Bhd	EPCC of mission critical power solutions	Kulai 6 Project and Kulai 7 Project	17,717	35.1	1
2.	SECM Sdn Bhd	EPCC of mission critical power solutions and conventional power solutions	Melaka Project, Jalan Ampang Project, Putrajaya Project, TRX 1 Project and Melaka 1 Project	12,198	24.2	11
3.	Client H	EPCC of mission critical power solutions	Bukit Jalil 1 Project	2,763	5.5	1
4.	Syarikat Pembenaan Yeoh Tiong Lay Sdn Bhd	EPCC of mission critical power solutions	Kulai 2 Project	2,662	5.3	2
5.	GSPARX Sdn Bhd	EPCC of renewable energy power solutions	Nilai Project and Sungai Buloh Project	2,592	5.1	4
				37,932	**75.2**	

FYE 2025

No.	Major clients	Services provided	Projects delivered[1]	Revenue contribution		[2]Length of relationship
				RM'000	%	Years
1.	CCIE Engineering (M) Sdn Bhd	EPCC of mission critical power solutions	Kulai 10 Project, Ulu Tiram Project, Cyberjaya 3 Project and Johor Bahru 1 Project	38,347	49.5	2
2.	Client L	EPCC of mission critical power solutions	Cyberjaya 1 Project	8,811	11.4	2
3.	Promatrix DC Solution Sdn Bhd	EPCC of mission critical power solutions	Cyberjaya 2 Project	6,331	8.2	1
4.	Seri Yakin Sdn Bhd	EPCC of mission critical power solutions	Kulai 8 Project	6,287	8.1	1
5.	PMX Malaysia Sdn Bhd	EPCC of mission critical power solutions	Johor Bahru Project	5,538	7.2	2
				65,314	**84.4**	

7. BUSINESS OVERVIEW *(Cont'd)*

Notes:

(1) Projects delivered by our Group to the respective clients in the respective FYE.

(2) Length of relationship is based on each FYE.

(3) Comprises CBH Engineering Sdn Bhd and CBH M&E Engineering Sdn Bhd.

All of our major clients in FYE 2022, FYE 2023, FYE 2024 and FYE 2025 are incorporated and based in Malaysia. Our top 5 major clients contributed to 86.6%, 83.5%, 75.2% and 84.4% of our Group's revenues in FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. From this, our major clients that contributed to 10.0% or more of our revenues in more than one financial year were:

- Exyte Malaysia Sdn Bhd which contributed to 27.2% and 29.9% of our Group's revenue in FYE 2022 and FYE 2023 respectively;
- GSPARX Sdn Bhd which contributed to 25.3% and 12.8% of our Group's revenue in FYE 2022 and FYE 2023 respectively;
- SECM Sdn Bhd which contributed to 11.4% and 24.2% of our Group's revenue in FYE 2022 and FYE 2024 respectively; and
- CCIE Engineering (M) Sdn Bhd which contributed to 35.1% and 49.5% of our Group's revenue in FYE 2024 and FYE 2025 respectively.

Notwithstanding the above, we are not dependent on these major clients for business continuity as we have been able to secure projects from different clients during FYE 2022 to 2025 and up to LPD. These major clients each contributed more than 10.0% of our total revenue in FYE 2022, FYE 2023, FYE 2024 and FYE 2025 due to the timing and progress of their EPCC contracts with us.

Due to the nature of our Group's business, which is on a contract basis, and depending on the types of projects secured from time to time, the revenue contribution from any given client may constitute a significant portion of our Group's annual revenue for that particular year. As such, the revenue contribution from our top 5 clients varies year-on-year due to the difference in value of contract secured from each client as well as the issuance of progressive billing for works completed in any particular year.

Our Group had a total of 42, 38, 31 and 29 clients in FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively. For information, in FYE 2022, we began strategically shifting our focus towards mission critical power solutions projects as it generates higher GP margins due to the higher technical complexity and requirements for meticulous planning, construction and maintenance for these projects. However, there is a limited pool of main contractors and project owners of mission critical facilities in Malaysia, leading to the decreasing customer base.

7. BUSINESS OVERVIEW *(Cont'd)*

7.13 MAJOR SUPPLIERS AND/ OR SUBCONTRACTORS

Our Group's top 5 major suppliers and/ or subcontractors for FYE 2022 to 2025 are as follows:

FYE 2022

No.	Major suppliers and/ or subcontractors	Materials/ services procured	Value of purchases and/ or subcontractors cost		[(1)]Length of relationship
			RM'000	%	(Years)
1.	Win Seng Hung Holding Sdn Bhd	Power supply equipment (generator sets, solar panels and mechanical valves)	15,707	49.2	2
2.	Engentech (M) Sdn Bhd	Control panels	1,600	5.0	<1
3.	Pantech Corporation Sdn Bhd	Valves and pipes	1,050	3.3	<1
4.	Alltank Solutions Sdn Bhd	Bulk storage tanks	990	3.1	<1
5.	DP Controls Sdn Bhd	Control panels	594	1.8	7
			19,941	**62.4**	

FYE 2023

No.	Major suppliers and/ or subcontractors	Materials/ services procured	Value of purchases and/ or subcontractors cost		[(1)]Length of relationship
			RM'000	%	(Years)
1.	Aksa Power Generation (China) Co., Ltd	Generator sets	11,460	35.2	5
2.	Win Seng Hung Holding Sdn Bhd	Power supply equipment (generator sets, solar panels and mechanical valves)	3,219	9.9	3
3.	SBA East Resources Sdn Bhd	Piping works	1,583	4.9	1
4.	Alltank Solutions Sdn Bhd	Bulk storage tanks	1,432	4.4	1
5.	DP Controls Sdn Bhd	Control panels	1,316	4.0	8
			19,010	**58.4**	

7. BUSINESS OVERVIEW *(Cont'd)*

FYE 2024

No.	Major suppliers and/ or subcontractors	Materials/ services procured	Value of purchases and/ or subcontractors cost		[(1)]Length of relationship
			RM'000	%	(Years)
1.	Win Seng Hung Holding Sdn Bhd	Power supply equipment (generator sets, solar panels and mechanical valves)	6,783	20.1	4
2.	Alltank Solutions Sdn Bhd	Bulk storage tanks	3,920	11.6	2
3.	Cummins Sales And Service Sdn Bhd	Generator sets	3,716	11.0	<1
4.	Mestron Engineering Sdn Bhd	Supply of civil and structural works	1,345	4.0	1
5.	Founder Energy Sdn Bhd	Solar PV systems installation works	1,042	3.1	3
			16,806	**49.8**	

FYE 2025

No.	Major suppliers and/ or subcontractors	Materials/ services procured	Value of purchases and/ or subcontractors cost		[(1)]Length of relationship
			RM'000	%	(Years)
1.	Alltank Solutions Sdn Bhd	Bulk storage tanks	8,264	18.7	3
2.	Win Seng Hung Holding Sdn Bhd	Power supply equipment (generator sets, solar panels and mechanical valves)	7,138	16.1	5
3.	DP Controls Sdn Bhd	Control panels	4,234	9.6	10
4.	Practical Fueling Solutions Sdn Bhd	Control panels and systems	2,872	6.5	4
5.	Engentech group[(2)]	Control panels and electrical subcontractor works	1,997	4.5	4
			24,505	**55.4**	

Notes:

(1) Length of relationship is based on each FYE.

(2) Comprises Engentech (M) Sdn Bhd and Engentech Engineering Sdn Bhd.

7. BUSINESS OVERVIEW *(Cont'd)*

Save for Aksa Power Generation (China) Co., Ltd that was incorporated and based in China, all of our other major suppliers in FYE 2022, FYE 2023, FYE 2024 and FYE 2025 are incorporated and based in Malaysia. We do not have any long-term agreements or arrangements with any of our major suppliers. During FYE 2022 to 2025, our Group did not face any material supply disruptions or delays from our major suppliers.

Our top 5 major suppliers in FYE 2022, FYE 2023, FYE 2024 and FYE 2025 constituted 62.4%, 58.4%, 49.8% and 55.4% of our total purchases and subcontractor costs, respectively. From this, our major suppliers and/ or subcontractors that contributed to 10.0% or more of our purchases and subcontractor costs in more than one financial year were:

- Win Seng Hung Holding Sdn Bhd which constituted 49.2%, 9.9%, 20.1% and 16.1% of our total purchases and subcontractor costs in FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively; and

- Alltank Solutions Sdn Bhd which constituted 3.1%, 4.4%, 11.6% and 18.7% of our total purchases and subcontractor costs in FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively.

We source power supply equipment such as generator sets, solar panels and mechanical valves from Win Seng Hung Holding Sdn Bhd, and bulk storage tanks from Alltank Solutions Sdn Bhd. These materials were sourced during the financial years under review as they had inventories of power supply equipment and bulk storage tanks that met our technical requirements and in the quantities that we required, was able to meet our delivery timelines and offered competitive pricing and credit terms.

Notwithstanding this, our Group is not dependent on Win Seng Hung Holding Sdn Bhd, Alltank Solutions Sdn Bhd or any other major supplier, as there are other suppliers in the market that can offer materials and equipment with similar quality, competitive prices and in the quantities that we require for our projects.

In addition, our Group is not dependent on any single subcontractor, as there is a broad pool of qualified subcontractors in the market capable of delivering similar quality and competitive pricing to meet our project requirements.

We select our major suppliers from our internal approved list of suppliers. As at LPD, our Group's internal approved list comprises 201 suppliers of materials and equipment as well as 80 subcontractors that provide labour services.

Our Group has not experienced any material disputes with the abovementioned major suppliers and/ or subcontractors which have had a material adverse impact on our Group's business operations or financial performance.

7. BUSINESS OVERVIEW *(Cont'd)*

7.14 TYPES, SOURCES AND AVAILABILITY OF INPUTS

The following table sets out our purchases for FYE 2022 to 2025:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Fuel tanks	2,426	8.2	1,724	6.6	4,652	18.0	8,044	22.0
Generator sets	11,378	38.4	10,976	42.0	4,556	17.6	1,224	3.4
Control panels and systems	3,598	12.2	2,746	10.5	3,859	14.9	9,564	26.2
Valves	274	0.9	899	3.4	3,677	14.2	6,610	18.1
Power cables	2,822	9.5	2,078	8.0	3,365	13.0	2,385	6.5
Piping and fittings	1,202	4.1	1,544	5.9	1,759	6.8	2,707	7.4
Solar PV panels and inverters	4,687	15.9	2,559	9.8	1,425	5.5	522	1.4
Batteries	506	1.7	545	2.1	201	0.8	176	0.5
Others[(1)]	2,705	9.1	3,063	11.7	2,382	9.2	5,310	14.5
	29,598	**100.0**	**26,134**	**100.0**	**25,876**	**100.0**	**36,542**	**100.0**

Note:

(1) Includes tools, spare parts and diesel.

Our local and foreign purchases for FYE 2022, FYE2023, FYE 2024 and FYE 2025 are as follows:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	%	**%**	**%**	**%**
Local	97.0	65.5	99.7	98.9
Foreign	3.0	34.5	0.3	1.1
Total purchases	**100.0**	**100.0**	**100.0**	**100.0**

The main input materials that we require for our operations are fuel tanks, generator sets, control panels and system, valves and power cables. The purchase of these materials accounted for 69.2%, 70.5%, 77.7% and 76.2% of our total purchases respectively for the financial years under review.

Fuel tanks, generator sets, control panels and system, valves, pipes and fittings are made from steel-based materials, while power cables contain copper. This exposes our Group to fluctuations in the prices of steel and copper. Steel and copper are commodities, and subject to global price fluctuations. The prices of steel and copper are affected by various factors which include, among others, global economic conditions, geopolitical events, demand and supply conditions and production capacity.

For information, the global annual average prices of steel declined from USD25,834 per metric tonne in FYE 2022 to USD21,521 per metric tonne in FYE 2023, then to USD16,814 per metric tonne in FYE 2024 and further to USD15,162 per metric tonne in FYE 2025. Comparatively, the global annual average prices of copper declined from USD8,822 per metric tonne in FYE 2022 to USD8,490 per metric tonne in FYE 2023 before rising to USD9,142 per metric tonne in FYE 2024 and to USD9,946 per metric tonne in FYE 2025.

7. BUSINESS OVERVIEW *(Cont'd)*

During FYE 2022 to 2025, we did not experience any material financial and operational impact from the fluctuations in steel and copper prices, nor did we experience any material changes in component and material prices. Notwithstanding this, there can be no assurance that future fluctuations in the prices of steel and copper would not adversely affect the profitability of our Group.

7.15 BUSINESS DEVELOPMENT, SALES AND MARKETING

Our business development, sales and marketing activities are led by our Executive Director/ Chief Operating Officer, Sharon Mak who also oversees our tender preparations and quotation submissions.

Our business development and marketing activities aim to secure new business opportunities, retain existing clients and secure new clients. We secure new clients and projects through the following methods:

(a) Tenders, referrals and recommendations from existing clients and consultants

We actively review tender notices to bid for new projects, and strive to increase our profile among engineering companies, consultants, architects, project owners and business associates. This positions us favourably to be invited for tender invitations from existing and potential clients.

We position and market ourselves as a power engineering firm focusing on the EPCC of power solutions with in-house engineering strength and CIDB G7 registration. We believe that our business reputation contributes to positioning us positively to procure new projects and clients.

(b) Fostering relationships with our clients

We seek to retain clients by fostering long-term relationships. As we work closely with our clients during the delivery of our power solutions projects, we are able to build and foster rapport with them.

(c) Digital marketing

We leverage on our corporate website to build brand awareness and communicate our range of power solutions to existing and potential clients. Our corporate website at www.eip.com.my provides immediate searchable information on our Group and details of our services.

7.16 RESEARCH AND DEVELOPMENT

Due to the nature of our business activities, we do not carry out research and development activities and we have not recognised any research and development expenditure during FYE 2022 to 2025.

7.17 INTERRUPTIONS TO BUSINESS

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

7. BUSINESS OVERVIEW *(Cont'd)*

7.18 BUSINESS STRATEGIES AND FUTURE PLANS

We intend to implement the following business strategies and plans over a period of 36 months from the date of our Listing.

(a) We intend to establish a new headquarters cum warehouse in Selangor

We presently operate from our headquarters in Shah Alam, Selangor which has a built-up area of approximately 5,821.5 sq ft. Our present headquarters (including storage), which also serves as our sales and service office, is rented from a third party.

In line with the expansion of our Group's business, we intend to acquire a new headquarters cum warehouse space that will enable us to enhance our corporate image amongst clients, suppliers and business associates as well as expand our workforce.

Our Group intends to allocate RM18.26 million representing 29.4% of our gross proceeds from the Public Issue to acquire an industrial property with ready built office and warehouse which will be used for the following purposes:

(i) our Group's new headquarters; and

(ii) warehouse for the storage of equipment and tools.

As at LPD, we are still in the midst of identifying a suitable industrial property in the Shah Alam area with built-up area of approximately 12,000 to 16,000 sq ft. As such, the exact location and size of the property are subject to changes in prevailing property prices and the availability of suitable properties that meet our criteria.

The approximately built-up areas for our proposed new headquarters cum warehouse are as follows:

Description	Approximate built-up area (sq ft)
Headquarters	7,000 to 9,000
Warehouse storage	5,000 to 7,000

The cost of acquisition and setup of new headquarters cum warehouse in Selangor are as follows:

Description	Estimated cost
	RM'000
Property acquisition cost[(1)]	15,000
Mechanical, electrical and plumbing works[(2)]	1,800
Interior design works[(3)]	800
Furniture and fittings	167
Office IT equipment and software	238
Submission to authorities	100
Contingencies	150
	18,255

Notes:

(1) For clarity, the property acquisition cost is estimated based on the market rate of a similar industrial size property derived from publicly available sources.

7. BUSINESS OVERVIEW *(Cont'd)*

(2) Based on a quotation from a third-party contractor to undertake the mechanical, electrical and plumbing works for our new headquarters cum warehouse.

(3) Based on a quotation from a third-party contractor to undertake the interior design and renovation works for our new headquarters cum warehouse.

The indicative timeline for the acquisition and setup of our new headquarters cum warehouse in Selangor are as follows:

Timeline	Details
T + 6 months	• Identify suitable property and negotiate with vendor(s) of property
T + 9 months	• Execution of sale and purchase agreement for the property acquisition • If required, to obtain relevant state consent for the acquisition of the property
T + 15 months	• Completion of property acquisition • Submission of building renovation plan to local council and to obtain relevant licences for renovation
T + 21 months	• Approved building renovation plan obtained from local council including all relevant licences are obtained for renovation • Commencement of renovation of our new headquarters and warehouse
T + 32 months	• Completion of renovation work of our new headquarters cum warehouse and obtaining CCC (if required) • Application for fire certificate, if required
T + 34 months	• Application for business licence
T + 36 months	• Commence relocation of existing headquarters (including storage)(1) • Commencement of operations of the new headquarters cum warehouse

Notes:

T from the date of our Listing.

(1) Upon receiving the necessary certifications and licences, we will relocate our existing headquarters (including storage) as mentioned above to our new headquarters cum warehouse. Prior to relocation, we will serve sufficient notice of up to 3 months to the landlord for our office in Shah Alam, Selangor of our intention to cease the rental of our existing headquarters (including storage).

In the event that we have identified a suitable property for our new headquarters cum warehouse and are required to execute the sale and purchase agreement prior to our Listing, the property acquisition cost will be funded via internally generated funds and/or bank borrowings. Upon completion of our Listing, we will repay the bank borrowings from the earmarked proceeds of the Public Issue.

7. BUSINESS OVERVIEW *(Cont'd)*

(b) We intend to expand our solutions to include building energy efficiency systems

Energy efficient buildings use technology, sustainable materials and smart design strategies to minimise energy consumption. Energy efficient buildings provide long-term cost savings, contribute to environmental sustainability and promote a greener environment.

We believe that awareness of ESG is growing in Malaysia. Our value proposition is to assist our clients to optimise energy consumption due to energy inefficiency, carbon intensity and capital constraints through building energy efficiency systems that can also contribute to their ESG efforts.

Leveraging on our track record as a power engineering firm and our status as Grade G7 contractor under CIDB which allows our Group to undertake the works of building automation systems, we intend to venture into this new business segment, deploying the appropriate technology, sustainable materials and smart design strategies to minimise energy consumption. Energy efficient buildings provide long-term cost savings, contribute to environmental sustainability and promote a greener environment.

We intend to introduce a zero-capital expenditure model, whereby our Group will fund the cost to design, supply, commission and maintain building energy efficiency systems at the buildings owned and/ or operated by our target clients under a contract where we earn a percentage of the verified savings for the duration of agreement. During the duration of the agreement, the ownership of the installed building energy efficiency system is vested with our Group. At the end of the tenure of the agreement, the ownership of these building energy efficiency systems will be transferred to our target clients. For clarification, the cost of installing the building energy efficiency systems shall be borne by the target clients. In cases where our target clients are reluctant to incur expenses to purchase the system, we will bear the cost of installing the building energy efficiency systems and subsequently receive a monthly recurring revenue (i.e. verified savings), including the installation cost of the system, for the duration of the agreement. Subsequent to the installation, our Group will operate and perform maintenance on the building energy efficiency systems over the agreed contract period. The estimated contract period for these projects will typically range from 10 to 15 years.

Specifically, we intend to introduce the following new solutions that will promote building energy efficiency and lower electricity costs:

- Chiller plant optimisation system

  Commercial and industrial buildings typically use a chiller plant. A chiller plant is a centralised cooling system that provides cooling, typically for air conditioning or process cooling. Chiller plants are designed to serve multiple cooling cycles within a building, offering greater efficiency and capacity compared to individual air conditioning units.

  The core of a chiller plant is the refrigeration cycle, which continuously removes heat from a liquid coolant (usually water) and then circulates that chilled liquid to cool down air or equipment. This continuous refrigeration cycle requires significant energy, resulting in chiller plants being the highest point of electricity consumption in some commercial and industrial buildings.

7. BUSINESS OVERVIEW *(Cont'd)*

We intend to design, supply, commission and provide after-sales maintenance for chiller plant optimisation system that can generate recurring revenue for our Group.

Our chiller plant optimisation system will feature:

- integration of sensors to detect parameters such as building occupancy, weather conditions and heat load, variable speed drives and control software to optimise chiller performance;

- dynamic adjustment of cooling based on real-time needs, taking into account parameters such as building occupancy, weather conditions and heat load; and

- automatic coordination between chillers, cooling towers, pumps and valves for maximum efficiency.

With this, chiller plants will not have to operate at full capacity all the time and its energy consumption can be reduced. A well implemented chiller optimisation system can lead to lower electricity consumption.

- Smart LED lighting system

Lighting systems are used to illuminate indoor and outdoor spaces in buildings. Lighting represents a large end-use of electricity. The integration of energy-efficient lighting and control systems can contribute to electricity savings.

We intend to upgrade outdated lighting in buildings to high-efficiency LED systems that are integrated with automated control technologies. This involves the design, supply, installation and maintenance of LED lighting and control systems. Our smart LED lighting systems will feature:

- LED light bulbs which consume less electricity than conventional lighting;

- smart lighting controls including motion sensors, daylight sensors and scheduling controls to ensure lights are only used when needed; and

- a centralised monitoring system to provide analytics for further optimisation and predictive maintenance.

The retrofitting of lighting system can offer immediate savings with minimal disruption to operations. A good lighting design can contribute energy savings and visual comfort to occupants.

- Air handling and fan coil unit upgrades in air-conditioning system

An air handling unit is an equipment designed to regulate and circulate air within a building. It is typically part of a centralised ACMV system and is used to handle large volumes of air across multiple zones or an entire building. A fan coil unit is a small compact ACMV device designed to provide localised heating or cooling within specific rooms or small areas of a building. Unlike air handling units, fan coil units do not typically handle outside air and are primarily used to control the temperature in individual spaces. The selection of air handling units and fan coil units can impact electricity consumption in a building.

7. BUSINESS OVERVIEW *(Cont'd)*

We intend to upgrade outdated air handling and fan coil units with high-efficiency equipment and systems. This involves the supply, installation and maintenance of air handling and fan coil units. Our air handling and fan coil units will feature:

- replacing or retrofitting older air handling and fan coil units with high-efficiency motors, variable speed drives and smart sensors to detect parameters such as building occupancy, carbon dioxide levels and indoor air quality data;
- dynamic adjustment of airflow and temperature based on parameters such as building occupancy, carbon dioxide level and indoor air quality data; and
- improvement in building ventilation that contributes to occupant health and electricity savings.

Air handling and fan coil units with high-efficiency motors and variable speed drives can contribute to lower electricity consumption. Further, through the integration of smart sensors, air handling and fan coil units will not have to operate at full capacity all the time thereby reducing electricity consumption.

Our target clients for these building energy efficiency systems are property owners of commercial and industrial buildings that presently do not have energy efficiency systems installed in their buildings. These target clients would ideally be seeking to retrofit their properties to comply with ESG standards and achieve energy cost savings.

We intend to allocate RM10.00 million, representing 16.1% of our gross proceeds from the Public Issue to purchase the relevant components and equipment within 24 months from the date of our Listing to support the implementation of our building energy efficiency systems as follows:

Description	**Estimated units of systems**	**[(1)]Allocation RM'000**
Chiller plant optimisation system: - Purchase of high efficiency industrial chillers, variable speed drives, chilled and condenser water pumps, sensors, control valves and centralised building automation system	2	4,000
Smart LED lighting system - Purchase of LED bulbs, light tubes, smart light control system with analytics capabilities	5	3,750
Air handling and fan coil unit upgrades in air-conditioning system - Purchase of high efficiency fans, variable speed drives, air compressor, smart control systems with analytics capabilities	1	2,250
		10,000

7. BUSINESS OVERVIEW *(Cont'd)*

Note:

(1) The timeline of each of the purchase of the relevant components and equipment will be in tandem with our Group securing projects from customers for the installation of building energy efficiency systems, expected to be within 24 months from the date of our Listing. In addition, the actual amount for each of the system is subject to, amongst others, size and energy consumption requirements of the buildings. If the actual amount for each system varies from the above estimated allocation, the excess or deficit, as the case may be, may be adjusted to/ from the amount earmarked for capital expenditure for the installation of energy efficiency systems as well as general working capital requirements.

As at LPD, we are in the midst of identifying suppliers of the abovementioned components and equipment for inclusion in our building energy efficiency systems and product testing.

We further intend to recruit additional employees to carry out the project planning and management for projects relating to building energy efficiency systems. We intend to allocate RM0.66 million from our working capital allocation of our gross proceeds from the Public Issue for the recruitment of the following additional employees:

Position	No. of pax	[(a)]Estimated cost	Functions
		RM'000	
Project manager	1	280	Overseeing the implementation of projects
Project engineer	3	375	Managing and monitoring the progress of subcontractors' work
	4	**655**	

Note:

(a) Based on our Group's salary records and estimates. Such amount is expected to be utilised over a period of 24 months from the date of our Listing and the payments of salaries of additional personnel will subsequently be funded via internally generated funds.

Building energy efficiency systems will be a new business segment for our Group. The reporting of this segment will commence once we generate revenue from the sales of building energy efficiency systems. We have received expressions of interest from potential clients for our building energy efficiency systems. As at LPD, we have yet to secure any sales from this segment but expects to commence generating revenue in the second half of 2026 as we anticipate to commence marketing our building energy efficiency systems to potential clients by the second quarter of 2026.

7. BUSINESS OVERVIEW *(Cont'd)*

(c) We intend to venture into Thailand which has a growing data centre market

The data centre market in Thailand is growing supported by private investments, government support and the country's geographical location in the centre of Southeast Asia's expanding digital infrastructure landscape. The data centre growth in Thailand is also supported by stable power supply, improving telecommunications infrastructure and government incentives such as the Thailand Board of Investment's freehold land ownership allowances for foreign investors. Thailand presently has approximately 50 data centres that are primarily clustered around Bangkok. In March 2025, the government approved THB90.9 billion (USD2.7 billion) worth of investments in data centres and cloud services in Thailand. *(Source: IMR)*

Premised on the growth prospects above, we see the potential of venturing into Thailand where we can offer our EPCC services for diesel generation and fuel distribution systems to main contractors and project owners of data centre developments. Further, our Group has received expressions of interest from existing and potential clients in Thailand for mission critical power solutions.

In line with this, we had incorporated a wholly-owned subsidiary, EIP Thailand on 25 July 2025 in Thailand. On 28 August 2025, we applied for a Foreign Business Licence and Investment Promotion Certificate, and is pending approval from the Board of Investment of Thailand. The timeframe required to obtain the Foreign Business Licence and Investment Promotion Certificate generally ranges up to 12 months from the date of application. Upon obtaining the said Foreign Business Licence and Investment Promotion Certificate, EIP Thailand may proceed to apply for CEP Licence. After obtaining these necessary licences, we will commence operations of EIP Thailand.

As at LPD, we have submitted 4 tenders for EPCC services for fuel distribution systems with a total tender sum of approximately THB620 million (equivalent to approximately RM75.25 million based on BNM's exchange rate of THB100: RM12.1376 as at LPD), which are still pending evaluation. If these projects are awarded to our Group, we will be required to deploy our Malaysian team to undertake the delivery of these projects upon obtaining the necessary business licences.

As the venture to Thailand is new, we intend to firstly operate from a co-working space in Bangkok until our operations have stabilised.

We intend to allocate RM1.38 million, representing 2.2% of our gross proceeds from the Public Issue for the establishment of an office in Bangkok, Thailand, the breakdown of which is as follows:

Description	**Estimated cost**
	RM'000
Co-working space rental expenses[(1)]	100
Professional fees for setup and statutory compliance[(2)]	200
Recruitment of employees for Thailand office[(3)]	1,080
	1,380

Notes:

(1) The co-working space rental expenses is estimated based on quotations obtained and the allocation from the gross proceeds for the rental expenses is expected to be utilised over a period of 24 months from the date of our Listing.

7. BUSINESS OVERVIEW *(Cont'd)*

(2) Comprising business registration, company secretarial fees and audit fees to be utilised over a period of 24 months from the date of our Listing.

(3) We intend to recruit the following local employees (i.e. employees in Thailand) to manage our operations in Thailand under the supervision of our Executive Directors, of which the allocation is as follows for a period of 24 months from the date of our Listing:

Position	No. of pax	Estimated cost
		RM'000
Project manager	1	450
Project engineer	1	350
Project supervisor	1	200
Administrative staff	1	80
	4	**1,080**

(d) We intend to open a branch office cum warehouse in Johor

Malaysia's data centre market is growing fast, attributable to the rise in cloud computing, artificial intelligence and digital transformation. Johor has positioned itself as a prime location for large-scale data centres, and is the largest data centre market in Malaysia in terms of data centre development and investments. Johor's data centre boom is largely driven by multinational corporations with regional presence. The Government has actively supported Johor's data centre ecosystem by developing industrial parks with suitable infrastructure. This, combined with Johor's proximity to Singapore, the spillover effects of the USA-China trade war, as well as competitive land, water and power rates has supported data centre developments in the state. *(Source: IMR)*

In light of data centre development projects in Johor, we believe that having a physical presence in this state will enable us to capture more business opportunities for data centre-related projects and strengthen our market presence in the southern region of Peninsular Malaysia.

As at LPD, we are still identifying a suitable property to rent as our branch office cum warehouse in Johor with an approximate built-up area of 8,500 sq ft. The exact location and size of the intended premise are subject to changes in property prices and availability of premises that meet our criteria.

Our Group intends to allocate RM2.29 million, representing 3.7% of our gross proceeds from the Public Issue for the establishment of branch office cum warehouse in Johor, the breakdown of which are as follows:

Description	Estimated cost
	RM'000
Rental expenses[1]	505
Mechanical, electrical and plumbing works[2][3]	706
Interior design works[2][3]	633
Furniture and fittings[3]	68
Office equipment[3]	90
Submission to authorities[3]	100
Contingencies[3]	183
	2,285

7. BUSINESS OVERVIEW *(Cont'd)*

Notes:

(1) Includes utilities. The rental expenses is estimated based on quotations obtained and the gross proceeds from the Public Issue for the rental expenses is expected to be utilised over a period of 24 months from the date of our Listing.

(2) The estimated costs are based on quotations obtained from third-party contractors. Upon renting the property, we will appoint a third-party contractor to undertake the relevant renovation works for our new branch office cum warehouse via tender process.

(3) The gross proceeds from the Public Issue for such relevant expenses is expected to be utilised over a period of 12 months from the date of tenancy agreement upon renting of property for our branch office cum warehouse in Johor.

We expect to commence operations at our Johor branch office cum warehouse in second half of 2026.

7.19 PRODUCTION CAPACITIES AND OUTPUT

Our Group is a power engineering firm and we are principally involved in the EPCC of mission critical power solutions, conventional power solutions and renewable energy power solutions. As such, conventional measures of production capacity and utilisation are not relevant to our operations.

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8. IMR REPORT

PROVIDENCE STRATEGIC PARTNERS SDN BHD
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2 April 2026

The Board of Directors
EI POWER BERHAD
2, Jalan Anggerik Mokara 31/49
Seksyen 31, Kota Kemuning
40460, Shah Alam
Selangor
Malaysia

Dear Sirs,

Outlook of the Power Engineering Industry in Malaysia in conjunction with the Listing of EI POWER BERHAD on the ACE Market of Bursa Malaysia Securities Berhad

PROVIDENCE STRATEGIC PARTNERS SDN BHD ("**PROVIDENCE**") has prepared this Outlook of the Power Engineering Industry in Malaysia strictly for inclusion in the Prospectus of EI POWER BERHAD.

PROVIDENCE has taken prudent measures to ensure reporting accuracy and completeness by adopting an independent and objective view of these industries within the confines of secondary statistics, primary research and evolving industry dynamics.

No part of this publication may be copied, reproduced, published, distributed, transmitted or passed, in whole or in part, without the prior express written consent of PROVIDENCE.

For and on behalf of PROVIDENCE:



ELIZABETH DHOSS
EXECUTIVE DIRECTOR

About PROVIDENCE STRATEGIC PARTNERS SDN BHD:

PROVIDENCE is an independent research and consulting firm based in Petaling Jaya, Selangor, Malaysia. Since our inception in 2017, PROVIDENCE has been involved in the preparation of independent market research reports for capital market exercises. Our reports aim to provide an independent assessment of industry dynamics, encompassing aspects such as industry performance, demand and supply conditions, competitive landscape and government regulations.

About ELIZABETH DHOSS:

Elizabeth Dhoss is the Executive Director of PROVIDENCE. She has more than 15 years of experience in market research for capital market exercises. Elizabeth Dhoss holds a Bachelor of Business Administration from the University of Malaya, Malaysia.

PROVIDENCE

1 POWER ENGINEERING INDUSTRY IN MALAYSIA

Power engineering is a specialised field of electrical engineering that focuses on the generation, transmission, distribution and utilisation of electrical power. Power engineering relates to the design, installation, operations and maintenance of power systems encompassing the aspect of power generation, conversion, transmission, distribution and storage across various built environments and utility scale facilities. These built environments include mission critical facilities as well as commercial, industrial and residential properties as well as utility scale facilities such as solar farms.

Electricity is generated from primary energy, comprising non-renewable energy and renewable energy. The selection of electricity production sources and their economic viability can differ based on demand and geography. Both non-renewable energy and renewable energy have their advantages, and can be used in combination to generate and supply electricity. Non-renewable energy is generated from resources extracted from the earth and are finite in nature. These resources primarily comprise hydrocarbon resources such as oil, gas and coal. Renewable energy refers to energy that is generated from natural resources such as sunlight, wind, rain, tides and geothermal heat which are naturally renewable. Solar energy is harnessed from the sun's radiant light and heat through active and passive technologies such as solar heating, solar photovoltaics ("**PV**"), solar thermal energy, solar architecture and artificial photosynthesis.

Engineering, procurement, construction and commissioning ("**EPCC**") contracts are a common form of contract used by the private sector to undertake construction works for infrastructure projects. Under an EPCC contract, the contractor is obliged to deliver a complete facility to a developer who then only needs to "turn a key" to start operating the facility. Hence, EPCC contracts are sometimes called turnkey construction contracts. In addition to delivering a complete facility, the contractor must deliver that facility for a guaranteed price by a specified date which must perform at a specified level. Failure to comply with any requirements will usually result in the contractor incurring monetary liabilities, in the form of liquidated ascertained damages.

EI Power Berhad is a power engineering firm and principally involved in the provision EPCC of mission critical power solutions, conventional power solutions and renewable energy power solutions. EI Power Berhad's power engineering solutions focus on the design, project management, supply, installation, testing and commissioning of diesel generation and fuel distribution systems as well as solar PV systems.

In the context of this report, the power engineering industry relates to the EPCC of mission critical power solutions, conventional power solutions, and renewable energy power solutions.

Mission critical facilities include data centres, semiconductor plants, military facilities and financial institutions. These facilities require backup power to ensure fundamental assets or systems are stable and operate continuously. In today's business environment, data centres are the backbone of the digital economy as they house vital infrastructure for cloud computing, storage and communications. A brief power interruption can lead to service disruptions, data loss and significant financial consequences. To ensure uptime, data centres rely heavily on backup diesel generation and fuel distribution systems, which are typically powered by diesel fuel due to their high energy density, reliability and long shelf life.

The primary source of electricity for data centres in Malaysia is the local power grid. However, data centres are designed with redundancies in preparation for any disruption in power supply from the local grid. Data centres rely on diesel generation and fuel distribution systems that are installed within the data centre premises. The components of diesel generation and fuel distribution systems include aboveground or underground bulk tanks for the on-site storage and handling of diesel and a network of pipelines connecting the fuel tanks to the generator room. In the event of power grid outage, an automatic mechanism will seamlessly switch the data centres' electricity source from the local power grid to the diesel generation and fuel distribution system. The testing and commissioning processes of diesel generation and fuel distribution systems for mission critical facilities are stringent owing to their requirement for uninterrupted, reliable and consistent power supply.

Conventional power solutions relate to diesel generation and fuel distribution systems for commercial and industrial properties. These power solutions ensure seamless and continuous commercial and industrial operations as they function as backup power sources for buildings during power outages and other emergencies. Conventional power solutions include a generator set that automatically activates within seconds of detecting a power outage, providing a seamless transition to backup power. Conventional power solutions typically rely on diesel to power generator sets during power outages.

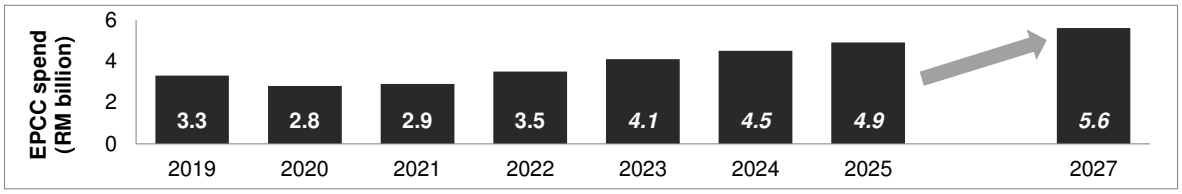
Renewable energy power solutions include utility scale ground-mounted solar PV systems and floating solar PV systems on water bodies, as well as solar PV systems on residential, commercial, industrial and public building rooftops. Malaysia receives approximately 1,575 to 1,812 kilowatt hours per square meter (kWh/m^2) of solar

irradiance due to its location around the equator.[1] As the nation's solar irradiance is relatively high, solar PV is considered a viable renewable energy option for Malaysia. In addition to favourable irradiation, solar resource is driven by the availability of areas for the installation of solar PV systems.

INDUSTRY SIZE AND GROWTH POTENTIAL

The power engineering industry in Malaysia, based on the value of EPCC spend on mission critical power solutions, conventional power solutions and renewable energy power solutions, grew from RM3.3 billion in 2019 to RM4.9 billion in 2025 at a compound annual growth rate ("**CAGR**") of 6.8%. In 2020 and 2021, the EPCC spent on power engineering solutions declined due to COVID-19, which disrupted business activities arising from the imposition of various containment measures that led to subdued economic conditions. Nevertheless, the easing of the containment measures since August 2021 and the reopening of the economy have supported the gradual improvement in demand for power engineering solutions. As a result, the EPCC spent on power engineering solutions increased to RM3.5 billion in 2022. Malaysia saw the implementation of several data centre projects, which created a positive demand for power engineering solutions between 2023 and 2025, as EPCC spend for power engineering solutions rose to RM4.1 billion, RM4.5 billion and RM4.9 billion, respectively.

EPCC spend on power engineering solutions in Malaysia



Source: PROVIDENCE analysis

PROVIDENCE projects the power engineering industry to grow from RM4.9 billion in 2025 to RM5.6 billion in 2027 at a CAGR of 6.9%. Demand for power engineering solutions will be supported by growth in end user industries, economic growth, growth in commercial, industrial and residential property markets, Malaysia's energy drive relating to the adoption of solar energy as well as foreign and domestic investment growth.

DEMAND CONDITIONS: KEY GROWTH DRIVERS

Growth in end user industries drives demand for mission critical power solutions

The growth in the following end user industries bode well for the demand for mission critical power solutions:

- **Data centre industry**

  A data centre is a large and powerful computer room that has servers, network equipment, storage, cooling systems and backup power. The design of a data centre is based on a network of computing and storage resources that enable the delivery of shared applications and data. Data centres host servers, networking equipment and storage systems, which collectively enable the functioning of the internet, cloud computing, artificial intelligence and big data analytics. The growing demand for digital services has created corresponding demand for more data centres. Demand for computational power is driven data centres to consume significant amounts of energy, particularly to power and cool numerous servers and networking equipment that process and store massive amounts of data.

  Malaysia has been home to data centres since the early 2000s. Data centre development in Malaysia has predominantly taken place in Selangor and Johor. Several factors support Malaysia's position as a potential leading data centre market globally including it being an existing regional hub for manufacturing, logistics and big data analytics; low electricity tariffs; adequate and affordable water supply for the cooling of data centres; tax incentives of up to five years by the Government of Malaysia; high literacy rates; low occurrence of natural disasters; and ample land supply at attractive prices.

  In 2021, Microsoft Corporation, an American information technology company, announced plans to establish its first data centre in Malaysia to deliver cloud services locally. Further in 2024, Microsoft Corporation announced that it would invest RM10.5 billion over the next four years to support Malaysia's digital transformation.[2] In 2021, NASDAQ listed Chindata Group Holdings Limited, a China data centre solution

[1] Malaysia Renewable Energy Roadmap – Pathway Towards Low Carbon Energy Systems, Sustainable Energy Development Authority ("**SEDA**")

[2] Microsoft to invest RM10.5bil in Malaysia's cloud and AI infrastructure, NST, 1 May 2024

provider, announced the construction of its fourth hyperscale data centre in Johor with an investment value of about RM2.5 billion over a five-year period. Malaysia has also attracted Hong Kong-listed GDS Holdings Ltd, a China data centre developer and operator, which broke ground in Johor in April 2022 for the development of a data centre with a total investment value of RM1.4 billion. Google LLC (formerly known as Google Inc), an American technology company, also announced plans to include Malaysia as its new Google Cloud region, an investment that will involve a data centre. YTL Power International Berhad, a subsidiary of YTL Corporation and Malaysian independent power producer, through its subsidiary, YTL Data Center Holdings Pte Ltd, announced investments of RM1.5 billion for the first phase of the YTL Green Data Centre Park in Johor. During the year, Japan-listed Nippon Telegraph and Telephone Corporation, a Japanese telecommunications company, also announced plans to invest over USD50.0 million (RM227.0 million) for its sixth data centre in Cyberjaya.[3]

In 2022, Google LLC announced plans to include Malaysia as its new Google Cloud region, an investment that will involve a data centre. Subsequently in November 2023, Google LLC announced a strategic collaboration with the Government of Malaysia to invest in Malaysia's digital competitiveness, including infrastructure and artificial intelligence innovation programmes. These initiatives are built on Google LLC's investments in Malaysia over the last 12 years. In 2022 alone, Google LLC's products and programmes had supported more than 47,900 jobs and also contributed, directly and indirectly, an estimated USD2.8 billion (RM12.4 billion) in economic benefits to local businesses. Further in 2024, Google Inc committed USD2.0 billion (approximately RM9.4 billion) in Malaysia, including the development of its first Google data centre and Google Cloud region to meet the growing demand for cloud services locally and around the world, as well as artificial intelligence (AI) literacy programmes for students and educator. The data centre will power its popular digital services such as Search, Maps and Workspace, that people and organisations worldwide use on a daily basis.[4]

In 2024, Bridge Data Centres announced its intention to expand its presence in Malaysia by acquiring new land in Selangor to build its third data centre in Cyberjaya. This new data centre is expected to be the largest among Bridge Data Centres' three developments. In partnership with Cyberview Sdn Bhd, the expansion will increase Bridge Data Centres' information technology capacity by about 87 megawatts ("**MW**") across three phases, with each phase involving the construction of a three-story data centre.[5] Further, Amazon Web Services ("**AWS**") launched the AWS Asia Pacific data centre in Malaysia to help local businesses and organisations run their applications closer to home and serve their users more efficiently. As part of its long-term commitment, AWS is planning to invest an estimated RM29.2 billion in Malaysia between 2024 and 2038.[6]

The state government of Johor approved 42 data centre construction projects as of the second quarter of 2025, positioning the state as a leader in the country's digital investment and a strategic destination for high-technology and knowledge-based economic growth in the region. Data centres serve as a key driver for the implementation of the Johor-Singapore Special Economic Zone, the Johor Digital Plan and the state's border economic transformation agenda. In Johor, the development of data centres is prioritised in planned industrial zones such as the Ibrahim Technopolis (IBTEC) in Kulai, the Sedenak industrial area and the Pasir Gudang industrial zone, as these locations offer strategic advantages, including direct access to major highways, high-capacity power grids, stable water supply, and proximity to ports and international airports. A total of 7,618 acres of planned industrial land has been allocated for data centre development in Johor.[7]

In recent years, there has been a significant increase in demand from hyperscale co-location data centres in Malaysia. In response to this growing market, Tenaga Nasional Berhad introduced the Green Lane Pathway in 2023 to fast-track the onboarding process and reduce the time taken for the supply connection of electricity to data centres. In 2023, Tenaga Nasional Berhad saw a surge in electricity demand from data centres, as it received 63 applications with a cumulative maximum demand of 8.2 GW, underscoring the digital economy's growing energy need. As of end 2025, 35 data centres were energised, 14 data centres are under construction and 7 supply agreements were secured, totalling 7.5 GW. Based on latest available information, Malaysia had a total of 54 data centres as of 2024, primarily in Johor and Cyberjaya. The growing data centre market in Malaysia creates demand for mission critical power solutions.

- **Semiconductor and electronics industry**

  Malaysia's semiconductor and electronics industry is export driven and it encompasses the manufacturing and sales of semiconductor and electronics products. Between 2015 and 2025, the global semiconductor

[3] Data centre investments – good or bad for Malaysia, Malaysian Investment Development Authority ("**MIDA**"), 17 September 2022
[4] Google to invest RM9.4 bln in Malaysia, develop data centre, cloud region, MIDA, 30 May 2024
[5] Bridge Data to build its largest data centre in Malaysia, Business Times, 29 February 2024
[6] Amazon launches data centre in Malaysia, part of US$6.2bil investment here, Business Times, 22 August 2024
[7] Johor approved 42 data centre construction projects in 2Q2025 — exco, The Edge Malaysia, 29 July 2025

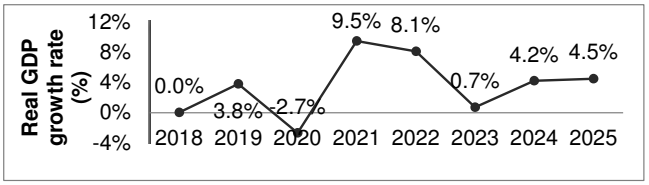
and electronics industry size, in terms of sales, has been increasing from USD335.2 billion (RM1.3 trillion) to USD791.7 billion (RM3.2 trillion), registering a CAGR of 9.0%.[8, 9] The worldwide demand for semiconductor and electronics products has been largely driven by:

- the technological revolution with 5G adoption and the emergence of internet of things ("**IoT**"), artificial intelligence and big data analytics, which have resulted in the emergence of new final electronic products. This technological revolution of semiconductor and electronic products is expected to continue driving new developments in the semiconductor and electronics industry to produce more advanced semiconductor and electronic products in terms of performance, capacity and technology; and
- rapid technological advancements which have led to continuous introductions of new product innovations and advancements. Final electronic products, especially consumer electronic products, are subject to relatively shorter product lifecycles, given that consumers are highly receptive to new product innovations and advancements.

Increasingly, multinational semiconductor and electronics companies (comprising outsourced semiconductor assembly and test as well as electronic manufacturing service providers) have been relocating their manufacturing facilities to countries in Southeast Asia such as Malaysia. This is due to the lower operating costs and/or availability of talent; established local ecosystem; as well as growing demand for final electronic products in these countries. Malaysia also stands to benefit from the trade war between the United States of America ("**United States**") and the People's Republic of China ("**China**") which has led to more multinational semiconductor and electronics companies setting up or expanding their operations in Southeast Asian countries. The expansions of semiconductor companies in Malaysia include that of Intel Corporation, an American semiconductor chip manufacturer that has invested approximately USD7.0 billion (approximately RM30.0 billion) in a new chip packaging and testing factory in Malaysia,[10] as well as Infineon Technologies AG, a German semiconductor manufacturer, which will be investing over EUR2.0 billion (approximately RM9.5 billion) to expand its operations in Malaysia.[11] In particular, exports of semiconductor and electronics products from Malaysia grew from RM277.9 billion in 2015 to RM711.6 billion in 2025 at a CAGR of 9.9%.[12]

- **Manufacturing industry**

Manufacturing sector gross domestic product ("GDP") growth in Malaysia



Source: Department of Statistics Malaysia, PROVIDENCE analysis

The manufacturing sector recorded a growth of 3.8% in 2019 as external demand affected manufacturing activity in the electrical and electronics ("**E&E**") cluster while supply disruptions in key commodities led to lower production activities. In 2020, the manufacturing sector contracted by 2.7% as restriction on operations, supply-chain disruptions and weak demand for manufactured products arising from the COVID-19 affected activities. In 2021, recovery in global and domestic demand supported Malaysia's manufacturing sector which saw a growth of 9.5%. In 2022, the manufacturing sector grew by 8.1% supported by global and domestic demand. The full upliftment of containment measures lent boosted production activities in Malaysia. Growth in the manufacturing sector was slower in 2023 compared to 2022 due to weaker export demand for manufactured goods. Nonetheless, the recovery in tourism activities and construction activities generated demand for consumer products and building materials. As a whole, the manufacturing sector grew by 0.7% in 2023. In 2024, the manufacturing sector expanded by 4.2% driven by a recovery in export-oriented clusters following stronger global trade and technology upcycle. In 2025, the manufacturing sector further expanded by 4.5%.

Economic growth creates demand for electricity and ultimately, power engineering solutions

Electricity is a crucial element in the development process as well as economic growth of a country. Shortage of electricity supply may negatively affect the development progress of the country, and possibly limit its potential growth. Malaysia's consumption of electricity increased from 132,199.0 gigawatt hours ("**GWh**") in 2015[13] to

[8] Semiconductor Industry Association

[9] Exchange rates from USD to RM in 2015 at USD1 = RM3.9064 and 2025 at USD1 = RM4.0570. Sourced from the Central Bank of Malaysia

[10] Intel to invest USD7 billion in chip packaging facility in Malaysia, The Economic Times, 14 December 2021

[11] Infineon to boost Kulim capacity, The Star, 18 February 2022

[12] Malaysia External Trade Development Corporation (MATRADE), PROVIDENCE analysis

[13] Malaysia Energy Statistics Handbook 2022, Energy Commission Malaysia

187,366.1 GWh in 2024.[14] Between January and July 2025, the consumption of electricity reached 108,812.4 GWh. Regionally, Peninsular Malaysia remains as the primary consumer of electricity in Malaysia, consuming close to 80.0% of the electricity sold.

The consumption of electricity is a key driver for the electricity supply industry, and spurs investments in generation, transmission and distribution infrastructure. Over the longer term, the demand for electricity is expected to continue growing driven by future economic growth, supportive Government policies, as well as population growth. Economic growth is a key driver for investments in power infrastructure, as a robust power infrastructure supports economic activities and attracts foreign and domestic investments. PROVIDENCE anticipates that the investments in mission critical power solutions, conventional power solutions and renewable energy power solutions will continue in tandem with economic development, as electricity is an important driver for the economic growth of a nation.

Growth in the commercial, industrial and residential property markets support demand for power engineering solutions

Between 2019 and 2025, residential, commercial and industrial property transactions rose from RM116.2 billion to RM200.8 billion at a CAGR of 9.5%. From this, commercial property transactions rose from RM29.0 billion to RM58.7 billion at a CAGR of 12.5%, industrial property transactions rose from RM14.8 billion to RM33.8 billion at a CAGR of 14.8% and residential property transactions rose from RM72.4 billion to RM108.3 billion at a CAGR of 6.9%.

The Economic Outlook 2025 by the Ministry of Finance Malaysia projected economic growth between 4.5% and 5.5% in 2025, supported by a resilient external sector, benefitting from improved global trade and stronger demand for electrical and electronic goods, leveraging the country's strategic position within the semiconductor supply chain. Additionally, robust domestic demand, fuelled by strong private sector expenditure, will support the expansion, through the continued implementation of key national master plans and ongoing initiatives. The real estate and business services subsector is forecast to increase by 6.3% in 2025, driven by sustained demand for professional services, particularly engineering-related services in construction activities, including new data centre facilities and the construction sector is forecast to increase by 9.4% in 2025, supported by the improvement in sales of residential houses and construction activities for data centers. Collectively, these developments are expected to bode well for industry players offering power engineering solutions. According to advance estimates from the Department of Statistics Malaysia, Malaysia's economy grew by 4.9% in 2025.

Malaysia's energy drive relating to the adoption of solar energy supports demand for renewable energy power solutions

The Government launched the National Energy Policy 2022-2040 ("**NEP**") which provides details for the energy sector encompassing affordability, sustainability, and energy security as well as optimising economic opportunities in line with trends in sectoral developments. One of the main areas under the NEP is unlocking the potential of solar resources with increasing capital access for solar energy distribution, with rooftop aggregation, and promoting the economic benefits of distributed solar with peer-to-peer (P2P) and virtual power purchase agreements. To facilitate RE100 corporations (global companies that have committed to 100% renewable energy utilisation) and those companies with similar green-consciousness to achieve their environmental, social and governance (ESG) and sustainability commitments, the Government introduced the Corporate Green Power Programme ("**CGPP**") as a platform for the purchase of renewable energy virtually through the virtual power purchase agreements based on mutually agreed terms and conditions with solar energy generators. A total of 800 MW was allocated for CGPP, and eligible companies need to enter into Corporate Green Power Agreements.

Among other incentives, the Government plans to tile the roofs of residential properties with solar panels to encourage the use of renewable energy, under the newly launched National Energy Transition Roadmap ("**NETR**"). The Government's vision is to see solar panels installed nationwide including atop homes, mosques, halls and factories. The Government is taking the lead by allocating RM80.0 million for solar panels to be installed on the rooftops of government buildings. The focus for this initiative is on large scale housing developments, and working with property developers is an initiative that can be rolled out commercially without government funding. Phase 1 of the NETR also entails the setting up of five centralised large scale solar parks with 100 MW capacity each, to be co-developed by Tenaga Nasional Berhad. Tenaga Nasional Berhad will also develop 2.5 gigawatt (GW) of hybrid hydro-floating solar PV projects at its hydro dams.

NETR outlines several key observations for Malaysia's electricity supply mix as the nation progresses along this pathway, among which include:

[14] Department of Statistics Malaysia

- Renewable energy will constitute the majority share of installed capacity by 2050. However, the contribution of renewable energy to the total generation mix will be comparatively lower than fossil fuels, particularly natural gas. This reflects the inherent low-capacity factor associated with solar, compared against the high-capacity factor of gas; and
- The ambition to achieve 70.0 % renewable energy share of installed capacity by 2050 is expected to be achieved, predominantly driven by solar PV installation. Significant solar capacity growth is required in the next three decades, with 59 GW of installed capacity by 2050.

The Ministry of Energy Transition and Water Transformation through the Energy Commission Malaysia offered a solar quota of 2,000 megawatts alternating current ("**MWac**") through a competitive bidding process under Malaysia's fifth round of Large Scale Solar Programme also known as LSS-Energy Transition SuRiA – LSS 5. The solar power plants under the LSS-Energy Transition SuRiA - LSS5 are scheduled to start operating in 2026. In January 2025, the Energy Commission Malaysia opened the bidding for LSS PETRA 5+ with a target total capacity of 2,000MWac.

In September 2024, the Government launched the Corporate Renewable Energy Supply Scheme ("**CRESS**") to enhance corporate access to green electricity supply. Through an open grid access system, third parties can sell or purchase electricity via the grid network. The CRESS Programme will offer broader green electricity supply options to corporate consumers, enabling them to fulfil respective environmental, social and governance commitments on green electricity through the concept of third-party access. The Ministry of Energy Transition and Water Transformation is confident that the implementation of the CRESS programme will support and be the catalyst to the energy transition goals and development of the electricity supply sector, particularly in efforts to increase the share of renewable energy capacity from 26.0% (equivalent to 10.6GW) to 40.0% by 2035 and 70.0% by 2050. This initiative will play a crucial role in reducing the carbon footprint of the electricity supply sector and decreasing the country's dependence on fossil fuels for power generation.

These Government initiatives will support demand for renewable energy power solutions.

Foreign investment and domestic investment growth bode well for power engineering solutions

Malaysia recorded RM426.7 billion in approved investments in 2025, a 11.0% year-on-year growth compared to the RM384.4 billion raised in 2024. The services sector continues to be a key driver of Malaysia's economic expansion, securing RM281.3 billion in approved investments or 65.9% of the total approvals. The information and communication sub-sector led the sector's growth, attracting RM152.9 billion or 54.4% of total service sector investments. These investments reflect the country's rapid adoption of digital technologies across industries such as agriculture, healthcare, finance, tourism, and Islamic digital economy. Other segments of the services sector also received approved investments, namely real estate (RM78.2 billion), utilities (RM13.7 billion), support services (RM12.6 billion) and distributive trade (RM10.8 billion). Malaysia's manufacturing sector secured RM131.3 billion in approved investments or 30.8% of the total approvals. Foreign investments were the dominant contributor, totalling RM100.6 billion (76.6%), while domestic investments remained substantial at RM30.7 billion. This inflow of foreign capital underscores Malaysia's appeal as a global manufacturing hub. E&E industry secured the major share of investments in the manufacturing sector with RM28.5 billion or 21.7% affirming Malaysia's role in the global technology supply chain. Other segments within the manufacturing sector that also received approved investments include chemicals and chemical products (RM24.9 billion), transport equipment (RM14.9 billion), basic metal products (RM11.1 billion) and machinery and equipment (RM11.0 billion).[15]

Malaysia aims to attract quality investments to drive economic growth and achieve its aspirations of becoming a high-income nation. Foreign and domestic investments play an important role in supporting Malaysia's move to become a high-income technology-based economy. As such, investments in electricity infrastructure and renewable energy are also crucial to support the investment prospects of Malaysia for foreign investors and will bode well for industry players that are involved in the provision of power engineering solutions.

INDUSTRY RISKS AND CHALLENGES

Technical capabilities and industry track record

Power engineering solution projects require specific levels of technical skill and experience. Project principals seek to hire companies with proven track record to execute such works. While the fundamentals of electricity generation, transmission and distribution technology have remained constant over the years, skilled engineers and technicians are able to carry out improvements in order to enhance delivery and efficiency, while optimising system performance. Such skill can only be gained through hands-on experience. Due to the level of technicality of this field, industry players bidding for mission critical power solutions, conventional power solutions and

[15] Malaysia Performance Investment Report 2025, MIDA

renewable energy power solutions projects are expected to possess skills and experience in various areas including planning, design, development of power systems; installation, testing and commissioning; as well as the associated mechanical and electrical works. Industry players who have the required technical capabilities are able to build industry track record, which cannot be easily replicated by a new entrant.

Product / Service substitution and reliance and vulnerability to imports

There are no direct substitutes for the provision of EPCC services. In Malaysia, EPCC services are typically performed by local industry players. EPCC industry players are dependent, to a certain extent, on the imports of power system equipment such as generators, solar PV modules, inverters and balance of systems components. Industry players are also exposed to fluctuations in solar PV module pricing arising from raw materials pricing and availability.

COMPETITIVE LANDSCAPE

The power engineering industry is competitive and comprises industry players that are involved in one or more of the following business activities in relation to the EPCC of mission critical power solutions, conventional power solutions; and renewable energy power solutions:

- engineering and design from project initiation to detailed system design and interconnection to building systems;
- procurement of all relevant systems and equipment;
- civil and structural construction, mechanical and electrical works, installation and integration of equipment and systems, and interconnection to the other building systems; and
- testing and commissioning of individual equipment, as well as the entire power system once all equipment have been installed and prior to interconnection to building systems.

There are distinct barriers to entry, with industry players possessing the relevant licenses and registrations, experienced technical employees who can carry out large scale and complex projects, meet stringent testing and commissioning procedures as well as project track record.

As at 27 March 2026, there were 10,678 contractors registered under the category of mechanical and electrical engineering with grade G7. From these 10,678 contractors, 1,239 contractors are registered with the specialisation to carry out general electrical works, and 90 contractors are registered with the specialisation to carry out mechanical and electrical engineering works for grid-connected solar photovoltaic systems with capacities exceeding 72 kilowatts.

EI Power Berhad's position in the power engineering solutions market in Malaysia

EI Power Berhad is a power engineering firm and principally involved in the provision EPCC of mission critical power solutions, conventional power solutions; and renewable energy power solutions. In the FYE 31 December 2025, EI Power Berhad secured a revenue of RM77.4 million. In comparison to the EPCC spend of RM4.9 billion in 2025, EI Power Berhad achieved a market share of 1.6%.

EI Power Berhad's position in the mission critical power solutions segment in Johor

Johor presently has 13 operational data centres comprising:

- 6 data centres in the Kulai district; and
- 7 data centres in the Iskandar Puteri district.

Further, there are 15 data centres under construction in Johor comprising:

- 3 data centres under Johor Bahru City district;
- 5 data centres in the Kulai district; and
- 7 data centres in the Iskandar Puteri district.

As at 31 December 2025, EI Power Berhad had completed 4 data centre projects in the Kulai district which are presently operational. When comparing EI Power Berhad's 4 completed data centre projects which are presently operational in the Kulai district against the:

- 13 total operational data centres in Johor, EI Power Berhad achieved a market share of 30.8%; and
- 6 operational data centres in Kulai district, EI Power Berhad achieved a market share of 66.7%.

8. IMR REPORT *(Cont'd)*

The following sets out the latest available financial performance of selected industry players that are involved in the provision of power engineering solutions comprising the EPCC of mission critical power solutions, conventional power solutions; and renewable energy power solutions in Malaysia:

Industry player [a]	Business segment	Latest available FYE	Revenue [f] (RM)	Gross profit / loss (RM)	Gross profit / loss margin (%)	Profit / Loss before tax (RM)	Profit / Loss after tax (RM)	Profit / Loss after tax margin (%)
Aggreko (Malaysia) Sdn Bhd	i	31 December 2024	16,952,799	12,091,778	71.3	4,768,708	2,305,342	13.6
Alpha Solar Sdn Bhd	iii	30 June 2024	20,957,317	7,864,115	37.5	2,259,544	2,141,173	10.2
CSPM Sdn Bhd	i	31 December 2023	17,851,191	Not available	Not available	372,045	249,821	1.4
Ditrolic Sdn Bhd	iii	30 April 2025	37,949,199	14,152,427	37.3	6,112,406	4,261,698	11.2
EI Power Berhad	i, ii and iii	31 December 2025	77,395,000	31,019,000	40.1	25,617,000	19,347,000	25.0
FG Generator Sdn Bhd	ii	30 June 2025	24,699,972	6,630,548	26.8	6,328,797	5,182,274	21.0
Gading Kencana Sdn Bhd	iii	31 December 2024	42,949,970	23,911,382	55.7	-4,352,825	-5,677,920	-13.2
Hong Tak Engineering Sdn Bhd	ii	31 December 2024	42,549,990	6,478,759	15.2	117,349	137,226	0.3
Kejuruteraan Letrik KB Sdn Bhd	iii	31 March 2025	104,351,313	15,591,845	14.9	2,480,442	1,720,103	1.6
Northern Solar Holdings Berhad [b]	iii	31 March 2025	84,865,204	32,074,943	37.8	17,068,022	11,409,186	13.4
Maqo Engineering Sdn Bhd	iii	31 August 2024	22,045,450	5,994,144	27.2	3,889,509	2,970,360	13.5
Powerware Systems Sdn Bhd	ii	31 December 2023	20,737,472	6,549,407	31.6	1,119,362	855,221	4.1
Progressture Power Sdn Bhd	iii	31 March 2025	35,129,225	10,685,040	30.4	4,442,479	3,347,042	9.5
Solaroo Systems Sdn Bhd [c]	iii	31 December 2024	75,601,040	19,591,545	25.9	12,643,936	7,975,788	10.5
Sols Energy Sdn Bhd	iii	31 December 2024	30,670,301	12,949,371	42.2	2,984,805	2,674,579	8.7
Tera Va Sdn Bhd [d]	iii	31 March 2025	118,685,994	33,703,776	28.4	15,513,038	11,703,211	9.9
We Power Venture Sdn Bhd	iii	31 August 2024	26,270,402	6,580,363	25.0	4,928,319	3,747,450	14.3
West River Berhad [b]	ii	31 December 2024	122,742,000	18,829,000	15.3	14,362,000	11,463,000	9.3

Notes:

[a] The selected industry players were identified from publicly available sources, such as SEDA's Registered PV Service Provider Directory, the internet and published documents based on the following criteria:

i) are involved in the provision of EPCC for mission critical power solutions in Malaysia; and / or
ii) are involved in the provision of EPCC for conventional power solutions in Malaysia; and / or
iii) are involved in the provision of EPCC for renewable energy solutions in Malaysia; and
iv) have achieved revenue of at least RM10.0 million

[b] Listed on the ACE Market of Bursa Malaysia Securities Berhad

[c] Subsidiary of Pekat Group Berhad, which is listed on the ACE Market of Bursa Malaysia Securities Berhad

[d] Subsidiary of BM Greentech Berhad (formerly known as Boilermech Holdings Berhad) which is listed on the Main Market of Bursa Malaysia Securities Berhad

[f] Revenues may be derived from businesses other than the provision of EPCC services for mission critical power solutions, conventional power solutions and solar PV systems

Latest available as at 27 March 2026

Source: SEDA, various annual reports, Companies Commission of Malaysia, PROVIDENCE analysis

2 DATA CENTRE MARKET IN THAILAND

The demand for data storage and processing capacity is growing at an unprecedented rate, driven by the increasing adoption of digital technologies such as cloud computing, big data and the IoT. As the digital economy continues to expand, the need for data centers to house critical IT infrastructure becomes more significant.

In addition to Malaysia, Thailand is also increasingly gaining attention as a strategic location for data center investments. The data centre market in Thailand is growing supported by private investments, government support and the country's geographical location in the centre of Southeast Asia's expanding digital infrastructure landscape. The data centre growth in Thailand is also supported by stable power supply, improving telecommunications infrastructure and Thai government incentives such as the Board of Investment's freehold land ownership allowances for foreign investors. The key advantages of Thailand include:

- Strategic geographical location: Thailand's location in Southeast Asia provides a gateway to neighbouring countries such as Malaysia, Vietnam, Laos, Myanmar, and Cambodia, making it a strategic location for businesses looking to establish a regional presence. Thailand's proximity to other key Asian markets, such as China and India, also offers advantages for businesses targeting these large and fast-growing economies.
- Connectivity infrastructure: Thailand has been investing in expanding its telecommunications networks, including fiber-optic cables and 5G technology. The country's digital infrastructure is able to support the high-speed data transmission required by modern data centers. The establishment of internet exchanges, such as the Bangkok Internet Exchange (BKNIX), ensures that businesses in Thailand benefit from seamless, low-latency connectivity to other parts of Asia and beyond.
- Stable and business friendly environment: Thailand offers a stable political and economic environment. The country has also been implementing pro-business policies aimed at promoting the growth of the technology sector through various incentives for businesses that set up operations in the country, including tax breaks, simplified regulations and infrastructure support. Thai government incentives such as the Board of Investment's freehold land ownership allowances for foreign investors support investments in the country.
- Cost effective solutions: The cost of setting up and maintaining data centers in Thailand is relatively lower compared to other regions in Asia, such as Singapore and Hong Kong, making Thailand an attractive destination for companies seeking affordable colocation and cloud services.

Thailand presently has approximately 50 data centres that are primarily clustered around Bangkok. In March 2025, the Thai government approved 90.9 billion Baht (USD2.7 billion, RM12.0 billion) worth of investments in data centres and cloud services in Thailand. Subsequently in June 2025, the Thai government approved a 23.7 billion Baht (USD727.0 million, RM3.1 billion) data centre. To date, data centre investments in Thailand include:

- Beijing Haoyang Cloud&Data Technology, Empyrion Digital, and GSA Data Center 02 are proposing a data centre with total 350MW of information technology capacity;
- China's Beijing Haoyang Cloud&Data Technology is planning to invest 72.7 billion Baht (USD2.164 billion, RM9.7 billion) in developing a 300MW data center in WHA Eastern Seaboard Industrial Estate 4 in Rayong Province;
- Singapore-based Empyrion is planning to invest 4.72 billion Baht (USD140.5 million, RM628.0 million) in a 12MW data center located in Bangkok. Located in Bang Na, this data centre will span 9,960 square metres (107,210 square feet) and offer connectivity to all fibre providers in the city. This data centre will be optimised for artificial intelligence and cloud workloads and is expected to be ready for service by the first quarter of 2027;
- Thai company, GSA Data Center 02 Co Ltd, will spend 13.5 billion Baht (USD401.9 million, RM1.8 billion) on a 35MW data center in Chonburi Province;
- In June 2025, TikTok committed to investing USD8.8 billion (RM37.3 billion) over the next five years in data centres in Thailand;
- Amazon Web Services (AWS) launched a cloud region in Thailand earlier in 2025;
- Alibaba Cloud also launched a second data centre in Thailand in February 2025;
- Google Inc. has plans for a Thai cloud region it revealed in August 2022, and in September 2024, said it planned to spend USD1.0 billion (RM4.5 billion) on cloud and data infrastructure in the country; and
- Microsoft Inc. also plans to build a data centre region in Thailand.

In 2025, the Board of Investment approved 36 data centre projects with collective investment exceeding 728 billion Baht (USD23.1 billion, RM93.7 billion).

3 BUILDING ENERGY EFFICIENCY MARKET IN MALAYSIA

The market for building energy efficiency solutions in Malaysia grew from RM50.6 billion in 2019 to RM93.0 billion in 2025 at a CAGR of 10.7%. Building energy efficiency solutions focus on reducing a building's energy consumption

through various methods, with the aim to contributing to cost savings and environmental benefits. Energy conversation and efficiency are key themes in the management of building functions as industry players introduce solutions that monitor, control, and optimise energy usage within buildings by leveraging on real-time data analytics to automate energy control, enhance energy savings, reduce costs and contribute to a greener environment. Automated operations in buildings are made possible by sensors and controllers that are integrated in various forms in building operating systems, and can be effectively used to:

- optimise start-up and performance, and control/monitor systems;
- reduce the risk of breakdown of building services;
- increase the interaction of mechanical subsystems within a building;
- prevent deterioration of the internal environment provided by building services;
- increase reliability of system and services; and
- minimise energy, time and operating costs.

Building energy efficiency solutions have broad application scope, among which include:

- chiller control systems that operate intelligently under variable load conditions;
- air conditioning and mechanical ventilation (ACMV) that provide thermal comfort, humidity control and adequate ventilation based on building occupancy;
- IoT devices that adjust indoor air quality based on room occupancy and building requirements, where this relates to the provision of cooling, filtered outdoor air, humidity control and / or heating for thermal comfort, humidity control and adequate ventilation;
- motion detection lighting systems and light emitting diode (LED) light bulbs that provide overall illumination for all tenants and adequate lighting for public areas; and
- IoT devices to monitor, manage and adjust electricity consumption based on building occupancy.

By integrating the various building systems, the performance requirements of building stakeholders can be achieved. Thus, building energy efficiency solutions aim to be sustainable and technologically aware, meet the needs of occupants and businesses, and be flexible and adaptable to deal with changes.

The adoption of building energy efficiency solutions supports the development of sustainable buildings that are designed to reduce the overall impact of the built environment on human health and the natural environment by efficiently using energy, water and other resources, protecting occupant health and improving employee productivity, reducing waste, pollution and environmental degradation. Demand for building energy efficiency solutions will be supported by the growing awareness for energy conversation and efficiency.

4 PROSPECTS AND OUTLOOK

The power engineering industry in Malaysia, based on the value of EPCC spend on mission critical power solutions, conventional power solutions and renewable energy power solutions, grew from RM3.3 billion in 2019 to RM4.9 billion in 2025 at a CAGR of 6.8%. PROVIDENCE projects the power engineering industry to grow from RM4.9 billion in 2025 to RM5.6 billion in 2027 at a CAGR of 6.9%. When comparing EI Power Berhad's 4 completed data centre projects which are presently operational in the Kulai district against the:

- 13 total operational data centres in Johor, EI Power Berhad achieved a market share of 30.8%; and
- 6 operational data centres in Kulai district, EI Power Berhad achieved a market share of 66.7%.

The prospects of EI Power Berhad in Malaysia will be supported by the demand for power engineering solutions will be supported by growth in end user industries among which includes the data centre industry, economic growth, growth in commercial, industrial and residential property markets, Malaysia's energy drive relating to the adoption of solar energy as well as foreign and domestic investment growth.

Thailand is also increasingly gaining attention as a strategic location for data center investments. In 2025, the Board of Investment approved 36 data centre projects with collective investment exceeding 728 billion Baht (USD23.1 billion, RM93.7 billion). The data centre market in Thailand is growing supported by private investments, government support and the country's geographical location in the centre of Southeast Asia's expanding digital infrastructure landscape. These factors will also support the growth of EI Power Berhad in the data centre market in Thailand.

The market for building energy efficiency solutions in Malaysia grew from RM50.6 billion in 2019 to RM93.0 billion in 2025 at a CAGR of 10.7%. Demand for building energy efficiency solutions will be supported by the growing awareness for energy conversation and efficiency. The prospects of EI Power Berhad in the building energy efficiency market in Malaysia will be supported by the growing demand for building energy efficiency solutions.