NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF BUS CAP BERHAD ("BUS CAP" OR THE "COMPANY") DATED 6 MAY 2026 ("ELECTRONIC PROSPECTUS")

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

Website

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

Availability and Location of Paper/Printed Prospectus

Any applicant who is in doubt of the validity or integrity of the Electronic Prospectus should immediately request for a paper/printed copy of the Prospectus directly from the Company, TA Securities Holdings Berhad ("**TA Securities**") or Malaysian Issuing House Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus, subject to availability, from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia or Malaysian Investment Banking Association.

Prospective applicants should note that the Application Forms are not available in electronic format.

Jurisdictional Disclaimer

The IPO and distribution of the Electronic Prospectus are subject to the laws of Malaysia. The Electronic Prospectus will not be distributed outside Malaysia. Bursa Securities, Bus Cap and TA Securities have not authorised and take no responsibility for the distribution of the Electronic Prospectus outside Malaysia. No action has been taken to permit any offering of the IPO Shares based on the Electronic Prospectus in any jurisdiction other than Malaysia. Accordingly, the Electronic Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase of, or invitation to subscribe for or purchase of the IPO Shares in any jurisdiction or in any circumstance in which such an offer is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. Prospective applicants who may be in possession of the Electronic Prospectus are required to inform themselves of and to observe such restrictions.

Close of Application

Applications will be accepted from **10.00 a.m.** on **6 May 2026 (Wednesday)** and will close at **5.00 p.m.** on **15 May 2026 (Friday)**. Any change to the timetable will be advertised by Bus Cap in a widely circulated English and Bahasa Malaysia newspapers within Malaysia.

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

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

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

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



BUS CAP™

BUS CAP BERHAD

(Registration No.: 202501009731 (1611145-W))
(Incorporated in Malaysia under the Companies Act 2016)



BUS CAP BERHAD

PROSPECTUS

BUS CAP™

BUS CAP BERHAD

(Registration No.: 202501009731 (1611145-W))
(Incorporated in Malaysia under the Companies Act 2016)

PROSPECTUS

THIS PROSPECTUS IS DATED
6 MAY 2026

INITIAL PUBLIC OFFERING ("**IPO**") OF 126,516,400 ORDINARY SHARES IN BUS CAP BERHAD ("**BUS CAP**" OR "**COMPANY**") ("**SHARES**") IN CONJUNCTION WITH THE LISTING OF BUS CAP ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("**BURSA SECURITIES**") COMPRISING:

(I) PUBLIC ISSUE OF 107,347,200 NEW SHARES ("**ISSUE SHARES**") IN THE FOLLOWING MANNER:

- 19,169,200 ISSUE SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC VIA BALLOTING;
- 11,501,500 ISSUE SHARES MADE AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF BUS CAP AND ITS SUBSIDIARY;
- 76,676,500 ISSUE SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS;

AND

(II) OFFER FOR SALE OF 19,169,200 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS,

SUBJECT TO THE CLAWBACK AND REALLOCATION PROVISIONS AS SET OUT IN THIS PROSPECTUS, AT AN IPO PRICE OF RM0.23 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

Principal Adviser, Sponsor, Underwriter and Placement Agent

TA SECURITIES
AN UNWAVERING COMMITMENT

TA SECURITIES HOLDINGS BERHAD
(Registration No.: 197301001467 (14948-M))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

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

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

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 162.

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

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

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

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

All defined terms used in this Prospectus are defined under the "Definitions" commencing from page v and "Glossary of Technical Terms" commencing from page xi of this Prospectus.

RESPONSIBILITY STATEMENTS

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

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

STATEMENTS OF DISCLAIMER

Approval has been obtained from Bursa Securities for the listing of and quotation for our Shares on 25 February 2026. Admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares.

Bursa Securities is not liable for any non-disclosure on the part of our Company and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus.

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

OTHER STATEMENTS

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

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

Our Shares are classified as shariah compliant by the Shariah Advisory Council of the Securities Commission Malaysia ("**SAC**"). This classification remains valid from the date of this Prospectus until the next shariah compliance review undertaken by the SAC. The new status shall be released in the updated list of shariah-compliant securities on the last Friday of May and November.

This Prospectus is prepared and published solely in connection with our IPO under the laws of Malaysia. Our Shares are offered in Malaysia on the basis of the information contained and representations made in this Prospectus. Our Directors, Promoters, Selling Shareholder and our Principal Adviser, Sponsor, Underwriter and Placement Agent have not authorised anyone to provide any information or to make any representation not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Directors, Promoters, Selling Shareholder, Principal Adviser, Sponsor, Underwriter and Placement Agent, any of their respective directors, or any other persons involved in our IPO. Accordingly, this Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe for or purchase of our Shares in any jurisdiction or in any circumstances in which such an offer is not authorised or is unlawful or to any person to whom it is unlawful to make such offer or invitation.

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

We will not, prior to acting on any acceptance in respect of our IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection therewith. It shall be your sole responsibility, if you are or may be subject to the laws of any countries or jurisdictions other than Malaysia, to consult your legal and/ or other professional advisers as to whether your application for our IPO would result in the contravention of any laws of such countries or jurisdictions.

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

ELECTRONIC PROSPECTUS

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

You are advised that the internet is not a fully secured medium and that your Internet Share Application may be subject to risks of problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions. These risks cannot be borne by the Internet Participating Financial Institutions.

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

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

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

(i) we and our Principal Adviser do not endorse and are not affiliated in any way with the Third-Party Internet Sites and are not responsible for the availability of, or the contents or any data, information, files or other material provided on the Third-Party Internet Sites. You shall bear all risks associated with the access to or use of the Third-Party Internet Sites;

(ii) we and our Principal Adviser are not responsible for the quality of products or services in the Third-Party Internet Sites, particularly in fulfilling any of the terms of any of your agreements with the Third-Party Internet Sites. We and our Principal Adviser are also not responsible for any loss or damage or costs that you may suffer or incur in connection with or as a result of dealing with the Third-Party Internet Sites or the use of or reliance on any data, information, files or other material provided by such parties; and

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

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

(i) the Internet Participating Financial Institutions or Participating Securities Firms are only liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent of the contents of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions or Participating Securities Firms which may be viewed via web browser or other relevant software. The Internet Participating Financial Institutions are not responsible for the integrity of the contents of the Electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions or Participating Securities Firms, and subsequently communicated or disseminated in any manner to you or other parties;

(ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of the Electronic Prospectus cannot be guaranteed because the internet is not a fully secured medium; and

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

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INDICATIVE TIMETABLE

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

Event	Tentative Dates
Issuance of this Prospectus/ Opening date of Application	6 May 2026
Closing date of Application	15 May 2026
Balloting of Application	19 May 2026
Allotment/ Transfer of our IPO Shares to successful applicants	29 May 2026
Date of Listing	3 June 2026

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

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DEFINITIONS

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

COMPANIES WITHIN OUR GROUP:

Bus Cap or Company	:	Bus Cap Berhad (Registration No. 202501009731 (1611145-W))
Bus Cap Group or Group	:	Bus Cap and the Subsidiary, collectively
SHL or Subsidiary	:	Sin Hock Leong Coach Works Sdn Bhd (Registration No. 198601009232 (158475-U))

GENERAL:

ACE Market	:	ACE Market of Bursa Securities
Acquisition of Subsidiary	:	Acquisition by Bus Cap of the entire equity interest of the Subsidiary for a total purchase consideration of RM13,801,789 which was fully satisfied via the issuance of 13,801,789 new Shares at an issue price of RM1.00 per Share, which was completed on 4 August 2025
Act	:	Companies Act 2016
ADA	:	Authorised Depository Agent
AGM	:	Annual General Meeting
Application(s)	:	Application for the IPO Shares by way of Application Form, the Electronic Share Application or the Internet Share Application
Application Form(s)	:	Printed application form for the application of our IPO Shares
ATM	:	Automated teller machine
Authorised Financial Institution	:	Authorised financial institution participating in the Internet Share Application, with respect to payments for our IPO Shares
Bus Cap Shares or Shares	:	Ordinary shares of our Company

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DEFINITIONS *(Cont'd)*

Board	:	Board of Directors of our Company
Bumiputera	:	In the context of: (i) individuals, Malays and the aborigines and the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia; (ii) companies – companies which fulfil, among others, the following criteria as may be imposed by the MITI: (a) registered under the Act as a private company; (b) its shareholders are 100% Bumiputera; and (c) its board of directors (including its staff) are at least 51% Bumiputera (iii) cooperatives – cooperatives whose shareholders or cooperative members at least 95% Bumiputera or such other criteria as may be imposed by the MITI
Bursa Depository or Depository	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
CAGR	:	Compound annual growth rate
CCC	:	Certificate of completion and compliance
CCM	:	Companies Commission of Malaysia
CDS	:	Central Depository System
CDS Account(s)	:	Account(s) established by Bursa Depository for the recording of deposits or withdrawals of securities and dealings in such securities by the Depositor
Central Depositories Act or SICDA	:	Securities Industry (Central Depositories) Act 1991
CMSA	:	Capital Markets and Services Act 2007
CSA	:	Control of Supplies Act 1961
Constitution	:	The Constitution of our Company
COVID-19	:	Coronavirus disease 2019
Depositor	:	A holder of a CDS Account
Director	:	A director within the meaning of Section 2 of the CMSA
DOSH	:	Department of Occupational Safety and Health Malaysia
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation

DEFINITIONS *(Cont'd)*

Electronic Prospectus	:	An electronic copy of this Prospectus that is being issued, circulated or disseminated via the internet, and/or an electronic storage medium, including but not limited to website, mobile application, email, compact disc, thumb drive and cloud-based storage
Electronic Share Application	:	Application for our IPO Shares through a Participating Financial Institution's ATM
Eligible Persons	:	The eligible Directors, employees of our Group and other persons who have contributed to the success of our Group, collectively
ERP	:	Enterprise resource planning
EPF	:	Employees Provident Fund
EPFA 1991	:	Employees Provident Fund Act 1991
EPS	:	Earnings per Share
ESG	:	Environmental, social and governance
FYE(s)	:	Financial year(s) ended/ ending 31 December, as the case may be
FYE Under Review	:	FYEs 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025, collectively
Government	:	Government of Malaysia
GP	:	Gross profit
IMR or SMITH ZANDER	:	Smith Zander International Sdn Bhd (Registration No. 201301028298 (1058128-V)), the independent market researcher appointed for our IPO
IMR Report	:	Independent market research report dated 10 April 2026 prepared by the IMR
Internet Participating Financial Institutions or Participating Securities Firms	:	Participating Financial Institutions for the Internet Share Application, as listed in Section 16.6 of this Prospectus
Internet Share Application	:	Application for our IPO Shares through an online share application service provided by the Internet Participating Financial Institutions or Participating Securities Firms
IPO	:	Our initial public offering comprising the Public Issue and Offer for Sale in conjunction with our Listing
IPO Price	:	RM0.23 per IPO Share
IPO Share(s)	:	The Issue Share(s) and the Offer Share(s), collectively
Issue Shares	:	107,347,200 new Shares to be issued by the Company pursuant to the Public Issue

DEFINITIONS *(Cont'd)*

Issuing House	:	Malaysian Issuing House Sdn Bhd (Registration No. 199301003608 (258345-X))
IT	:	Information technology
JPJ	:	Road Transport Department Malaysia
Listing	:	The admission of Bus Cap to the Official List and the listing of and quotation for our entire enlarged share capital comprising 383,383,000 Shares on the ACE Market of Bursa Securities
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities
Listing Scheme	:	Comprising the Share Split, Public Issue, Offer for Sale and Listing, collectively
LPD	:	7 April 2026, being the latest practicable date prior to the issuance of this Prospectus
MAICSA	:	Malaysian Institute of Chartered Secretaries and Administrators
Malaysian Public	:	Malaysian citizens as well as companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia but excluding our Directors, substantial shareholders and persons connected with either of them
Market Day	:	Any day on which Bursa Securities is open for trading in securities
MCCG	:	Malaysian Code on Corporate Governance issued by the SC
MCO	:	Movement control order
MFRS	:	Malaysian Financial Reporting Standards
MITI	:	Ministry of Investment, Trade and Industry, Malaysia
MIDA	:	Malaysian Investment Development Authority
MOF	:	Ministry of Finance, Malaysia
NA	:	Net assets
NCS or Selling Shareholder	:	NCS Consolidated Holding Sdn Bhd (Registration No.: 202501009787 (1611201-V))
NBV	:	Net book value
New Factory	:	A new manufacturing plant to house a new semi-automated fabrication line for bus bodies as well as a 3-storey office building to be constructed on the New Land
New Land	:	A piece of vacant land held under PN309315, Lot 138770, Mukim Hulu Kinta, Daerah Kinta, Perak that our Group owned which is located adjacent to our existing manufacturing facility at Silibin Premises with a land area of approximately 54,400.80 sq. ft.

DEFINITIONS *(Cont'd)*

Offer for Sale	:	Offer for sale by our Selling Shareholder of 19,169,200 Offer Shares at the IPO Price, representing approximately 5.00% of our enlarged issued share capital
Offer Share(s)	:	19,169,200 existing Shares to be offered by our Selling Shareholder pursuant to the Offer for Sale
Official List	:	A list specifying all securities on Bursa Securities
OSHA	:	Occupational Safety and Health Act 1994
Participating Financial Institutions	:	Participating Financial Institutions for the Electronic Share Application, as listed in Section 16.5 of this Prospectus
PAT	:	Profit after tax
PBT	:	Profit before tax
PE Multiple	:	Price-to-earnings multiple
Pink Application Form	:	Application form for the application of IPO Shares by the Eligible Persons accompanying the Prospectus
Pink Form Allocations	:	Allocation of 11,501,500 Pink Form Shares to our Eligible Persons
Pink Form Shares	:	11,501,500 Issue Shares made available for application by the Eligible Persons
Placement Shares	:	95,845,700 IPO Shares made available for application by way of private placement to Selected Investors
Promoters	:	NCS, Ng Chai Sing and Bernard Ng Chong Yan, collectively
Prospectus	:	This Prospectus dated 6 May 2026 in relation to our IPO
Public Issue	:	Public issue of 107,347,200 Issue Shares at the IPO Price
Puspakom	:	Pusat Pemeriksaan Kenderaan Berkomputer or Computerised Vehicle Inspection Centre
QA/ QC	:	Quality assurance and/ or quality control
R&D	:	Research and development
Record of Depositors	:	A record of depositors provided by Bursa Depository to our Company under the Rules
Rules	:	Rules of Bursa Depository
SC	:	Securities Commission Malaysia
Selected Investors	:	Investors that meet the requirements of Schedule 6 or 7 of the CMSA and subscribe to our IPO Shares through private placement
Share Split	:	Subdivision of 1 existing Share into 20 Shares as set out in Section 6.2.1 of this Prospectus

DEFINITIONS *(Cont'd)*

Silibin Premises	:	Our Group's single-storey semi-detached factory cum 2-storey office located at No. 8-10, Solok Rishah 3, Kawasan Perindustrian Silibin, 30100 Ipoh, Perak, which has a built-up area of approximately 71,518.11 sq. ft.
SHLCW	:	Sin Hong Leong Coach Works (Registration No. 196803006005 (000360451-M)), a partnership established on 1 January 1968 and expired on 12 February 2005
Specified Shareholder	:	The specified shareholder of Bus Cap, namely NCS
sq. ft.	:	Square feet
sq. m.	:	Square metre(s)
SST	:	Sales and service tax
TA Securities or Principal Adviser or Sponsor or Underwriter or Placement Agent	:	TA Securities Holdings Berhad (Registration No. 197301001467 (14948-M))
Underwriting Agreement	:	The underwriting agreement entered into between Bus Cap and TA Securities on 15 April 2026 for the underwriting of 30,670,700 Issue Shares under the Public Issue
%	:	Per centum

CURRENCY:

RM and sen	:	Ringgit Malaysia and sen
SGD	:	Singapore Dollar
USD	:	United States Dollar

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GLOSSARY OF TECHNICAL TERMS

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

Chassis	:	A structural and foundational framework of a bus that provides support to other components (e.g. the engine, wheels and bus body)
Computer-Aided Design ("**CAD**") software	:	A computer software used to design, modify and analyse precise two-dimensional drawings and three-dimensional models
Completely built up ("**CBU**") buses	:	Buses that are fully assembled, operational and ready for immediate use upon delivery
Computer numerically controlled ("**CNC**") machines	:	Semi-automated manufacturing machines that are operated via pre-programmed computer software and used in metal fabrication processes (e.g. cutting, bending and metal stamping) to manufacture bus bodies
Double rear axle	:	Refers to a tyre configuration with two axles/shafts positioned one after another at the rear of a bus, which is typically used for vehicles with heavier loads
Express buses	:	Buses used for the transportation of passengers along fixed and designated routes, typically over longer distance that may span across states or countries, covering multiple stops spaced at least 32 kilometres apart and differing fares applied for each stop
Just-in-time inventory management system	:	An inventory management strategy that ensures the necessary supplies and materials are procured and/or delivered when required to reduce inventory costs
Numerical control ("**NC**") machines	:	Semi-automated manufacturing machines that are operated via pre-set instructions and used in metal fabrication processes (e.g. cutting, bending and metal stamping) to manufacture bus bodies
School buses	:	Buses used for the transportation of pupils/students and staff of schools or other educational institutions
Shower test	:	A test conducted to ascertain the water tightness of buses by simulating the effects of rain to ensure that there are no potential areas for leakage particularly in high-risk areas such as the connecting joints of the bus doors, windows, seals and roof
Shuttle buses	:	Also known as feeder buses, which are used for the transportation of passengers along fixed and designated routes, typically over short distances and operating on a round trip between specific locations
Single front axle	:	Refers to a tyre configuration with one axle/shaft positioned at the front of a bus
Single rear axle	:	Refer to a tyre configuration with one axle/shaft positioned at the rear of a bus, which is typically used for vehicles with lighter loads

GLOSSARY OF TECHNICAL TERMS (*Cont'd*)

Stage buses	:	Buses used for the transportation of passengers along fixed and designated routes within a city or regional area, covering multiple stops spaced less than 32 kilometres apart and differing fares applied for each stop
Stereo system	:	An audio system designed to reproduce sound/music from an audio source through speakers
Tour buses	:	Also known as excursion buses, which are used for the transportation of tourists. Tour buses may also be chartered to carry passengers along specified routes
Ultraviolet ("**UV**") radiation	:	A type of electromagnetic wave emitted by the sun that causes fading and deterioration of paint on surfaces, including bus bodies, when exposed for an extended period
Worker buses	:	Also known as employee buses, which are used for the transportation of workers to and from their workplaces

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Any reference to words such as "we", "us", "our" and "ourselves" in this Prospectus shall be a reference to our Company, our Group or any member company of our Group as the context requires, unless otherwise stated. All references to "Bus Cap" and "our Company" in this Prospectus are to Bus Cap Berhad, references to "our Group" are to our Company and our Subsidiary taken as a whole. Unless the context otherwise requires, references to "Management" are to our Directors and key senior management as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

The word "approximately" used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest thousand or million or 2 decimal places (for percentages) or one sen (for currency). Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding.

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

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

This Prospectus includes statistical data provided by our Management and various third parties and cites third-party projections regarding growth and performance of the industry in which our Group operates. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus. Where no source is stated, it can be assumed that the information originates from us. In particular, certain information in this Prospectus is extracted or derived from report(s) prepared by the IMR. We believe that the statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industry in which we operate. However, third-party projections, including the projections from the IMR, cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. Hence, you should not place undue reliance on the third-party projections cited in this Prospectus.

Any references to dates and times in this Prospectus are references to dates and times in Malaysia, unless otherwise stated.

The information on our website, or any website directly or indirectly linked to such website does not form part of this Prospectus and you should not rely on such information for the purposes of your decision whether or not to invest in our Shares.

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FORWARD-LOOKING STATEMENTS

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

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

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

(i) demand for our products and/ or services;

(ii) our business strategies;

(iii) our future plans;

(iv) our future financial position, earnings, cash flows and liquidity; and

(v) our ability to pay future dividends.

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

(i) the economic, political and investment environment in Malaysia;

(ii) government policies, legislations or regulations;

(iii) competitive environment of the industry in which we operate; and

(iv) any other factors beyond our control.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed in Section 7.12 – Interruptions to the business and operations, Section 9 – Risk factors and Section 12.3 – Management's discussion and analysis of financial condition and results of operations of this Prospectus. We cannot give any assurance that the forward-looking statements in this Prospectus will be realised. Such forward-looking statements are based on information available to us as at the LPD.

The delivery of this Prospectus or any issue made in connection with this Prospectus shall not, under any circumstances, constitute a representation or create any implication that there has been no change in our affairs since the date of this Prospectus. Nevertheless, should we become aware of any subsequent material change or development affecting matters disclosed in the Prospectus arising from the date of registration of this Prospectus with Bursa Securities but before the date of allotment of our IPO Shares, we will issue a supplementary or replacement prospectus, as the case may be, in accordance with the provisions of Rule 3.12D of the Listing Requirements, provisions of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6) of the Prospectus Guidelines (Supplementary and Replacement Prospectus).

TABLE OF CONTENTS

		PAGE
INDICATIVE TIMETABLE		**iv**
DEFINITIONS		**v**
GLOSSARY OF TECHNICAL TERMS		**xi**
PRESENTATION OF FINANCIAL AND OTHER INFORMATION		**xiii**
FORWARD-LOOKING STATEMENTS		**xiv**
1.	**CORPORATE DIRECTORY**	**1**
2.	**APPROVALS AND CONDITIONS**	**4**
2.1	Approvals and conditions	4
2.2	Moratorium on our Shares	6
3.	**PROSPECTUS SUMMARY**	**8**
3.1	Principal details of our IPO	8
3.2	Our Group structure and business model	9
3.3	Our competitive strengths	10
3.4	Business strategies and future plans	12
3.5	Risk factors	13
3.6	Directors and key senior management	14
3.7	Promoters and substantial shareholders	15
3.8	Use of proceeds	15
3.9	Financial and operational highlights	16
3.10	Dividend policy	17
4.	**DETAILS OF OUR IPO**	**18**
4.1	Opening and closing of Application	18
4.2	Indicative timetable	18
4.3	Particulars of the IPO	18
4.4	Share capital	24
4.5	Basis of arriving at the IPO Price	25
4.6	Dilution	26
4.7	Use of proceeds	27
4.8	Brokerage, underwriting commission and placement fee	31
4.9	Underwriting arrangement	31
4.10	Trading and settlement in the secondary market	36
5.	**INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT**	**37**
5.1	Promoters and substantial shareholders	37
5.2	Board of Directors	41
5.3	Board practice	65
5.4	Key senior management	72
5.5	Declaration by our Promoters, Directors and key senior management	79
5.6	Family relationships and associations	79

TABLE OF CONTENTS *(Cont'd)*

			PAGE
6.	**INFORMATION ON OUR GROUP**		**81**
	6.1	Our Company	81
	6.2	Listing scheme	81
	6.3	Our Group structure	83
	6.4	Our share capital	85
	6.5	Our Subsidiary	85
7.	**BUSINESS OVERVIEW**		**87**
	7.1	History and milestones	87
	7.2	Principal business activities	88
	7.3	Principal business segments and markets	100
	7.4	Our operational process flow	101
	7.5	QA/ QC procedures	105
	7.6	Operational capacities and outputs	107
	7.7	Our competitive strengths	108
	7.8	Our business strategies and future plans	110
	7.9	Sales and marketing strategies	114
	7.10	Technology used	116
	7.11	Types, sources and availability of supplies	116
	7.12	Interruptions to the business and operations	117
	7.13	R&D	117
	7.14	Seasonality and cyclicality	117
	7.15	Major customers	118
	7.16	Major suppliers	123
	7.17	Employees	127
	7.18	Major licences, certificates and permits	128
	7.19	Intellectual properties	136
	7.20	Property, plant and equipment	137
	7.21	Material investment and divestitures	140
	7.22	Governing laws and regulations	141
	7.23	ESG practices of our Group	146
8.	**IMR REPORT**		**149**
9.	**RISK FACTORS**		**162**
	9.1	Risks relating to our business and operations	162
	9.2	Risks relating to our industry	168
	9.3	Risks relating to the investment in our Shares	170
10.	**RELATED PARTY TRANSACTIONS**		**174**
	10.1	Related party transactions	174
	10.2	Other transactions	176
	10.3	Monitoring and oversight of related party transactions	181
11.	**CONFLICT OF INTEREST**		**183**
	11.1	Interest in similar business and in businesses of our customers or suppliers	183
	11.2	Declaration by the advisers	183

TABLE OF CONTENTS *(Cont'd)*

			PAGE
12.	**FINANCIAL INFORMATION**		**184**
	12.1	Historical financial information	184
	12.2	Capitalisation and indebtedness	188
	12.3	Management's discussion and analysis of financial condition and results of operations	189
	12.4	Liquidity and capital resources	214
	12.5	Key financial ratios	222
	12.6	Order book	229
	12.7	Significant changes	229
	12.8	Trend information	230
	12.9	Dividend policy	230
13.	**ACCOUNTANTS' REPORT**		**231**
14.	**REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION**		**281**
15.	**STATUTORY AND OTHER GENERAL INFORMATION**		**291**
	15.1	Share capital	291
	15.2	Extract of our Constitution	291
	15.3	Deposited securities and rights of depositors	302
	15.4	Limitation on the right to own securities and/or exercise voting rights	302
	15.5	Material contracts	303
	15.6	Material litigation	303
	15.7	Public take-overs	303
	15.8	Repatriation of capital and remittance of profits and taxation	303
	15.9	Letters of consent	303
	15.10	Documents available for inspection	304
	15.11	Responsibility statements	304
16.	**SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE**		**305**
	16.1	Opening and closing Application	305
	16.2	Methods of Applications	305
	16.3	Eligibility	306
	16.4	Procedures for application by way of Application Forms	307
	16.5	Applications by way of Electronic Share Applications	308
	16.6	Applications by way of Internet Share Applications	308
	16.7	Authority of our Board and the Issuing House	308
	16.8	Over/ Under-subscription	309
	16.9	Unsuccessful/ Partially successful applicants	309
	16.10	Successful applicants	310
	16.11	Enquiries	311

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1. CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name (Designation)	Gender	Address	Nationality
Datuk Chan Soon Tat *(Independent Non-Executive Chairman)*	Male	No. 8, Jalan Puyoh, Jalan Ipoh, 51100 Kuala Lumpur	Malaysian
Ng Chai Sing *(Non-Independent Managing Director)*	Male	No. 35, Laluan Desa Meru 4, Taman Desa Meru, 30020 Ipoh, Perak	Malaysian
Bernard Ng Chong Yan *(Non-Independent Executive Director)*	Male	No. 35, Laluan Desa Meru 4, Taman Desa Meru, 30020 Ipoh, Perak	Malaysian
Aliza Binti Ashari *(Independent Non-Executive Director)*	Female	No. 7, Jalan Putra Perdana 10, The Glades, Putra Heights, 47650 Subang Jaya, Selangor	Malaysian
Rose Zilawati Binti Mohamed Arifin *(Independent Non-Executive Director)*	Female	No. 3, Jalan Camar 4/26, Villa Damansara, Kota Damansara, 47810 Petaling Jaya, Selangor	Malaysian
Chen Xiang Foong *(Independent Non-Executive Director)*	Male	S-10-10, Vivo Soho Suite, Off Jalan Kelang Lama, 58000 Kuala Lumpur	Malaysian

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Aliza Binti Ashari	Chairperson	Independent Non-Executive Director
Rose Zilawati Binti Mohamed Arifin	Member	Independent Non-Executive Director
Chen Xiang Foong	Member	Independent Non-Executive Director

NOMINATION COMMITTEE

Name	Designation	Directorship
Rose Zilawati Binti Mohamed Arifin	Chairperson	Independent Non-Executive Director
Aliza Binti Ashari	Member	Independent Non-Executive Director
Chen Xiang Foong	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Chen Xiang Foong	Chairperson	Independent Non-Executive Director
Aliza Binti Ashari	Member	Independent Non-Executive Director
Rose Zilawati Binti Mohamed Arifin	Member	Independent Non-Executive Director

1. CORPORATE DIRECTORY *(Cont'd)*

COMPANY SECRETARIES	:	**Chin Wai Yi** CCM Practising Certificate No. 202008004409 Professional Qualification: MAICSA (Membership No.: 7069783) **Chia Siew Li** CCM Practising Certificate No. 202208000715 Professional Qualification: MAICSA (Membership No.: 7075719) **GAP Advisory Sdn Bhd** Registration No: 202001042098 (1398419-T) E-10-4, Megan Avenue 1 189, Jalan Tun Razak 50400 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur Telephone No. : +603-2181 0516
REGISTERED OFFICE	:	E-10-4, Megan Avenue 1 189, Jalan Tun Razak 50400 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur Telephone No. : +603-2181 0516
HEAD OFFICE	:	No. 8-10, Solok Rishah 3 Kawasan Perindustrian Silibin 30100 Ipoh Perak Telephone No. : +605-526 0298 Email : shlcoach@gmail.com Website : www.shlcoach.com
PRINCIPAL ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT	:	**TA Securities Holdings Berhad** Registration No: 197301001467 (14948-M) 32nd Floor, Menara TA One 22, Jalan P. Ramlee 50250 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur Telephone No. : +603-2072 1277
AUDITORS AND REPORTING ACCOUNTANTS	:	**Forvis Mazars PLT** Registration No. AF001954 (201706000496 (LLP0010622-LCA)) Wisma Golden Eagle Realty 11th Floor, South Block, No 142-A Jalan Ampang 50450 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur Partner-in-charge : Lee Soo Eng Approval No. : 03230/02/2028 J Professional Qualification : Chartered Accountant, Malaysian Institute of Accountants ("**MIA**") Telephone No. : +603-2702 5151

1. CORPORATE DIRECTORY *(Cont'd)*

SOLICITORS TO OUR COMPANY	:	**Cheah Teh Su** L-3-1, No. 2, Jalan Solaris Solaris Mont' Kiara 50480 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur Telephone No. : +603-6203 6918
ISSUING HOUSE	:	**Malaysian Issuing House Sdn Bhd** Registration No. 199301003608 (258345-X) 11th Floor, Menara Symphony No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13 46200 Petaling Jaya Selangor Telephone No. : +603-7890 4700
SHARE REGISTRAR	:	**GAP Advisory Sdn Bhd** Registration No: 202001042098 (1398419-T) E-10-4, Megan Avenue 1 189, Jalan Tun Razak 50400 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur Telephone No. : +603-2181 0516
INDEPENDENT MARKET RESEARCHER	:	**Smith Zander International Sdn Bhd** Registration No. 201301028298 (1058128-V) 15-01, Level 15, Menara MBMR 1, Jalan Syed Putra 58000 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur Person-in-charge : Dennis Tan Tze Wen Qualification : Bachelor of Science, Memorial University of Newfoundland, Canada Telephone No. : +603-2732 7537
LISTING SOUGHT	:	ACE Market of Bursa Securities
SHARIAH STATUS	:	Approved by the Shariah Advisory Council of the Securities Commission Malaysia

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2. APPROVALS AND CONDITIONS

2.1 APPROVALS AND CONDITIONS

2.1.1 Bursa Securities

Bursa Securities had, vide its letter dated 25 February 2026, approved our Listing ("**Listing Approval**").

The Listing Approval from Bursa Securities is subject to the following conditions:

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

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

No.	Details of conditions imposed	Status of Compliance
	TA Securities must ensure that the overall distribution of Bus Cap's securities is properly carried out to mitigate any disorderly trading in the secondary market; and	
(8)	Bus Cap/TA Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of Bus Cap to the Official List of the ACE Market.	To be complied

2.1.2 SC

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

The SC had, vide its letter dated 2 March 2026, approved our application under the Bumiputera equity requirement for public listed companies pursuant to our Listing, subject to the following conditions:

No.	Details of conditions imposed	Status of Compliance
(1)	Bus Cap to make available at least 50% of the Shares offered to the Malaysian Public investors via balloting to Bumiputera public investors at the point of Listing;	Complied
(2)	Bus Cap to allocate 12.5% of its enlarged number of issued Shares to Bumiputera investors to be approved or recognised by the MITI within 1 year after achieving the profit requirement for companies seeking listing on the Main Market of Bursa Securities or 5 years after being listed on the ACE Market of Bursa Securities, whichever is earlier ("**Compliance Date**");	To be complied
(3)	Bus Cap to submit to the SC a proposal to comply with the equity condition stated in item (2) above, at least 6 months prior to the Compliance Date; and	To be complied
(4)	TA Securities or Bus Cap to submit Bus Cap's equity structure to the SC upon completion of the Listing.	To be complied

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

2.2 MORATORIUM ON OUR SHARES

2.2.1 Moratorium on Shares held by our Specified Shareholder

In accordance with the Listing Requirements, a specified shareholder means a controlling shareholder, a person connected with a controlling shareholder, and an executive director who is a substantial shareholder, of our Company, or any other person as specified by Bursa Securities.

Pursuant to Rule 3.19(1) of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of Shares held by our Specified Shareholder as follows:

(i) the moratorium applies to the entire shareholdings held by our Specified Shareholder for a period of 6 months from the date of our admission to the Official List ("**First 6-month Moratorium**");

(ii) upon the expiry of the First 6-month Moratorium, we must ensure that our Specified Shareholder's aggregate shareholdings amounting to at least 45.00% of our total number of issued Shares remain under moratorium for another 6 months ("**Second 6-month Moratorium**"); and

(iii) upon the expiry of the Second 6-month Moratorium, our Specified Shareholder may sell, transfer or assign up to a maximum of one-third (1/3) per annum (on a straight-line basis) of their Shares held under moratorium.

The details of our Shares held by our Specified Shareholder which will be subject to the abovementioned moratorium are as follows:

Specified Shareholder	Year 1 after Listing			
	No. of Shares to be held under the First 6-month Moratorium		No. of Shares to be held under the Second 6-month Moratorium	
	No. of Shares	%[1]	No. of Shares	%[1]
NCS[2]	256,866,600	67.00	172,522,350	45.00
Total	**256,866,600**	**67.00**	**172,522,350**	**45.00**

Specified Shareholder	Year 2 after Listing Moratorium shares		Year 3 after Listing Moratorium shares	
	No. of Shares	%[1]	No. of Shares	%[1]
NCS[2]	115,014,900	30.00	57,507,450	15.00
Total	**115,014,900**	**30.00**	**57,507,450**	**15.00**

Notes:

(1) Based on our enlarged issued share capital of 383,383,000 Shares after IPO.

(2) NCS is an investment holding company held by Ng Chai Sing, Bernard Ng Chong Yan, Benjamin Ng Chong Jin and Yeow Lee Siah with equity interest of 45.00%, 40.00%, 10.00% and 5.00% respectively. Please refer to Section 5.1.2(iii) of this Prospectus for further details on the shareholders of NCS.

The moratorium has been fully accepted by NCS, our Specified Shareholder, who has provided written undertaking that it will not sell, transfer or assign its shareholdings in our Company under moratorium during the moratorium period.

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

The moratorium restrictions are specifically endorsed on the share certificate representing the Shares under moratorium held by our Specified Shareholder to ensure that our Share Registrar does not register any transfer that contravenes such restrictions.

In addition, in accordance with Rule 3.19(2) of the Listing Requirements, where the specified shareholder is an unlisted corporation, all shareholders of the unlisted corporation must give undertakings to Bursa Securities that they will not sell, transfer or assign their shares in the unlisted corporation for the moratorium period. Accordingly, Ng Chai Sing, Bernard Ng Chong Yan, Yeow Lee Siah and Benjamin Ng Chong Jin, being the shareholders of NCS have also provided written undertakings that they will not sell, transfer or assign their shareholdings in NCS for the duration of the moratorium period.

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3. PROSPECTUS SUMMARY

THIS PROSPECTUS SUMMARY ONLY HIGHLIGHTS THE KEY INFORMATION FROM OTHER PARTS OF THIS PROSPECTUS. IT DOES NOT CONTAIN ALL THE INFORMATION THAT MAY BE IMPORTANT TO YOU. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE WHOLE PROSPECTUS PRIOR TO DECIDING ON WHETHER TO INVEST IN OUR SHARES.

3.1 PRINCIPAL DETAILS OF OUR IPO

Our IPO is subject to the terms and conditions of this Prospectus. The allocation of the IPO Shares and principal details of our IPO are as follows:

	No. of Shares	%[(1)]
Public Issue		
Malaysian Public (via balloting)		
- Bumiputera	9,584,600	2.50
- Non-Bumiputera	9,584,600	2.50
Eligible Persons	11,501,500	3.00
Selected Investors (via private placement)	76,676,500	20.00
Sub-total	**107,347,200**	**28.00**
Offer for Sale		
Selected Investors (via private placement)	19,169,200	5.00
Total	**126,516,400**	**33.00**
Enlarged total number of Shares upon Listing		383,383,000
IPO Price		RM0.23
Market capitalisation[(2)]		RM88,178,090

Notes:

(1) Based on our enlarged total number of 383,383,000 Shares after our IPO.

(2) Based on our IPO Price and enlarged total number of Shares upon Listing.

Further details of our IPO are set out in Section 4.3 of this Prospectus.

In compliance with the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of Shares held by our Specified Shareholder. Further details on the moratorium on our Shares are set out in Section 2.2 of this Prospectus.

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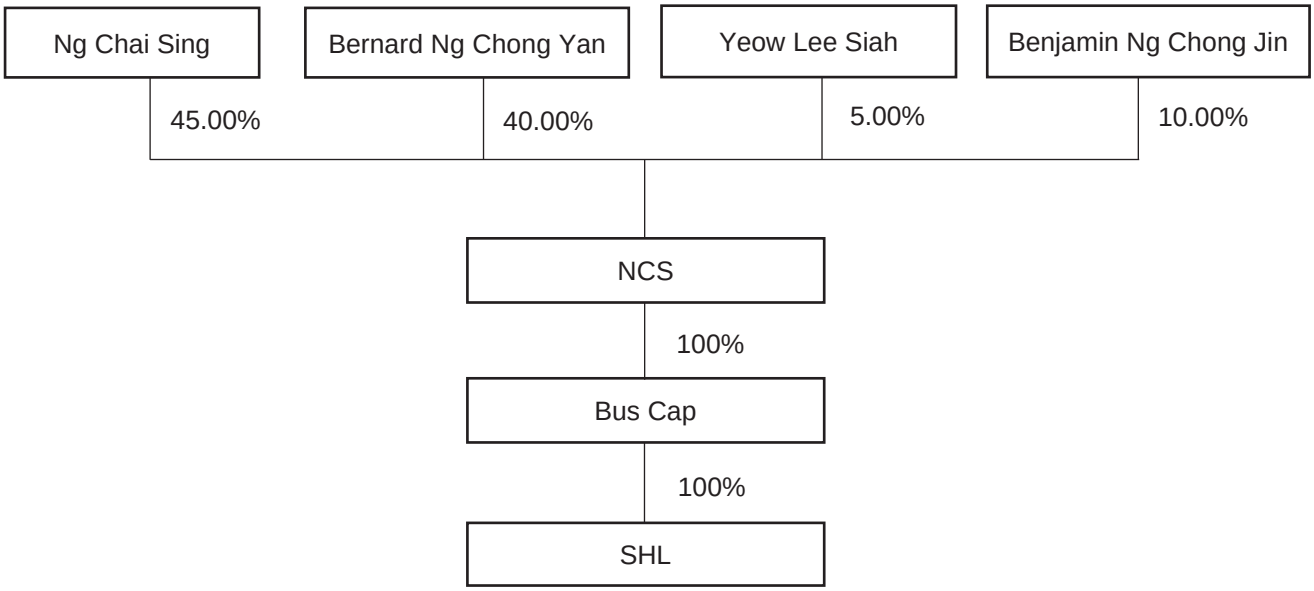
3. PROSPECTUS SUMMARY *(Cont'd)*

3.2 OUR GROUP STRUCTURE AND BUSINESS MODEL

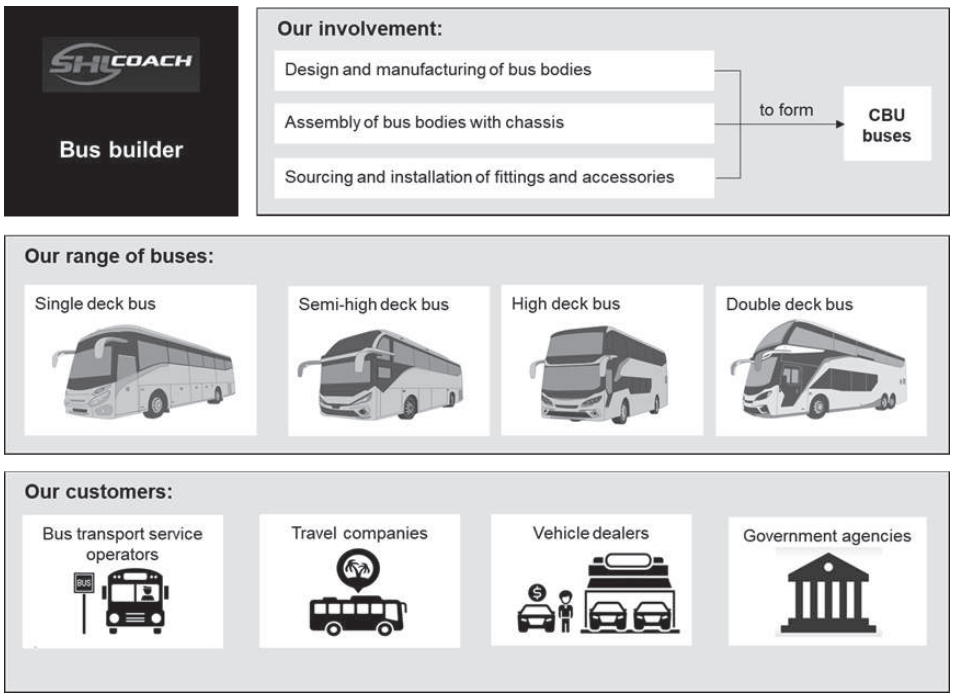
Our Company was incorporated under the name of Bus Cap Sdn Bhd in Malaysia on 10 March 2025 under the Act as a private limited company. Subsequently, on 18 September 2025, our Company was converted to a public limited company and assumed its present name to embark on our Listing.

Our Company is an investment holding company. Through our Subsidiary, we are principally involved in bus building, covering the design and manufacturing of bus bodies, assembly of bus bodies with chassis sourced from chassis principals/dealers, sourcing and installation of fittings and accessories to form CBU buses as well as provision of bus repair and maintenance services.

Our Group structure as at the LPD is as follows:



A summary of our business model is illustrated as follows:



Our Group sells our buses to local customers in Malaysia, which include bus transport service operators, travel companies and government agencies. Our Group also sells our buses to end-customers in Singapore, such as bus transport service operators and travel companies, primarily through a vehicle dealer in Singapore.

Further information on our Group and our business model is set out in Section 7.2 of this Prospectus.

3.3 OUR COMPETITIVE STRENGTHS

Our Group's competitive strengths are set out below:

(i) We have extensive experience and expertise in bus building gained from our established track record of 58 years in the bus building industry

Our Group has an established history of 58 years in the bus building industry since the establishment of SHLCW in 1968; and over the years, our Group has supplied our buses to the local market as well as in Singapore. Our Group's expertise in the design and building of buses is gained over the years of our business operations since 1968, as well as understanding of the needs and requirements of our customers and passengers. This allows our Group to continuously build and supply buses with enhanced features and comfort over the years along with technological advancements and evolving industry norms as well as to address the changing needs of customers and passengers. During the initial years of our Group's business operations, our Group focused on building buses with wooden bus bodies and in the late-1970s, our Group transitioned to the building of buses with metal bus bodies. As at the LPD, our Group has 6 bus models available for sale. Please refer to Section 7.2.1 of this Prospectus for further details of our buses.

Armed with a business history of over half a century in the bus building industry, our Group has been through business and economic cycles as well as industry transformations, which demonstrates our business growth and resilience, including weathering adverse economic and market conditions as well as adapting to evolving industry norms. With such a foundation, our Group believes that we will be able to continue leveraging on our expertise and capabilities to drive the growth and expansion of our business.

(ii) We build a variety of bus types and models to cater to the differing requirements of our customers

As at the LPD, our Group builds 4 types of buses, namely single deck buses, semi-high deck buses, high deck buses and double deck buses. Each type of bus possesses its own characteristics in terms of design, dimensions, seat capacity, luggage compartment and common usage. Please refer to Section 7.2.1 of this Prospectus for further details of the types and models of buses built and offered by our Group.

With differing specifications and characteristics, the buses are suitable to be used for a variety of functions (e.g. stage bus, school bus, worker bus, shuttle bus, express bus and tour bus) across different industries such as the transportation industry and tourism industry. The range of bus types and bus models also ensures that the buses appeal to a broad category of customers (e.g. bus transport service operators, travel companies, government agencies and vehicle dealers). These diverse bus types and bus models enhance our Group's market reach and allow our Group to cater to customer needs across different segments.

3. PROSPECTUS SUMMARY *(Cont'd)*

(iii) We adopt systematic and organised bus building and QA/ QC processes that enable us to uphold the quality of our buses and to maintain our industry standing and reputation

The bus body assembly and fabrication process comprises several stages starting from the fabrication of bus body and mounting of chassis, to panelling and pre-painting works, painting works, as well as installation of fittings and accessories. Each process has designated yards or areas for the respective works to be carried out, while QA/ QC measures are in place at each stage to ensure that all works are carried out in accordance with our Group's quality standards. Our Group's systematic and organised assembly and fabrication works, as well as QA/ QC processes enable our Group to detect and address any quality issues timely.

In addition, our Group also conducts a shower test on all the buses to ensure that there are no potential areas for leakage in the connecting joints of the bus doors, windows, seals and roof. Moreover, our Group conducts road tests on all the buses whereby the buses are test driven on designated routes to ascertain the overall performance, functionality and handling experience as well as identify any faultiness in the buses prior to delivery. Further, our Group sends our buses for external inspections by Puspakom as well as our chassis principals/dealers prior to conducting final pre-delivery inspection before handover to customers.

Due to stringent QA/ QC procedures, our Group managed to maintain relatively low bus repair costs for customers during the warranty period. For the FYE Under Review, our Group incurred a total of RM17,101, RM44,501, RM24,004 and RM18,679 for bus repair costs that are covered under warranty, which represented approximately 0.11%, 0.16%, 0.04% and 0.02% of our Group's total revenue respectively. Our Group's minimal bus repair costs are indicative of high product quality, thereby strengthening our Group's industry standing and enhancing our reputation amongst customers, which will lay a strong foundation for our future business growth and expansion.

(iv) We have an experienced key senior management team

Our Group is led by an experienced and hands-on key senior management team that has accumulated years of relevant industry experience and in-depth knowledge of our Group's business operations. Our Group's Managing Director, Ng Chai Sing, who has over 55 years of experience in the bus building industry, has played a pivotal role in steering the growth and success of our Group. His experience, drive and passion for our Group's business have been instrumental to our success to-date.

He is supported by other key senior management personnel, namely Bernard Ng Chong Yan (Executive Director), Khor Meng Chew (Head of Finance), Tan Wai Yin (Head of Administration and Human Resources) and Choo Kok Siong (Head of Business Services Department).

Further information on our Group's competitive strengths is set out in Section 7.7 of this Prospectus.

3. PROSPECTUS SUMMARY *(Cont'd)*

3.4 BUSINESS STRATEGIES AND FUTURE PLANS

(i) We intend to expand our bus building operations by constructing a New Factory on the New Land adjacent to our Silibin Premises

As at the LPD, our Group operates from our Silibin Premises whereby all built-up space has been occupied by our existing operations. Our Group intends to construct a New Factory on the New Land measuring approximately 54,400 sq. ft. which is adjacent to our Silibin Premises, whereby the New Factory will include the following:

(i) a production plant to house a new semi-automated fabrication line for bus bodies, with details set out in Section 7.8.1 of this Prospectus;

(ii) a storage area to store standardised modular bus body parts that will be manufactured using the new semi-automated bus body fabrication line as detailed in Section 7.8.2 of this Prospectus;

(iii) a storage area to store complete buses, including those requiring final touch-ups prior to handover and those pending collection by customers. As at the LPD, our Group's complete buses requiring final touch-ups are placed in an open area or under a temporary shelter with open sides, which exposes our in-house employees and third-party subcontractors to harsh weather conditions while conducting final touch-ups during the pre-delivery inspection stage. By having a storage space in the New Factory for final touch-ups to be carried out, our Group believes that it will enhance the working environment of our employees and third-party subcontractors. Further, as at the LPD, collection of buses by customers from our Silibin Premises is also carried out in an open area or under a temporary shelter with open sides. Having a dedicated sheltered delivery bay in the New Factory for bus collection by customers is expected to improve customers' overall experience with our Group;

(iv) a 3-storey office building to house all our office staff which are currently based at our Silibin Premises, whereby the new office building will provide a more spacious and conducive working environment for our Group's employees; and

(v) a dedicated showroom to showcase our Group's buses of different models.

(ii) We intend to enhance our production efficiency by manufacturing standardised modular bus body parts using a new semi-automated bus body fabrication line

Our bus building works begin with the fabrication of bus bodies, which involves cutting, bending, metal stamping and welding of metal materials to form numerous body parts that will be assembled, mounted and/or welded together to form a complete external bus body. As at the LPD, each of these body parts is manufactured upon receiving orders from our customers. However, certain body parts such as driver and passenger door frames, luggage compartment door frames, front and rear cowl structures of the front and rear frame respectively, as well as certain panel parts are of standard dimensions regardless of the customisation requirements requested by customers. As such, our Group intends to manufacture these body parts as standardised modular bus body parts in advance and keep them in stock prior to receiving bus orders from customers. This will contribute to reducing production lead time as we will be able to skip several fabrication processes upon receiving orders.

3. PROSPECTUS SUMMARY *(Cont'd)*

(iii) We intend to set up a dedicated showroom in the New Factory to showcase our buses

As at the LPD, we do not have a showroom and we rely on pictures of buses delivered and engineering drawings to explain the features of our buses to potential customers. Hence, we intend to set up a dedicated showroom in the New Factory to showcase our Group's buses of different models. As an initial step, we plan to build 2 semi-high deck buses (i.e. The Ark A-20 and Harmony) and 1 double deck bus (i.e. The Ark A-20 DD), which are commonly sought by customers, for showroom display. However, the selection of bus models to be built for display may be revised in response to the prevailing customer demand upon the establishment of the New Factory.

Aside from being displayed at the showroom, these buses can also be sold to customers as ready units if they are satisfied with the design and all built-in features. The buses will be painted according to the customers' design, and we will conduct internal and external inspections prior to handover. This offering will be especially appealing to customers who require ready units urgently.

The total cost of raw materials required for the building of the abovementioned 3 display buses is estimated to be approximately RM2.20 million, which will be fully funded through internally generated funds. However, to further ease our Group's cashflow, we intend to make arrangements with chassis principals/dealers for the chassis to be used to build the display buses at our showroom on a consignment basis, where we will be billed by the respective chassis principal/dealer when the buses are sold to customers. The labour cost required, which include subcontractor cost (if any) to build the 3 display buses is estimated to be approximately RM0.19 million, will also be funded through internally generated funds.

Having a dedicated showroom showcasing our buses of different models is expected to provide visitors and potential customers an interactive experience as well as to allow them to better understand the quality, design and features of our buses. We also believe that having a dedicated showroom will enhance our brand image and allow us to better host and engage with potential customers, facilitate sales conversion and eventually improve our business and financial performance.

Further information of our Group's business strategies and future plans is set out in Section 7.8 of this Prospectus.

3.5 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with the other matters set out in this Prospectus, the risk factors set out in Section 9 of this Prospectus and investment considerations (which may occur either individually or in combination, at the same time or around the same time) that may have a significant impact on our future financial performance. The following is a summary of the key risks relating to the industry, business operations, financial position and results of our Group that we are currently facing or that may develop in the future:

(i) our business and financial performance may be affected if we are unable to fulfil our customers' requirements for specific chassis brands;

(ii) the absence of long-term contracts with customers may result in the fluctuation of our Group's financial performance;

(iii) we are dependent on our Managing Director, Executive Director and key senior management team for continued success and growth of our business;

(iv) we rely on manual labour, including foreign workers, for our bus building works;

3. PROSPECTUS SUMMARY *(Cont'd)*

(v) we rely on third-party subcontractors for our bus building works;

(vi) we are subject to changes in the regulations relating to licences, certificates, permits and approvals in the bus building industry;

(vii) our business is exposed to operational risks which may be beyond our control and may lead to interruptions in our business operations;

(viii) our insurance coverage may not be adequate to cover all losses or liabilities that may arise in connection with our operations;

(ix) we are exposed to order cancellations by customers;

(x) we may face liabilities arising from product claims, public liability claims and other disputes;

(xi) we may not be able to successfully implement our business strategies;

(xii) we are required to comply with the OSHA and violations may lead to the suspension of our operations and/or imposition of penalties;

(xiii) we are subject to fluctuations in aluminium and steel prices which may affect our financial results;

(xiv) we are exposed to risks relating to the economic, political, legal, regulatory and social environments in Malaysia and Singapore; and

(xv) we are exposed to the risk of competition from other industry players.

Further information of our Group's risk factors is set out in Section 9 of this Prospectus.

3.6 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and key senior management are as follows:

Name	Designation
Directors	
Datuk Chan Soon Tat	Independent Non-Executive Chairman
Ng Chai Sing	Managing Director
Bernard Ng Chong Yan	Executive Director
Aliza Binti Ashari	Independent Non-Executive Director
Rose Zilawati Binti Mohamed Arifin	Independent Non-Executive Director
Chen Xiang Foong	Independent Non-Executive Director
Key senior management	
Khor Meng Chew	Head of Finance
Tan Wai Yin	Head of Administration and Human Resources
Choo Kok Siong	Head of Business Services

Further information and profiles of our Directors and key senior management are set out in Section 5 of this Prospectus.

3. PROSPECTUS SUMMARY *(Cont'd)*

3.7 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

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

Name	Nationality/ Place of incorporation	As at the LPD and before our IPO[(1)]				After our IPO[(2)]			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Promoters and substantial shareholders									
NCS	Malaysia	276,035,800	100.00	-	-	256,866,600	67.00	-	-
Ng Chai Sing	Malaysian	-	-	276,035,800[(3)]	100.00	-	-	256,866,600[(3)]	67.00
Bernard Ng Chong Yan	Malaysian	-	-	276,035,800[(3)]	100.00	-	-	256,866,600[(3)]	67.00

Notes:

(1) Based on our total number of 276,035,800 Shares after the Acquisition of Subsidiary and Share Split.

(2) Based on our enlarged total number of 383,383,000 Shares after the Acquisition of Subsidiary, Share Split, Public Issue and Offer for Sale.

(3) Deemed interested by virtue of their shareholdings in NCS pursuant to Section 8 of the Act.

Further information of our Promoters and substantial shareholders is set out in Section 5 of this Prospectus.

3.8 USE OF PROCEEDS

We expect to raise gross proceeds from the Public Issue of RM24.69 million and intend to use the proceeds in the following manner:

No.	Purpose	Estimated timeframe for utilisation from the date of listing	RM'000	%
(1)	Construction of New Factory	Within 36 months	9,100	36.9
(2)	Purchase of new machines	Within 36 months	5,034	20.4
(3)	Working capital	Within 12 months	6,156	24.9
(4)	Estimated listing expenses	Within 6 months	4,400	17.8
Total			**24,690**	**100.00**

There is no minimum subscription to be raised from our IPO. Further details of the use of proceeds are set out in Section 4.7 of this Prospectus.

3. PROSPECTUS SUMMARY *(Cont'd)*

3.9 FINANCIAL AND OPERATIONAL HIGHLIGHTS

The table below sets out a summary of our Group's key financial highlights based on our Group's historical audited financial information for the FYE Under Review:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	15,624	27,622	56,446	88,083
GP	2,142	5,432	12,171	18,176
PBT	554	3,595	8,702	12,892
PAT and total comprehensive income for the financial year	427	2,725	6,900	9,806
GP margin (%)[(1)]	13.71	19.67	21.56	20.64
PBT margin (%)[(2)]	3.55	13.01	15.42	14.64
PAT margin (%)[(3)]	2.73	9.87	12.22	11.13
Basic/ Diluted EPS (sen)[(4)]	0.11	0.71	1.80	2.56

Notes:

(1) Computed based on GP over revenue.

(2) Computed based on PBT over revenue.

(3) Computed based on PAT over revenue.

(4) For comparative purposes, the basic EPS is calculated based on the PAT divided by the total enlarged number of 383,383,000 Shares after our Public Issue.

3. PROSPECTUS SUMMARY *(Cont'd)*

Our revenue for the FYE Under Review segmented by business activities and by geographical market are set out below:

Principal business segments

	Audited											
	FYE 2022			FYE 2023			FYE 2024			FYE 2025		
	RM'000	%	Units sold	RM'000	%	Units sold	RM'000	%	Units sold	RM'000	%	Units sold
Sales of buses												
- Semi-high deck bus	4,488	28.7	8	6,395	23.2	11	41,645	73.8	69	68,598	77.9	105
- Single deck bus	6,557	42.0	13	16,155	58.5	36	8,714	15.5	23	3,245	3.7	5
- High deck bus	3,955	25.3	5	1,804	6.5	2	2,733	4.8	3	-	-	-
- Double deck bus	-	-	-	2,536	9.2	6	2,110	3.7	2	14,977	17.0	21
Sub-total	**15,000**	**96.0**	**26**	**26,890**	**97.4**	**55**	**55,202**	**97.8**	**97**	**86,820**	**98.6**	**131**
Repair and maintenance	624	4.0	-	732	2.6	-	1,244	2.2	-	1,263	1.4	-
Total	**15,624**	**100.0**	**26**	**27,622**	**100.0**	**55**	**56,446**	**100.0**	**97**	**88,083**	**100.0**	**131**

Principal market

	Audited											
	FYE 2022			FYE 2023			FYE 2024			FYE 2025		
	RM'000	%	Units sold	RM'000	%	Units sold	RM'000	%	Units sold	RM'000	%	Units sold
Malaysia	15,624	100.0	26	25,583	92.6	48	50,136	88.8	76	83,388	94.7	116
Singapore	-	-	-	2,039	7.4	7	6,310	11.2	21	4,695	5.3	15
Total	**15,624**	**100.0**	**26**	**27,622**	**100.0**	**55**	**56,446**	**100.0**	**97**	**88,083**	**100.0**	**131**

Please refer to Sections 7.3 and 12.1 of this Prospectus for further information relating to our Group's operational and historical financial information, respectively.

3.10 DIVIDEND POLICY

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

Our Board will consider the following factors (which may not be exhaustive) when recommending dividends for approval by our shareholders or when declaring any interim dividends:

(i) the level of cash and level of indebtedness vis-à-vis working capital requirements;

(ii) required and expected interest expense, cash flows, profits, return on equity and retained earnings;

(iii) our projected levels of capital expenditure and other investment plans;

(iv) our expected results of operations and future level of operations;

(v) any restrictive covenants contained in our current and future financing arrangements; and

(vi) any material impact of tax laws and other regulatory requirements.

Kindly refer to Section 9.3 of this Prospectus for risks relating to the investment in our Shares and Section 12.9 of this Prospectus for detailed information on our dividend policy.

4. DETAILS OF OUR IPO

4.1 OPENING AND CLOSING OF APPLICATION

The application for our IPO Shares will open at 10.00 a.m. on 6 May 2026 and will remain open until 5.00 p.m. on 15 May 2026. **LATE APPLICATIONS WILL NOT BE ACCEPTED**.

4.2 INDICATIVE TIMETABLE

Event	Tentative Dates
Issuance of this Prospectus/ Opening date of Application	6 May 2026
Closing date of Application	15 May 2026
Balloting of Application	19 May 2026
Allotment/ Transfer of our IPO Shares to successful applicants	29 May 2026
Date of Listing	3 June 2026

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

4.3 PARTICULARS OF THE IPO

Our IPO is subject to the terms and conditions of this Prospectus. Our IPO Shares are expected to be allocated in the manner described below, subject to the clawback and reallocation provisions set out in Section 4.3.3 of this Prospectus.

4.3.1 Public Issue

A total of 107,347,200 Issue Shares, representing approximately 28.00% of our enlarged total number of Shares are offered at the IPO Price. The Issue Shares will be offered in the following manner:

(i) Malaysian Public via balloting

19,169,200 Issue Shares, representing approximately 5.00% of our enlarged total number of Shares, will be made available for application by the Malaysian Public through balloting process as follows:

(a) 9,584,600 Issue Shares, representing 2.50% of our enlarged total number of Shares, made available to Malaysian Public investors; and

(b) 9,584,600 Issue Shares, representing 2.50% of our enlarged total number of Shares, made available to Bumiputera Malaysian Public investors.

(ii) Eligible Persons

11,501,500 Pink Form Shares, representing approximately 3.00% of our enlarged total number of Shares, will be made available for application by the Eligible Persons.

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

A summary of the allocation of the Pink Form Shares to our Eligible Persons is set out below:

Eligible Persons	Number of Eligible Persons	Number of Pink Form Shares
Eligible Directors of our Group[(a)]	4	1,700,000
Eligible employees of our Group[(b)]	19	6,000,000
Persons who have contributed to the success of our Group[(c)]	18	3,801,500
Total	**41**	**11,501,500**

The above allocation is subject to the Eligible Persons subscribing to their respective allocations. Entitlements which are not accepted by any Eligible Persons will be re-allocated to the other Eligible Persons at the discretion of our Board.

Notes:

(a) Allocation to eligible Directors of our Group

The criteria for allocation to our eligible Directors (as approved by our Board) are based on, amongst others, their anticipated contribution to our Group (having considered in particular, their knowledge and past industry experience).

Ng Chai Sing (our Managing Director) and Bernard Ng Chong Yan (our Executive Director) have opted not to participate in the Pink Form Allocations as they are our Promoters and substantial shareholders.

The number of Pink Form Shares allocated to our Independent Non-Executive Directors are as follows:

Name	*Designation*	*Number of Pink Form Shares*
Datuk Chan Soon Tat	*Independent Non-Executive Chairman*	*500,000*
Aliza Binti Ashari	*Independent Non-Executive Director*	*400,000*
Rose Zilawati Binti Mohamed Arifin	*Independent Non-Executive Director*	*400,000*
Chen Xiang Foong	*Independent Non-Executive Director*	*400,000*
Total		***1,700,000***

(b) Allocation to eligible employees of our Group

The criteria of allocation to our eligible employees (as approved by our Board) are based on, amongst others, the following:

- *the employees must be a full-time employee of at least 18 years of age and on the payroll of our Group; and*
- *the number of Pink Form Shares allocated to our eligible employees is based on their seniority, position, job responsibility, length of service, their past performance and contribution made to our Group, as well as other factors deemed relevant to our Board.*

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

The number of Pink Form Shares allocated to our key senior management are as follows:

Name	***Designation***	***Number of Pink Form Shares***
Choo Kok Siong	*Head of Business Services*	*2,000,000*
Khor Meng Chew	*Head of Finance*	*500,000*
Total		***2,500,000***

Tan Wai Yin has opted not to participate in the Pink Form Allocations.

(c) Allocation to persons who have contributed to the success of our Group

The criteria for allocation to persons who have contributed to the success of our Group (as approved by our Board) are based on, amongst others, the nature and terms of their business relationship with us, their contribution to the success of our Group, length of relationship with us and level of their contribution and support to the growth of our Group.

The persons who have contributed to the success of our Group include our suppliers, customers and business associates.

(iii) Selected Investors by way of private placement

76,676,500 Issue Shares, representing approximately 20.00% of our enlarged total number of Shares, are reserved for private placement to Selected Investors.

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

4.3.2 Offer for Sale

Our Selling Shareholder will undertake an offer for sale of 19,169,200 Offer Shares, representing 5.00% of our enlarged share capital by way of private placement to Selected Investors at our IPO Price.

The details of our Selling Shareholder are as follows:

Name / Address	Relationship with our Group	Shareholding before our IPO and as at the LPD		Offer Shares			After our IPO	
		No. of Shares	%(1)	No. of Shares	%(1)	%(2)	No. of Shares	%(2)
NCS / E-10-4, Megan Avenue 1 189, Jalan Tun Razak 50400 Kuala Lumpur Wilayah Persekutuan	Promoter, Specified Shareholder and substantial shareholder	276,035,800	100.00	19,169,200	6.94	5.00	256,866,600	67.00

Notes:

(1) Based on our total number of 276,035,800 Shares after the Acquisition of Subsidiary and Share Split.

(2) Based on our enlarged total number of 383,383,000 Shares after our IPO.

The Offer for Sale is subject to the terms and conditions of this Prospectus. Further details of our Selling Shareholder, who is also our Promoter, Specified Shareholder and substantial shareholder are set out in Section 5.1.2(iii) of this Prospectus.

The Offer for Sale is expected to raise gross proceeds of approximately RM4.41 million which will accrue entirely to our Selling Shareholder. Our Selling Shareholder shall bear all incidental expenses and fees such as stamp duty, placement fees, registration and share transfer fee relating to the Offer for Sale.

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

4.3.3 Clawback and reallocation

In summary, our IPO Shares will be allocated in the following manner:

	No. of Shares	%(1)
Public Issue		
Malaysian Public (via balloting)		
- Bumiputera	9,584,600	2.50
- Non-Bumiputera	9,584,600	2.50
Eligible Persons	11,501,500	3.00
Selected Investors (via private placement)	76,676,500	20.00
Sub-total	**107,347,200**	**28.00**
Offer for Sale		
Selected Investors (via private placement)	19,169,200	5.00
Total	**126,516,400**	**33.00**

Note:

(1) Based on our enlarged total number of 383,383,000 Shares after our IPO.

(i) Malaysian Public

All the 19,169,200 Issue Shares made available for application by the Malaysian Public have been fully underwritten.

Any of the Issue Shares which are not fully subscribed by the Malaysian Public will be made available for subscription as follows:

(a) firstly, by our Selected Investors as described in Sections 4.3.1(iii) and 4.3.2 of this Prospectus; and

(b) lastly, by our Underwriter, subject to the terms and conditions of the Underwriting Agreement.

(ii) Eligible Persons

All the Pink Form Shares made available for application by our Eligible Persons have been fully underwritten.

Any unsubscribed Pink Form Shares reserved under the Pink Form Allocations which are not taken up ("**Excess Pink Form Shares**") will be made available for subscription as follows:

(a) firstly, re-offer other Eligible Persons (excluding eligible Directors) who have applied for excess on top of their pre-determined allocation and allocated on a fair and equitable basis in the following priority:

(aa) firstly, allocation on a pro-rata basis to the eligible employees of our Group who have applied for the Excess Pink Form Shares based on the number of Excess Pink Form Shares applied for;

(bb) secondly, allocation of any surplus Excess Pink Form Shares after (aa) above on a pro-rata basis to persons who have contributed to the success of our Group who have applied for the Excess Pink Form Shares based on the number of Pink Form Shares applied for; and

(cc) thirdly, to minimise odd lots.

Our Board reserves the right to allocate Excess Pink Form Shares applied in such manner as it may deem fit and expedient in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in items (aa) to (cc) above is achieved. Our Board also reserves the right to accept or reject any Excess Pink Form Shares application in full or in part, without assigning any reason.

Once completed, the steps involving items (aa) to (cc) above will not be repeated. Any balance of unsubscribed Pink Form Shares will be made available for subscription by the Malaysian Public as described in Section 4.3.1(i) of this Prospectus and/or our Selected Investors as described in Sections 4.3.1(iii) and 4.3.2 of this Prospectus.

(b) lastly, by our Underwriter, subject to the terms and conditions of the Underwriting Agreement.

As at the LPD, save for the Pink Form Applications as disclosed in Section 4.3.1(ii) of this Prospectus, to the extent known to our Company:

(a) there are no substantial shareholders, Directors or members of the key senior management who have indicated to our Company that they intend to subscribe for the IPO Shares; and

(b) there are no persons who have indicated to our Company that they intend to subscribe for more than 5.00% of the IPO Shares.

(iii) Selected Investors by way of private placement

The total of 95,845,700 IPO Shares (comprising 76,676,500 Issue Shares and 19,169,200 Offer Shares) reserved under private placement to Selected Investors are not underwritten, as written irrevocable undertakings to subscribe for these Placement Shares will be obtained from the respective Selected Investors.

In the event of under-subscription of the Placement Shares by the Selected Investors and subject to a corresponding over-subscription by the Malaysian Public or Eligible Persons, the remaining portion will be clawed back and reallocated to the Malaysian Public as described in Section 4.3.1(i) of this Prospectus and/or offered to the Eligible Persons as described in Section 4.3.1(ii) of this Prospectus.

The clawback and reallocation provisions will not apply in the event there is an over-subscription or under-subscription in all of the allocations of our IPO Shares at the closing date of our IPO.

The basis of allocating the IPO Shares shall take into account the desirability of distributing the IPO Shares to a reasonable number of applicants to:

(a) broaden our shareholding base;

(b) meet the public spread requirements of Bursa Securities; and

(c) establish a liquid and adequate market for our Shares.

Applicants will be selected in a fair and equitable manner to be determined by our Board.

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

4.3.4 Minimum subscription level

There is no minimum subscription level to be raised from our IPO. However, in order to comply with the public spread requirements under the Listing Requirements, the minimum subscription level will be the number of Shares required to be held by public shareholders. Pursuant to the Listing Requirements, at least 25.00% of our enlarged total number of Shares for which listing is sought must be in the hands of a minimum number of 200 public shareholders, each holding not less than 100 Shares at the point of our Listing.

If we do not meet the public shareholding requirement, we may not be allowed to proceed with the Listing. In such an event, all monies paid in respect of all Applications will be returned in full without interest. If any such monies are not repaid within 14 days after we become liable to repay it, the provision of subsection 243(2) of the CMSA shall apply accordingly.

The number of IPO Shares offered under the Public Issue will not be increased via any over-allotment or "greenshoe" option.

4.3.5 Price stabilisation mechanism

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

4.4 SHARE CAPITAL

	No. of Shares	RM
Issued share capital as at the date of this Prospectus	276,035,800	13,801,790
New Shares to be issued pursuant to the Public Issue	107,347,200	22,871,856[(1)]
Enlarged issued share capital upon Listing	**383,383,000**	**36,673,646**
Offer for Sale[(2)]	**19,169,200**	**4,408,916**
IPO Price		**0.23**
Market capitalisation of our Company (based on our IPO Price and enlarged issued Shares upon listing)		**88,178,090**

Notes:

(1) Computed based on IPO Price of RM0.23 and after deducting the estimated listing expenses directly attributable to the issuance of new Shares of approximately RM1.82 million, which is allowed to be set off against our share capital.

(2) Our Offer for Sale will not have any effect on our issued share capital as the Offer Shares are already in existence prior to our IPO.

As at the date of this Prospectus, we have only one 1 class of shares in the Company, namely, ordinary shares, all of which shall rank equally amongst one another. The IPO Shares will, upon allotment and issuance, rank equally in all respects with our existing issued Shares, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of allotment of our IPO Shares.

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

Subject to any special rights attaching to any Shares which may be issued by our Company in the future, our shareholders shall, in proportion to the amount paid on the Shares held by them, be entitled to share in the whole of the profits paid out by our Company as dividends and other distributions. Similarly, if our Company is liquidated, our shareholders shall be entitled to the surplus (if any), in accordance with our Constitution after satisfaction of any preferential payments in accordance with the Act and our liabilities.

At any general meeting of our Company, each shareholder shall be entitled to vote in person, by proxy or by attorney, or by other duly authorised representative. Every person present who is a shareholder or representative or proxy or attorney or duly authorised representative of a shareholder shall have 1 vote for each ordinary share held. A proxy may, but need not be, a member of our Company.

4.5 BASIS OF ARRIVING AT THE IPO PRICE

The IPO Price was determined and agreed upon by us and TA Securities, as our Principal Adviser, Sponsor, Underwriter and Placement Agent, after taking into consideration amongst others, the following factors:

(i) our historical financial performance as set out in Section 12.3 of this Prospectus;

(ii) our pro forma NA per Share as at 31 December 2025 of approximately RM0.12, computed based on our Group's pro forma NA after the Share Split, Public Issue and use of proceeds as at 31 December 2025 of approximately RM45.38 million and our enlarged total number of Shares of 383,383,000 Shares;

(iii) PE Multiple of approximately 8.98 times based on our Group's audited EPS of approximately 2.56 sen for the FYE 2025, computed based on our Group's audited PAT of approximately RM9.81 million for the FYE 2025 and our enlarged total number of Shares of 383,383,000 Shares;

(iv) our competitive strengths as set out in Section 7.7 of this Prospectus;

(v) our Group's business strategies and future plans as set out in Section 7.8 of this Prospectus; and

(vi) the overview and prospects of the industry in which our Group operates based on the IMR Report as set out in Section 8 of this Prospectus.

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

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

4.6 DILUTION

Dilution is the amount by which our IPO Price exceeds our pro forma NA per Share immediately after our IPO. The table below sets out the dilution effect on a per Share basis:

		RM
IPO Price	[A]	0.23
Pro forma NA per Share as at 31 December 2025 (after Share Split and before IPO)	[B]	0.09
Pro forma NA per Share (after Share Split, IPO and utilisation of proceeds)	[C]	0.12
Increase in the pro forma NA per Share (after Share Split, IPO and utilisation of proceeds) attributable to our existing shareholders	[C] – [B]	0.03
Dilution in the pro forma NA per Share to our new public investors	[A] – [C] = [D]	0.11
Dilution in the pro forma NA per Share to our new public investors as a percentage of the IPO Price	[D] / [A]	47.83%

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

Save as disclosed below, there is no substantial disparity between our IPO Price and effective cash cost of our Shares acquired by our Promoters, Directors, substantial shareholders, key senior management, and/or persons connected with them, or any transaction entered into by them which grants them the right to acquire any of our Shares since the incorporation of our Company up to the date of this Prospectus:

	No. of Shares held before our IPO	**Total consideration RM**	**Average effective cost per Share RM**
Substantial shareholder			
NCS[(1)]	276,035,800[(2)]	13,801,789	0.05

Notes:

(1) NCS is an investment holding company held by Ng Chai Sing, Bernard Ng Chong Yan, Benjamin Ng Chong Jin and Yeow Lee Siah with equity interest of 45.00%, 40.00%, 10.00% and 5.00% respectively. Please refer to Section 5.1.2(iii) of this Prospectus for further details on the shareholders of NCS.

(2) Being Shares issued as consideration pursuant to the Acquisition of Subsidiary.

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

4.7 USE OF PROCEEDS

The Public Issue is expected to raise gross proceeds of RM24.69 million for our Group, which shall be used in the following manner:

Purpose	Estimated timeframe for utilisation from the date of Listing	RM'000	%
Construction of New Factory	Within 36 months	9,100	36.9
Purchase of new machines	Within 36 months	5,034	20.4
Working capital	Within 12 months	6,156	24.9
Estimated listing expenses	Within 6 months	4,400	17.8
Total		**24,690**	**100.00**

4.7.1 Construction of New Factory

As part of our Group's business strategies and plans to expand our business, we intend to construct the New Factory to further expand our production capacity for the bus manufacturing operations to cater for the anticipated increase in demand for new buses as further detailed in Section 8 of this Prospectus. The New Land was acquired by our Group in May 2020 for approximately RM1.50 million and the usage of the New Land is categorised for industrial purposes.

We intend to construct the New Factory on the New Land measuring approximately 54,400 sq. ft. which is adjacent to our Silibin Premises, to house a new semi-automated fabrication line for bus bodies. The New Factory will have a total estimated built-up area of approximately 34,380 sq. ft., apportioned among the respective components as below:

No.	Purpose	Estimated built-up area (sq. ft.)
(a)	**Manufacturing plant and storage area** Installation of a new semi-automated fabrication line for bus bodies as well as storage area for bus bodies parts (including work-in progress pieces as well as complete buses)	21,150
(b)	**3-storey office building** Office for our Group's employees in the business services, business development, administration and human resources and finance departments as well as meeting room(s)	10,550
(c)	**Showroom** To showcase different models of our Group's buses	2,680
Total estimated built-up area		**34,380**

The total cost for constructing the New Factory is estimated to be RM9.1 million and will be funded from the proceeds to be raised from our Public Issue. The breakdown of the cost of construction of the New Factory is as follows:

Estimated cost	RM'000
Preliminaries, earthworks and piling works	1,162
Building structure and infrastructure works	6,538
Professional fees and other miscellaneous works	1,400
Total	**9,100**

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

As at the LPD, the New Land is being used as a storage space for the bus bodies parts, including work-in-progress pieces as well as complete buses. As the construction of the New Factory will be carried out progressively, we do not expect an immediate and significant disruptions to our business operations. Nevertheless, we plan to utilise our existing space at our Silibin Premises, and/or to temporarily rent an industrial unit in close proximity to our Silibin Premises, where necessary, for the storage of bus body parts, work-in-progress pieces and complete buses. As at the LPD, the indicative rental rate of the industrial unit is estimated to be approximately RM0.36 million per annum, which is expected to be funded via internally generated funds.

The indicative timeline for the construction of the New Factory is as follows:

Timeframe from the date of the Listing ("T")	**Details**
T + 1 month	• Submission of applications for planning approval to the relevant government authorities
T + 8 months	• To obtain approval from the relevant government authorities on planning permit and building plan
T + 16 months	• Commencement of construction of the New Factory
T + 30 months	• Completion of construction of the New Factory • To purchase machines that form the new semi-automated bus body fabrication line immediately after the completion of construction of the New Factory, whereby the machines are expected to arrive at the New Factory approximately 3 to 4 months after placing orders
T + 34 months	• To obtain CCC for the New Factory • To install the new semi-automated bus body fabrication line
T + 36 months	• To commence bus manufacturing operations in the New Factory

The construction costs for the New Factory may be subject to change depending on the availability of the construction material, prevailing cost during the construction period and other factors beyond our control. Any excess amount required for the construction works for the New Factory will be funded via internal funds and/or bank borrowings. Conversely, if the actual amount for the above construction cost for the New Factory is lower than budgeted, the excess will be used for working capital purposes. Please refer to Section 7.8.1 of this Prospectus for further details on our plan to expand our business by constructing the New Factory.

Following the commencement of bus manufacturing operations in the New Factory, our Group intends to retain and continue utilising the Silibin Premises for our bus manufacturing operations. The Silibin Premises will complement the New Factory by supporting on-going production requirements as well as handling repair, refurbishment and ancillary works.

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

4.7.2 Purchase of new machines

We plan to install new machines in our new semi-automated bus body fabrication line in the New Factory and automate certain manufacturing processes to enhance operational productivity and efficiency of our Group's manufacturing operations.

We intend to allocate approximately RM5.03 million from the gross proceeds of our Public Issue to purchase the following machines:

Machine	Description	No. of units	Estimated cost RM'000
Robotic welding machine	To weld several metal pieces/parts with the aid of robotic arms	10	1,600
Linear track for robot welding	A linear motorised rail system that holds and enables robotic welding machines to move along a linear axis, which extends the reach of the robotic welding machines to weld larger parts or components, thereby enhancing productivity and manufacturing efficiency	4	720
CNC press brake machine	To bend metal sheets into customised shapes	2	502
Laser pipe cutting machine	To cut metal tubes and pipes into specified dimensions	4	1,252
Laser tracking system	To be installed along with the linear track for robot welding as it assists in accurately measuring and tracking the alignment and position of welding points	4	320
Laser plate cutting machine	To cut metal plates into specified dimensions	2	560
CNC router machine	To mill, drill and cut metallic and non-metallic materials into specified dimensions	1	80
Total			**5,034**

Our Group plans to purchase all of these machines concurrently to form the semi-automated bus body fabrication line after the completion of the construction of the New Factory, while awaiting the obtaining of the CCC for the New Factory. Upon obtaining the CCC for the New Factory, we will commence the machine installation at the New Factory. The machine installation is envisaged to be completed and commence operations within 36 months from the date of Listing. As at the LPD, our Group does not own any machines similar to those intended for purchase, as our current operations rely on relatively basic machines, manual equipment and tools, such as cutting/ sawing machines, drilling tools, grinders, bending machines, manual welding machines and spray guns.

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

The estimated cost for the machines is based on the supplier's quotations and is subject to change if the prices are revised subsequently. Any excess amount required for the above machines will be funded by internal funds and/or bank borrowings. Conversely, if the actual amount for the above purchase of machines is lower than budgeted, the excess will be used for working capital purposes. Please refer to Section 7.8.2 of this Prospectus for further details on our plan to enhance our production process by utilising a new semi-automated bus body fabrication line in the New Factory.

4.7.3 Working capital

Our Group's working capital requirements are expected to increase in tandem with the expected growth of our businesses. We intend to allocate approximately RM6.16 million of our gross proceeds to be raised from the Public Issue for our working capital requirements such as the purchase of raw materials and other expenses for our day-to-day operations, which include, amongst others, defrayment of administrative and general expenses such as staff costs and related expenses.

The breakdown of such use cannot be determined at this juncture as it depends on the working capital requirements of our Group at the relevant point in time. Notwithstanding this, on a best estimate basis, the allocation of gross proceeds for our Group's working capital requirements are as follows:

Details	**RM'000**
Purchase of raw materials[(i)]	5,000
Staff costs and related expenses[(ii)]	1,000
Other administrative and general expenses[(iii)]	156
Total	**6,156**

Notes:

(i) The raw materials required for our bus building operations include, amongst others, chassis, metal, fiberglass, fittings and accessories.

(ii) Comprises, amongst others, salary, staff training costs, EPF contributions, SOCSO contributions and staff medical expenses.

(iii) Comprises, amongst others, utility charges, upkeep of the office and upkeep of motor vehicles.

4.7.4 Estimated listing expenses

Our estimated listing expenses are set out below:

Details	**RM'000**
Professional fees - includes advisory fees for, amongst others, our Principal Adviser, Reporting Accountants, Solicitors, IMR, Issuing House and other professional advisers	3,101
Authorities' fees	66
Brokerage, underwriting commission and placement fees	763
Printing, advertising fees and other incidental charges relating to our Listing	470
Total estimated listing expenses	**4,400**

We will bear all expenses and fees incidental to our Listing as indicated above. In the event of any excess or deficit in the allocated amount for the estimated listing expenses for our IPO and our Listing, such variance will be adjusted to/ from the proceeds allocated for our general working capital.

Pending the use of proceeds arising from the Public Issue for the abovementioned purposes, the funds will be placed in interest-bearing accounts, money market instruments and/or deposits with licensed financial institution(s) as our Board deems appropriate. The interest derived or gain arising therefrom will be used for our Group's working capital requirement.

4.8 BROKERAGE, UNDERWRITING COMMISSION AND PLACEMENT FEE

4.8.1 Brokerage fee

We will pay the brokerage at the rate of 1.00% on the IPO Price in respect of successful applications for the 30,670,700 IPO Shares under Sections 4.3.1(i) and 4.3.1(ii) of this Prospectus, bearing the stamp of TA Securities, member companies of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association or Issuing House. The brokerage fee is subject to SST.

Our Placement Agent is entitled to charge brokerage fee of up to 1.00% to the Selected Investors as set out in Sections 4.3.1(iii) and 4.3.2 of this Prospectus. For the avoidance of doubt, such brokerage fee will be paid by such Selected Investors and will not be borne by us or our Selling Shareholder.

4.8.2 Underwriting commission

The Underwriter has entered into the Underwriting Agreement on 15 April 2026 with our Company for the underwriting of 30,670,700 Issue Shares ("**Underwritten Shares**"). We will pay our Underwriter an underwriting commission at the rate of 2.50% of the total value of the Underwritten Shares based on the IPO Price. The underwriting commission is subject to SST.

4.8.3 Placement fee

We will pay the Placement Agent, a placement fee at the rate of 2.50% of the value of the 76,676,500 Issue Shares reserved for private placement (being the number of Issue Shares reserved for private placement multiplied by the IPO Price). The placement fee is subject to SST.

The placement fee (which is subject to SST) at the rate of 2.50% of the total value of the 19,169,200 Offer Shares successfully placed out to Selected Investors at the IPO Price will be fully borne by our Selling Shareholder.

4.9 UNDERWRITING ARRANGEMENT

We have entered into the Underwriting Agreement with the Underwriter where the Underwriter has agreed to underwrite the Underwritten Shares. Details of the underwriting commission are set out in Section 4.8.2 of this Prospectus.

The following are the salient terms of the Underwriting Agreement and the capitalised terms used in this section shall have the same meanings as ascribed thereto in the Underwriting Agreement:

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

4.9.1 Conditions precedent

(1) The obligations of the Underwriter under the Underwriting Agreement are conditional upon:

(a) the Underwriting Agreement having been duly executed by all the parties to the Underwriting Agreement and duly stamped;

(b) there has been on or prior to the last date for acceptance and receipt of application for the subscription of the Issue Shares or such other later date as our Company and the Underwriter may agree upon ("**Closing Date**"), non-occurrence of any events that are likely to result in any material adverse change in the condition (financial or otherwise) of our Company or our Subsidiary, which is material in the context of our IPO from that set forth in this Prospectus, nor the occurrence of any event or the discovery of any fact which is inaccurate, untrue or incorrect to any extent which is or will be material in the reasonable opinion of the Underwriter, which makes any of the representations and warranties contained in the Underwriting Agreement untrue and incorrect in any material respect as though they had been given and made on such date with reference to the facts and circumstances then subsisting, nor the occurrence of any breach of the undertakings contained in the Underwriting Agreement;

(c) the delivery to the Underwriter:

(i) prior to the date of this registration of this Prospectus, a copy certified as a true copy by an authorised officer of our Company of all the resolutions of our Directors and the shareholders in general meeting (if required) approving the Underwriting Agreement, this Prospectus, the Listing and authorising the execution of the Underwriting Agreement and the issuance of this Prospectus; and

(ii) a certificate, in the form or substantially in the form contained in the Underwriting Agreement, dated the date of this Prospectus signed by duly authorised officers of our Company stating that, to the best of their knowledge and belief, having made all reasonable enquiries, there has been no such change, development or occurrence as is referred to in the Underwriting Agreement.

(d) this Prospectus being in the form and substance satisfactory to the Underwriter;

(e) the delivery to the Underwriter on the Closing Date of such reports and confirmations dated the Closing Date from the Directors of our Company as the Underwriter may reasonably require to ascertain that there is no material change subsequent to the date of the Underwriting Agreement that will adversely affect the performance or financial position of our Group;

(f) the Underwriter having been satisfied that arrangements have been made by our Company to ensure payment of the expenses referred to in the Underwriting Agreement;

(g) the Public Issue not being prohibited by any statute, order, rule, regulation or directive promulgated or issued by any legislative, executive or regulatory body or authority in Malaysia;

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

(h) there is no investigation, directions or actions by any judicial, governmental or regulatory authority in relation to the Listing or in connection with our Group which is still subsisting or unresolved to the satisfaction of the Underwriter;

(i) our Company having complied and that the Public Issue is in compliance with the policies, guidelines and requirements of Bursa Securities and/or the SC and/or any other relevant authorities and all revisions, amendments and/or supplements thereto;

(j) our Company having fully complied with all the conditions which are required to be complied with prior to the issuance of this Prospectus or the Closing Date imposed by Bursa Securities and/or any other relevant authorities in respect of the Public Issue and the Listing;

(k) the acceptance for registration by Bursa Securities of this Prospectus and such other documents as may be required in accordance with the CMSA in relation to the Public Issue and the lodgement of this Prospectus with the CCM on or before its release under the Public Issue;

(l) Bursa Securities has agreed and approved in principle on or prior to the Closing Date to the admission to the Official List of Bursa Securities and the listing of and quotation for the entire enlarged issued share capital of our Company on the ACE Market of Bursa Securities having approved this Prospectus and if such approvals shall be conditional, all conditions thereto being in terms acceptable to the Underwriter on or prior to the Closing Date being reasonably satisfied and such approval not being withdrawn, revoked, suspended, terminated or lapsed and that such listing and quotation shall be granted within three (3) clear Market Days after the submission to Bursa Securities of the relevant documents including the receipt of confirmation from the Bursa Depository confirming that the securities accounts of all successful applicants have been duly credited and the Issuing House has confirmed that the notices of allotment have been despatched to entitled holders;

(m) this Prospectus having been issued within one (1) month of the date hereof or within such extended period as may be determined by the Underwriter;

(n) the issue of the Issue Shares having been approved by Bursa Securities and any other relevant authorities and the shareholders of our Company in a general meeting and such authorisation has not been withdrawn, revoked, suspended, terminated or lapsed; and

(o) all necessary approvals and authorisations required in relation to the Issue Shares including but not limited to governmental approvals have been obtained and are in full force and effect.

(2) If any of the conditions set out in Section 4.9.1(1) above is not satisfied by the Closing Date, the Underwriter shall thereupon be entitled to terminate the Underwriting Agreement and in that event, except for the liability of our Company for the payment of costs and expenses as provided in the Underwriting Agreement incurred prior to the termination and any claims pursuant to the Underwriting Agreement, there shall be no further claims by the Underwriter against our Company, and the parties shall be released and discharged from their respective obligations under the Underwriting Agreement provided that the Underwriter may at its discretion with respect to its obligations waive compliance with any of the provisions of Section 4.9.1(1) above.

4.9.2 Termination/ lapse of the Underwriting Agreement

(1) Notwithstanding anything contained in the Underwriting Agreement, the Underwriter may by notice in writing to our Company given at any time before the Closing Date, terminate, cancel or withdraw its commitment to underwrite the Underwritten Shares if:

(a) there is any breach by our Company of any of the representations, warranties or undertakings contained in the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied to the satisfaction of the Underwriter within such number of days as stipulated by the Underwriter in writing to our Company or as stipulated in the notice informing our Company of such breach or by the Closing Date, whichever is earlier; or

(b) there is withholding of information which is required to be disclosed by our Company to the Underwriter pursuant to the Underwriting Agreement, and if capable of remedy, is not remedied within such number of days as stipulated by the Underwriter in writing to our Company or as stipulated in the notice informing our Company of such breach which, in the opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of the Public Issue, or the distribution or sale of the Issue Shares; or

(c) there shall have occurred, happened or come into effect any material and adverse change to the business or financial condition of our Company or our Group; or

(d) there shall have occurred, happened or come into effect any of the following circumstances:

(i) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or

(ii) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of the Underwriter (including without limitation, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents);

which, (in the reasonable opinion of the Underwriter), would have or can reasonably be expected to have, a material adverse effect on and/or materially prejudice the business or the operations of our Company or our Group, the success of the Public Issue, or the distribution or sale of the Issue Shares, or which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or

(e) any approvals, orders, consents, authorisations, registrations and/or permissions required in relation to our IPO is revoked, suspended, withdrawn or ceases to have any effect whatsoever, or is varied or supplemented upon terms that would have or is reasonably likely to have a material adverse effect; or

(f) the Listing does not take place within three (3) months from the date of the Underwriting Agreement or such other extended date as may be agreed by our Company and the Underwriter; or

(g) any commencement of legal proceedings or action against any member of our Group or any of our Directors, which in the opinion of the Underwriter, would have or is reasonably likely to have a material adverse effect or make it impracticable to market our IPO or to enforce contracts to allot and/or transfer the Shares; or

(h) any material statements contained in this Prospectus has become or been discovered to be untrue, inaccurate or misleading in any respect; or

(i) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the ACE Market of Bursa Securities due to exceptional financial circumstances which, in the reasonable opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of our IPO, or the distribution or sale of the Issue Shares; or

(j) there is failure on the part of our Company to perform any of its obligations contained in the Underwriting Agreement which is not capable of remedy or, if capable of remedy, is not remedied to the satisfaction of the Underwriter within such number of days as stipulated by the Underwriter in writing to our Company or as stipulated in the notice informing our Company of such breach or by the Closing Date, whichever is earlier.

(2) In the event of termination pursuant to Section 4.9.2(1) (save for Sections 4.9.2(1)(d) and 4.9.2(1)(i)), the respective parties to the Underwriting Agreement shall, save and except for any antecedent breach, be released and discharged from their obligations under the Underwriting Agreement whereupon the Underwriting Agreement shall be of no further force or effect subject to the following:

(a) the liability of our Company for the payment of costs and expenses as provided in the Underwriting Agreement incurred prior to or in connection with such termination shall remain;

(b) the liability of our Company for the payment of the Underwriting Commission as provided in the Underwriting Agreement shall remain; and

(c) subject thereto, our Company shall return any monies paid without interest thereon to the Underwriter within three (3) Market Days of the receipt of such notice of termination from the Underwriter,

provided that the Underwriter may at its discretion waive compliance with or modify any of the provisions of the Underwriting Agreement without prejudice to its powers, rights and remedies under the Underwriting Agreement.

(3) If the Underwriting Agreement is terminated pursuant to Sections 4.9.2(1)(d) and 4.9.2(1)(i), the Underwriter and our Company may confer with a view to defer the Public Issue by amending its terms or the terms of the Underwriting Agreement and may enter into a supplemental underwriting agreement accordingly, but neither the Underwriter nor our Company shall be under any obligation to enter into a new or fresh agreement.

4.10 TRADING AND SETTLEMENT IN THE SECONDARY MARKET

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

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

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

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

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

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters and substantial shareholders' shareholdings

The Promoters and substantial shareholders' shareholdings in our Company before and after our IPO are as follows:

Name	Nationality/ Place of incorporation	As at the LPD and before our IPO[1]				After our IPO[2]			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Promoters and substantial shareholders									
NCS	Malaysia	276,035,800	100.00	-	-	256,866,600	67.00	-	-
Ng Chai Sing	Malaysian	-	-	276,035,800[3]	100.00	-	-	256,866,600[3]	67.00
Bernard Ng Chong Yan	Malaysian	-	-	276,035,800[3]	100.00	-	-	256,866,600[3]	67.00

Notes:

(1) Based on our total number of 276,035,800 Shares after the Acquisition of Subsidiary and Share Split.

(2) Based on our enlarged total number of 383,383,000 Shares after the Acquisition of Subsidiary, Share Split, Public Issue and Offer for Sale.

(3) Deemed interested by virtue of their shareholdings in NCS pursuant to Section 8 of the Act.

Our Promoters and substantial shareholders do not have different voting rights from other shareholders of our Company as all our Shares before and after our IPO are of the same class.

Save as disclosed above, there are no other persons who are able to directly or indirectly, jointly or severally, exercise control over our Company.

As at the LPD, there is no arrangement between our Company, our Promoters and our substantial shareholders, with any other third party of which may, at a subsequent date, result in a change in control of our Company, at a date subsequent to our IPO and our Listing.

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

5.1.2 Profiles of Promoters and substantial shareholders

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

(i) Ng Chai Sing
Malaysian, aged 72
Promoter, substantial shareholder and Managing Director

Ng Chai Sing, a Malaysian male aged 72, is our Promoter, substantial shareholder and Managing Director. He was appointed to our Board on 10 March 2025. He is mainly responsible for crafting our Group's business model and strategic planning of our corporate direction.

In 1970, he completed his secondary education at Serangoon Secondary School, Singapore.

In 1971, he returned to Malaysia to join his family business, SHLCW as an Operations Assistant, where he was involved in assisting with the daily operations of the business. SHLCW was a partnership established in 1968 by his late father, Ng Boon Lan and his partners, principally involved in constructing and repairing body framework of buses. In 1977, he was admitted as a partner of SHLCW. During his tenure, he gained in-depth exposure to the operational and technical aspects of the business, which enhanced his understanding of the industry.

As the family business grew, he co-founded SHL with his family members in 1986 to partially assume the business operations of SHLCW, which partnership expired in February 2005. He concurrently appointed as a director of SHL. As a director, he is mainly involved in the day-to-day operations and overall development and performance of SHL.

In March 2025, he was redesignated as the Managing Director of our Group, a position he holds to-date.

He is the spouse of Yeow Lee Siah, father of Bernard Ng Chong Yan and Benjamin Ng Chong Jin, and the father-in-law of Tan Wai Yin.

Please refer to Section 5.2.3 of this Prospectus for further details of his past directorships and involvement in other corporations outside of our Group as at the LPD.

(ii) Bernard Ng Chong Yan
Malaysian, aged 38
Promoter, substantial shareholder and Executive Director

Bernard Ng Chong Yan, a Malaysian male aged 38, is our Promoter, substantial shareholder and Executive Director. He was appointed to our Board on 10 March 2025. He is responsible for implementing business strategies and spearheading our business development activities, cultivating and maintaining business relationships with customers and suppliers. He also oversees the daily operations of our Group, primarily focusing on our operational and financial sustainability.

In 2012, he graduated with a Bachelor of Business Administration (Honours), Banking and Finance from Universiti Tunku Abdul Rahman ("**UTAR**").

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

Upon graduation, he joined SHL, his family business as a Business Development Executive where he was involved in market research, identifying business opportunities and implementing sales strategies.

In 2014, he was promoted to Business Development Manager, where his role expanded to include planning and executing overall sales strategies, leading the production and engineering teams, overseeing project delivery, and supporting new product development initiatives.

In 2020, he was appointed as the director of SHL, assuming responsibility for leading multiple business divisions including business development, production, and engineering.

In March 2025, he was redesignated as the Executive Director of our Group, a position he holds to-date.

He is the son of Ng Chai Sing and Yeow Lee Siah, the spouse of Tan Wai Yin and the brother of Benjamin Ng Chong Jin.

Please refer to Section 5.2.3 of this Prospectus for further details of his past directorships and involvement in other corporations outside of our Group as at the LPD.

(iii) NCS

Promoter, Specified Shareholder and substantial shareholder

NCS was incorporated in Malaysia under the Act on 10 March 2025 as a private limited company under its present name. NCS is principally an investment holding company as at the LPD.

As at the LPD, the issued share capital of NCS is RM100.00 comprising 100 ordinary shares.

As at the LPD, the directors of NCS are Ng Chai Sing, Yeow Lee Siah and Bernard Ng Chong Yan.

The table below sets out the shareholders of NCS and their respective shareholdings in NCS as at the LPD:

		Direct		Indirect	
Shareholders	**Nationality**	**No. of shares**	**%(1)**	**No. of shares**	**%**
Ng Chai Sing	Malaysian	45	45.00	10	10.00(2)
Bernard Ng Chong Yan	Malaysian	40	40.00	-	-
Benjamin Ng Chong Jin	Malaysian	10	10.00	-	-
Yeow Lee Siah	Malaysian	5	5.00	10	10.00(2)

Notes:

(1) Based on the total number of 100 ordinary shares in NCS.

(2) Deemed interested by virtue of his/her son, Benjamin Ng Chong Jin's shareholding pursuant to Section 59(11)(c) of the Act.

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

5.1.3 Changes in shareholdings of our Promoters and substantial shareholders in our Company

The changes in the shareholdings of our Promoters and substantial shareholders in our Company since our incorporation on 10 March 2025 are as follows:

	As at incorporation date[1]				After the Acquisition of Subsidiary, Share Split and as at the LPD[2]			
	Direct		Indirect		Direct		Indirect	
Name	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Promoters and substantial shareholders								
NCS	-	-	-	-	276,035,800	100.00	-	-
Ng Chai Sing	1	100.00	-	-	-	-	276,035,800[3]	100.00
Bernard Ng Chong Yan	-	-	-	-	-	-	276,035,800[3]	100.00

	After our IPO[3]			
	Direct		Indirect	
Name	**No. of Shares**	**%**	**No. of Shares**	**%**
Promoters and substantial shareholders				
NCS	256,866,600	67.00	-	-
Ng Chai Sing	-	-	256,866,600[3]	67.00
Bernard Ng Chong Yan	-	-	256,866,600[3]	67.00

Notes:

(1) Based on our total number of 1 Share as at 10 March 2025, being the date of incorporation of our Company.

(2) Based on our total number of 276,035,800 Shares after the Acquisition of Subsidiary and Share Split.

(3) Based on our enlarged total number of 383,383,000 Shares after the Acquisition of Subsidiary, Share Split, Public Issue and Offer for Sale.

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

5.1.4 Amounts/ benefits paid or intended to be paid or given to any Promoters or substantial shareholders

Save for the issuance of our Company's Shares as consideration pursuant to the Acquisition of Subsidiary as set out in Section 6.1 of this Prospectus as well as Ng Chai Sing's and Bernard Ng Chong Yan's remuneration and material benefits in-kind as disclosed in Section 5.2.4 of this Prospectus, there are no other amounts or benefits paid or intended to be paid or given to any of our Promoters or substantial shareholders, within the 2 years preceding the date of this Prospectus.

For information purposes, our Group has not declared nor paid any dividend to our Promoters and substantial shareholders within the period of 2 years preceding the date of this Prospectus. Our Group does not intend to declare any dividend prior to our Listing. Further details on our Group's dividend policy are set out in Section 12.9 of this Prospectus.

5.2 BOARD OF DIRECTORS

5.2.1 Directors' shareholdings

The Directors' shareholdings in our Company before and after our IPO are as follows:

Name	Designation	As at the LPD and before our IPO[1]				After our IPO[2][3]			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Datuk Chan Soon Tat	Independent Non-Executive Chairman	-	-	-	-	500,000	0.13	-	-
Ng Chai Sing	Managing Director	-	-	276,035,800[4]	100.00	-	-	256,866,600[4]	67.00
Bernard Ng Chong Yan	Executive Director	-	-	276,035,800[4]	100.00	-	-	256,866,600[4]	67.00
Aliza Binti Ashari	Independent Non-Executive Director	-	-	-	-	400,000	0.10	-	-
Rose Zilawati Binti Mohamed Arifin	Independent Non-Executive Director	-	-	-	-	400,000	0.10	-	-
Chen Xiang Foong	Independent Non-Executive Director	-	-	-	-	400,000	0.10	-	-

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

Notes:

(1) Based on our total number of 276,035,800 Shares after the Acquisition of Subsidiary and Share Split.

(2) Based on our enlarged total number of 383,383,000 Shares after the Acquisition of Subsidiary, Share Split, Public Issue and Offer for Sale.

(3) Assuming all the Directors (except for Ng Chai Sing and Bernard Ng Chong Yan) subscribe in full for their respective Pink Form Shares.

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

None of our Directors are representatives of any corporate shareholder.

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

5.2.2 Profiles of Directors

Save for the profiles of Ng Chai Sing (our Managing Director) and Bernard Ng Chong Yan (our Executive Director), which have been set out in Section 5.1.2 of this Prospectus, the profiles of our other Directors are as follows:

(i) Datuk Chan Soon Tat
Malaysian, aged 43
Independent Non-Executive Chairman

Datuk Chan Soon Tat, a Malaysian aged 43, is our Independent Non-Executive Chairman. He was appointed to our Board on 25 September 2025.

In 2007, he graduated with a Bachelor of Commerce (Honours) Accounting from UTAR. He has been a member of the Malaysian Institute of Accountants ("**MIA**") and a member of the Association of Chartered Certified Accountants ("**ACCA**") since 2015. He was also granted fellowship by the ACCA since 2020.

Upon graduation, he began his career as an Audit Associate with S.F. Yap & Co (now known as YYC & Co.) where he mainly involved in audit and advisory services.

In 2014, he transferred from YYC & Co. to YYC GST Consultants Sdn Bhd (a YYC group of companies ("**YYC Group**")) as Goods and Services ("**GST**") Advisory Director and provided advisory services regarding the implementation of GST.

In 2017, he was transferred to another company within YYC Group, namely, YYC Holdings Sdn Bhd as their Chief Strategy and Marketing Officer cum Director of Merger and Acquisition, where he was mainly responsible for the corporate exercises undertaken by YYC Group, identifying and evaluating potential acquisition targets or divestiture opportunities aligned with corporate strategy.

In 2019, he left YYC Group and joined SJ & Co PLT as an Audit Director, a position he holds to-date, where he is involved in auditing, tax planning, and business advisory for various types of companies.

He has no family relationship and/or association with the Promoters, substantial shareholders, Directors and key senior management of our Group.

Please refer to Section 5.2.3 of this Prospectus for the details of his directorships and shareholdings outside our Group as at the LPD.

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

(ii) Aliza Binti Ashari
Malaysian, aged 59
Independent Non-Executive Director

Aliza Binti Ashari, a Malaysian aged 59, is our Independent Non-Executive Director. She was appointed to our Board on 25 September 2025.

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

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

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

In December 2004, she assumed the position of Finance Manager at Auto Bavaria Division, under Tractors Malaysia Sdn Bhd (now known as Sime Darby Industrial Sdn Bhd). She was responsible for the general financial management of Bayerische Motoren Werke ("**BMW**") dealerships in Malaysia as well as the importation of BMW cars and bikes from Germany. She left the company in April 2008.

In April 2008, she was appointed as the Financial Controller at Sapura Research Sdn Bhd. She was responsible for managing the finance of over 15 companies with businesses in Malaysia, Singapore, Thailand and Australia. She left the company in March 2011.

In April 2011, she assumed the role of Chief Financial Officer and Company Secretary at SapuraCrest Petroleum Bhd. She was responsible for the financial management of over 80 companies in the group including collaborations with international partners. She was also a member of the Risk Management Committee, Bid Committee, Tender Procurement Committee and Executive Committee.

In August 2012, following the completion of the merger between SapuraCrest Petroleum Bhd and Kencana Petroleum Bhd, she was redesignated as Vice President, Corporate Accounts of SapuraKencana Petroleum Berhad (now known as Vantris Energy Bhd). She was then seconded to Labuan Shipyard & Engineering Sdn Bhd as Chief Financial Officer from February 2013. She was also responsible for the financial management, procurement, warehouse, logistics and ERP departments. She left the company in November 2016 and took a career break until December 2020, to assist with her family business.

In January 2021, she accepted an offer from Sapura Secured Technologies Sdn Bhd to become their Chief Financial Officer on contract basis. She was responsible for managing the finances of the group as well as the financial affairs of Sapura Holdings Sdn Bhd and its holding company. She retired from her position as Chief Financial Officer in the company in 2023 and does not hold any other position in the company since then.

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

She has no family relationship and/or association with the Promoters, substantial shareholders, Directors and key senior management of our Group.

Please refer to Section 5.2.3 of this Prospectus for the details of her directorships and shareholdings outside our Group as at the LPD.

(iii) Rose Zilawati Binti Mohamed Arifin
Malaysian, aged 55
Independent Non-Executive Director

Rose Zilawati Binti Mohamed Arifin, a Malaysian, aged 55, is our Independent Non-Executive Director. She was appointed to our Board on 25 September 2025.

She graduated with a Bachelor of Laws (Honours) from the University of Leeds in 1994. She then obtained the Certificate of Legal Practice in 1996 and commenced her pupillage with Izzat Othman & Co (then known as Chua Brothers, Azzat & Izzat) in the same year. In 1997, she was admitted as an Advocate and Solicitor of the High Court of Malaya. Subsequently, she continued her career as Legal Assistant with the same firm, which had then changed its name to Azzat & Izzat. In 2005, she was promoted to Senior Legal Assistant within the same firm.

In 2021, she was promoted to a position of Partner in the same firm, which had then changed its name to Izzat Othman & Co, a role she currently assumes. She has accumulated more than 26 years of experience in the litigation, conveyancing and corporate practice area. Since commencing her legal career in the firm, she has been involved in preparation and drafting of various commercial and corporate transaction documents. Furthermore, she also handled various litigation matters in relation to, amongst others, probate, contract, tort, personal injury and medical negligence matters. She is a member of the Institute of Corporate Directors Malaysia since November 2025.

She has no family relationship and/or association with the Promoters, substantial shareholders, Directors and key senior management of our Group.

Please refer to Section 5.2.3 of this Prospectus for the details of her directorships and shareholdings outside our Group as at the LPD.

(iv) Chen Xiang Foong
Malaysian, aged 34
Independent Non-Executive Director

Chen Xiang Foong, a Malaysian aged 34, is our Independent Non-Executive Director. He was appointed to our Board on 25 September 2025.

He completed the Certified Accounting Technicians (CAT) programme at Sunway College, Malaysia in 2011. He has been a member of the Institute of Chartered Accountants in England and Wales (ICAEW) since 2016 and a member of the MIA since 2017.

In 2012, he began his career with BDO PLT as an Audit Associate where he was involved in the external audit of public listed companies. He was subsequently promoted to Senior Associate in 2014 where he handled external audits for companies undertaking initial public offerings in Malaysia and the People's Republic of China. He left the firm in 2015.

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

In 2016, he joined Ernst & Young Malaysia as an Audit Senior and was subsequently promoted to Audit Manager in 2017. During his tenure in the firm, he was in charge of the external audit engagements for multinational and government-linked companies. He left the firm in 2019.

In 2020, he joined Danny Loo & Co PLT as a Partner. During his tenure in Danny Loo & Co PLT, he led assurance engagements for small and medium enterprises as well as medium-sized companies across various industries. He also served as the engagement partner for financial due diligence exercises involving cross-border transactions including between a Thai automotive parts manufacturer and a Malaysian automobile manufacturer. He resigned from his position in 2024.

In 2023, he established CL & Co PLT, an audit firm providing services in external audit and financial due diligence. As the Managing Partner, he leads financial due diligence exercises and ensuring compliance with local and international accounting standards.

He has no family relationship and/or association with the Promoters, substantial shareholders, Directors and key senior management of our Group.

Please refer to Section 5.2.3 of this Prospectus for the details of his directorships and shareholdings outside our Group as at the LPD.

As at the LPD, all our Directors have attended the Part I of Mandatory Accreditation Programme (MAP) by the Institute of Corporate Directors Malaysia.

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

5.2.3 Principal directorships and principal business activities performed outside our Group

Save as disclosed below, none of our Directors has any principal business activities performed outside of our Group as at the LPD and principal directorships in any other corporations outside our Group for the past 5 years prior to the LPD:

(i) Datuk Chan Soon Tat

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Present involvement						
Econframe Berhad	Independent Non-Executive Director	23 February 2022	-	-	-	Investment holding of companies principally involved in amongst others, design and manufacturing of metal door frames, manufacturing of fire-resistant door sets and metal doors and wooden doors, trading of wooden doors, electronics and electrical systems and accessories, trading and provision of installation services of solar energy products and system
SJCA Sdn Bhd (formerly known as Accpert Sdn Bhd)	Director	8 September 2025	-	60	-	Business management consultancy services; other information technology service activities
AccValue Sdn Bhd	Director/ Shareholder	23 November 2020	-	100		Activities of holding companies; retail sale in non-specialised stores; business management consultancy services

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

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
GetCFO Sdn Bhd	Director/ Shareholder	18 December 2020	-	100	-	To carry on business of information technology service and activities of management consultant and other related services to any person, firm or corporation engaged in any business, trade or activity
VCFO Sdn Bhd	Director/ Shareholder	5 July 2022	-	100	-	Business management consultancy services; accounting bookkeeping and auditing activities; tax consultancy
Great Capital Sdn Bhd	Director/ Shareholder	14 December 2022	-	100	-	Activities of holding companies; business management consultancy services.
Great Consultancy Academy Sdn Bhd	Director/ Shareholder	30 January 2023	-	100	-	Management consultancy activities
Taxwaze Sdn Bhd	Director/ Shareholder	30 January 2023	-	50	-	Accounting, bookkeeping and auditing activities; tax consultancy
RTIST Angel PLT	Partner	30 April 2020	-	-	-	Investment holding company in equity crowdfunding
SMARTM Angel PLT	Partner	28 August 2020	-	-	-	Investment holding company in equity crowdfunding
Wonderful CH PLT	Partner	30 March 2021	-	-	-	Activities of holding companies; manufacture of bread, cakes and other bakery products; wholesale of biscuits, cakes, breads and other bakery products

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

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
EasyRenz Angel PLT	Partner	23 June 2021	-	-	-	Investment holding company in equity crowdfunding
APC Fifteen PLT	Partner	18 August 2021	-	-	-	Investment holding company in equity crowdfunding
Akoya Angel PLT	Partner	27 December 2021	-	-	-	Investment holding company in equity crowdfunding
GETCFO Advisory PLT	Partner	14 July 2022	-	-	-	Activities of holding companies; business management consultancy services
Advisirs Angel PLT	Partner	4 January 2023	-	-	-	Investment holding company in equity crowdfunding
Mystartr Angel PLT	Partner	3 March 2023	-	-	-	Investment holding company in equity crowdfunding
AccValue Capital PLT	Partner	14 August 2023	-	-	-	Investment holding of shares
JD Capital PLT	Partner	17 July 2025	-	-	-	Investment holding company in equity crowdfunding
Past involvement						
Systech IOT Solutions Sdn Bhd	Director	15 May 2024	2 January 2026	-	-	Management consultancy activities, other information technology service activities

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

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
SYSAIU Sdn Bhd	Director	15 May 2024	2 January 2026	-	-	Management consultancy activities, export and import of computer hardware, software and peripherals, other information technology service activities
Systech Capital Sdn Bhd	Director	20 May 2024	10 October 2025	-	-	Provision of information technology services and management services
Systech Bhd	Independent Non-Executive Director	13 February 2023	11 September 2025	4.94	-	Investment holding of companies principally involved in the provision of quality and innovative digital solutions, particularly in the provisioning of artificial intelligence, internet of things, digital transformation and cyber security
Talentcloud AI Sdn Bhd	Director	15 May 2024	17 September 2025	-	-	To sale and supply of human capital management software; provide consultancy, training and technical support to customers; supply of computer hardware and training services
GCFO Advisory Academy Sdn Bhd	Director	27 February 2020	1 November 2020	-	-	Education, business advisory and training services
GCFO Advisory Academy Sdn Bhd	Director	1 December 2021	1 September 2023	-	-	Education, business advisory and training services
GCFO Capital Sdn Bhd	Director	25 June 2019	30 September 2019	-	-	Activities of holding companies and business management consultancy services

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

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Great Cloud Technology Sdn Bhd	Director	27 June 2019	27 September 2021	-	-	To buy and sell computer software, hardware, apparatus and product that are related to information technology; to provide information technology, management and consultancy services and to act as consultants, to any person, firm or corporation
GCFO Advisory Sdn Bhd	Director	5 June 2019	30 September 2019	-	-	Accounting, bookkeeping and auditing activities; tax consultancy; business management consultancy services
Great CFO Tax Sdn Bhd	Director	27 June 2019	30 September 2019	-	-	Accounting services & tax consultancy
Great CFO (Cheras) Sdn Bhd	Director	4 July 2019	30 September 2019	-	-	Accounting, bookkeeping and auditing activities; tax consultancy business management consultancy services
ECPL Advisory Sdn Bhd	Director	5 July 2019	2 November 2019	-	-	Business management consultancy services accounting, bookkeeping and auditing activities; tax consultancy secretarial support services
The Beancounter Sdn Bhd	Director	5 June 2019	30 September 2019	-	-	Business management consultancy services; accounting, bookkeeping and auditing activities; tax consultancy

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

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Great CFO (Klang) Sdn Bhd	Director	13 August 2019	30 September 2019	-	-	Business management consultancy services; accounting, bookkeeping and auditing activities; tax consultancy
Cosec Digital Sdn Bhd	Director	30 October 2020	11 December 2020	-	-	Secretarial support services
SJCA Sdn Bhd (formerly known as Accpert Sdn Bhd)	Director	11 June 2021	29 November 2023	-	-	Business management consultancy services; other information technology service activities
Cosec Digital International Sdn Bhd (formerly known as GCFO Digital Sdn Bhd)	Director	28 October 2021	1 September 2023	-	-	Wholesale of computer hardware, software and peripherals; other information technology service activities
Follow Bizcol Sdn Bhd	Director	27 January 2022	29 November 2023	-	-	Business consultation and education and all other related business which the director consider advantageous of the company.
SO Ventures Sdn Bhd	Director	28 January 2022	29 November 2023	-	-	Activities of holding companies; education; business management consultancy services
One Nest Digital Media Sdn Bhd	Director	25 March 2022	29 November 2023	-	-	Advertising; other business support service activities; other service activities
Idea Batch Connect Sdn Bhd	Director	31 May 2022	29 November 2023	-	-	Information technology service activities

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

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
TSC Advisory Sdn Bhd	Director	15 August 2022	29 November 2023	-	-	Business management consultancy services
The Cosec Sdn Bhd	Director	28 April 2023	1 July 2024	-	-	Business management consultancy services; accounting, bookkeeping and auditing activities: tax consultancy

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

(ii) Ng Chai Sing

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Present involvement						
The Regal Transport Company Sdn Bhd	Shareholder	-	-	0.99	-	Operation of public transport services for carriage of passengers(1)
Heng Ann Cocoa Plantation (Tawau) Sdn Bhd	Shareholder	-	-	0.07	-	Operations of a cocoa plantation and an oil palm plantation(1)
NCS	Director/ Shareholder	10 March 2025	-	45.00	10.00(2)	Investment holding of shares
Past involvement						
Golden Goose Resources	Partner	4 January 2018	3 January 2023	-	-	Trading of automotive vehicles, food and beverages, clothes, spare parts, coach parts, herbs, health products, electronic & electrical, transportation agent, construction

Notes:

(1) Currently dormant.

(2) Deemed interested by virtue of his son, Benjamin Ng Chong Jin's shareholding pursuant to Section 59(11)(c) of the Act.

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

(iii) Bernard Ng Chong Yan

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Present involvement						
The K2 Agency	Partner	6 March 2017	-	-	-	Insurance agent services
NCS	Director / Shareholder	10 March 2025	-	40.00	-	Investment holding of shares
Past involvement						
Golden Goose Resources	Partner	4 January 2018	3 January 2023	-	-	Trading of automotive vehicles, food and beverages, clothes, spare parts, coach parts, herbs, health products, electronic & electrical, transportation agent, construction
IPick Sdn Bhd	Director and Shareholder	2 August 2022	18 August 2025	-	-	Courier activities other than national post activities; other service activities, other transportation support activities
IPick Partners PLT	Partner	5 September 2022	21 September 2025	-	-	To carry on the business of trader, e-commerce fulfilment services, to provide services of pickup, transport, sorting, delivery and handling of all sorts of goods and articles, general insurance agent, general merchant, general trader and commission agent in all kind

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

(iv) Aliza Binti Ashari

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Present involvement						
LZ Global Trading	Owner	22 July 2024	-	100.00	-	Online sale of toys & collectibles, home & garden products, kitchen accessories, art & merchandise, health & beauty products, household appliances
MFA Corporation Sdn Bhd	Director/ Shareholder	23 July 1997	-	40.00	60.00[(1)]	Business of petrol station and retail shop offering varieties of goods and services including car wash
Elsa Berhad	Director	31 January 2025	-	-	-	Activities of holding companies principally involved in energy services and digital solutions sector
Past involvement						
Sapura Defence Sdn Bhd	Director	8 March 2021	30 January 2023	-	-	Engaged in the marketing, sales, business development and support of defence related technology, product and services
Questrans Sdn Bhd	Director	8 March 2021	30 January 2023	-	-	Undertake research and development project from companies within Sapura Secured Technologies Sdn Bhd

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

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Sapura Synergy (Malaysia) Sdn Bhd	Director	8 March 2021	30 January 2023	-	-	Provision of lease and dealing in computers and related accessories, marketing and distribution of telecommunication products and provision of related services, retailing of computers and telemarketing services
Allied Resources Corporation Sdn Bhd	Director	8 March 2021	30 January 2023	-	-	Private security activities
Sapura Rail Systems Sdn Bhd	Director	8 March 2021	30 January 2023	-	-	Supply, installation and maintenance of engineering and telecommunication equipment.
Komtel Sdn Bhd	Director	8 March 2021	30 January 2023	-	-	Telecommunications activities
Callbiz (M) Sdn Bhd	Director	8 March 2021	30 January 2023	-	-	Telecommunications activities
Sapura IT Sdn Bhd	Director	8 March 2021	30 January 2023	-	-	Information technology services activities
Sapura Marketing (Malaysia) Sdn Bhd	Director	8 March 2021	30 January 2023	-	-	Wholesale of telephone and communications equipment, cell phones, pagers
Uniphone Ushasama Sdn Bhd	Director	8 March 2021	30 January 2023	-	-	Investment holding in shares
Teledata Sdn Bhd	Director	8 March 2021	30 January 2023	-	-	Investment holding in shares
Exquisite Discovery Sdn Bhd	Director	8 March 2021	30 January 2023	-	-	Information technology service activities

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

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Sapura Poweraid Sdn Bhd	Director	8 March 2021	30 January 2023	-	-	Designing, building and installation of integrated security systems, intelligent building management systems and the provision of repair and maintenance services for equipment, machinery and buildings
Dataone Asia (Malaysia) Sdn Bhd	Director	8 March 2021	30 January 2023	-	-	Data processing activities
Titan View Sdn Bhd	Director	8 March 2021	30 January 2023	-	-	Investment holding in shares
Midas Harvest Sdn Bhd	Director	8 March 2021	30 January 2023	-	-	Investment holding in shares
Jurudata Sdn Bhd	Director	5 January 2021	30 January 2023	-	-	Investment holding in shares
MS Nexus Sdn Bhd	Director	22 January 2021	30 January 2023	-	-	Investment holding in shares
Magnate Energy Sdn Bhd	Director	5 January 2021	30 January 2023	-	-	To transact business in oil and gas; to provide engineering and technological service in oil and gas industry; general trading
Sapura Engineers Sdn Bhd	Director	13 October 2021	30 January 2023	-	-	Investment holding in shares
Langkawi Oil & Gas Sdn Bhd	Director	13 October 2021	30 January 2023	-	-	Investment holding in shares
Sapura Aero Equipment Sdn Bhd	Director	13 October 2021	30 January 2023	-	-	Wholesale of other machinery for use in industry trade and navigation and other services

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

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Sapura Green Sciences Sdn Bhd	Director	13 October 2021	30 January 2023	-	-	Investment holding in shares
Softwatch Sdn Bhd	Director	13 October 2021	30 January 2023	-	-	Research, development and maintenance of management system software for energy, oil and gas facilities
Sapura Ventures Sdn Bhd	Director	8 October 2021	30 January 2023	-	-	Financial service activities, except insurance/takaful and pension funding
Pejuta (Malaysia) Sdn Bhd	Director	4 April 2022	30 January 2023	-	-	A special purpose vehicle for financing facility in respect of the government integrated radio network project

Note:

(1) Deemed interested by virtue of the shares held by her spouse in the company.

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

(v) Rose Zilawati Binti Mohd Arifin

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Present involvement						
Metro Healthcare Berhad	Independent Non-Executive Director	28 February 2024	-	0.01	-	Investment holding of companies principally involved in fertility services, obstetrics services and gynaecology services
Izzat Othman & Co	Partner	1 February 2021	-	-	-	Legal firm
Past involvement						
Octave Interest Sdn Bhd	Director	23 March 2012	19 December 2023	-	-	Wholesale of a variety of goods without any particular specialization, investment advisory services; real estate activities with own or leased property
Metrospace Sdn Bhd	Director	1 June 2023	9 June 2025	-	-	Investment holding and management consultancy services

(vi) Chen Xiang Foong

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Present involvement						
Sagtec Global Limited	Independent Non-Executive Director	16 May 2025	-	-	-	Provision of customizable software solutions encompassing several types of software such as a smart ordering system

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

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
NeoSea Sdn Bhd	Director and shareholder	26 April 2023	-	100	-	Provision of business advisory services, accounting services and tax services
FW Tax & Advisory Sdn Bhd	Director and shareholder	12 April 2024	-	100	-	Accounting, bookkeeping and auditing activities; tax consultancy; business management consultancy service
JX & Associates PLT	Partner	24 November 2021	-	-	-	Audit firm
CL & Co PLT	Partner	6 April 2023	-	-	-	Audit firm
Past involvement						
Danny Loo & Co PLT	Partner	27 July 2020	1 March 2024	-	-	Accounting, bookkeeping and auditing activities and tax consultancy
XF Pro Count Solutions	Sole proprietor	5 July 2019	4 July 2023	-	-	Business management and consultancy services

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

Save as disclosed in Section 5.2.3 of this Prospectus, our Executive Directors are not involved in other businesses/ corporations/ partnerships/ entities. The involvement of our Executive Directors in other businesses/ corporations/ partnerships/ entities will not affect their contributions to our Group as such companies' or entities' operations do not require their involvement on a day-to-day basis as these companies/ entities are managed by or operated by the other directors, partners and/ or shareholders or have their own independent management teams. Further, the involvement of our Executive Directors in those business activities outside our Group does not give rise to any conflict of interest situation with our business, as those corporations/ entities do not carry out the same business activities or compete with our Group.

The involvement of our Independent Non-Executive Directors in other companies will not affect their contributions to our Group as the Independent Non-Executive Directors' involvement in our Company are to the extent of attending meetings and discharging their responsibilities as independent directors. Further, the involvement of our Independent Non-Executive Directors in those business activities outside our Group does not give rise to any conflict of interest situation with our business, as those companies/ entities do not carry out the same business activities or compete with our Group.

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

5.2.4 Directors' remuneration and material benefits-in-kind

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

(i) FYE 2024 (Actual)

Name	Directors' fees RM'000	Salaries RM'000	Bonuses RM'000	Statutory contribution[(1)] RM'000	Benefits-in-kind and allowances RM'000	Total RM'000
Executive Directors						
Ng Chai Sing	-	120	48	24	-	192
Bernard Ng Chong Yan	-	120	48	24	-	192
Non-Executive Directors						
Datuk Chan Soon Tat[(2)]	-	-	-	-	-	-
Aliza Binti Ashari[(2)]	-	-	-	-	-	-
Rose Zilawati Binti Mohamed Arifin[(2)]	-	-	-	-	-	-
Chen Xiang Foong[(2)]	-	-	-	-	-	-

Notes:

(1) Includes employer's contribution to EPF and Social Security Organisation (SOCSO).

(2) Appointed to our Board on 25 September 2025.

(ii) FYE 2025 (Actual)

Name	Directors' fees RM'000	Salaries RM'000	Bonuses RM'000	Statutory contribution[(1)] RM'000	Benefits-in-kind and allowances RM'000	Total RM'000
Executive Directors						
Ng Chai Sing	-	228	110	44	-	382
Bernard Ng Chong Yan	-	228	110	45	-	383
Non-Executive Directors						
Datuk Chan Soon Tat[(2)]	15	-	-	-	-	15
Aliza Binti Ashari[(2)]	10	-	-	-	-	10
Rose Zilawati Binti Mohamed Arifin[(2)]	10	-	-	-	-	10
Chen Xiang Foong[(2)]	10	-	-	-	-	10

Notes:

(1) Includes employer's contribution to EPF and Social Security Organisation (SOCSO).

(2) Appointed to our Board on 25 September 2025.

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

(iii) FYE 2026 (Proposed)

Name	Directors' fees RM'000	Salaries RM'000	Bonuses RM'000	Statutory contribution[(1)] RM'000	Benefits-in-kind and allowances RM'000	Total RM'000
Executive Directors						
Ng Chai Sing	-	282	150	54	-	486
Bernard Ng Chong Yan	-	282	150	55	-	487
Non-Executive Directors						
Datuk Chan Soon Tat	60	-	-	-	-	60
Aliza Binti Ashari	40	-	-	-	-	40
Rose Zilawati Binti Mohamed Arifin	40	-	-	-	-	40
Chen Xiang Foong	40	-	-	-	-	40

Note:

(1) Includes employer's contribution to EPF and Social Security Organisation (SOCSO).

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

5.2.5 Service contracts

As at the LPD, there are no existing or proposed service contracts between our Group and our Directors which provide for benefits upon termination of employment.

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

5.3 BOARD PRACTICE

According to our Constitution and the Act, at the first AGM of our Company, all the Directors shall retire from office. At the AGM in every subsequent year, an election of Directors shall take place and one-third of the Directors for the time being, or, if their number is not 3, or a multiple of 3, then the number nearest to one-third shall retire from office provided always that all Directors including a Managing Director shall retire from office once at least in each 3 years but shall be eligible for re-election. A retiring Director shall retain office until the close of the general meeting at which he retires. An election of Directors shall take place every year and a retiring Director shall be eligible for re-election.

Any person appointed as Director, either to fill a casual vacancy or as an addition to the existing Directors, shall hold office only until the next AGM and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

(i) Directors' term of office

The date of appointment and the date of expiration of the current term of office of our Directors, as well as the period for which our Directors have served in that office are set out below:

Director	Designation	Date of appointment	No. of year(s) in office (Approximate)	Date of expiration of the current term in office
Datuk Chan Soon Tat	Independent Non-Executive Chairman	25 September 2025	Less than 1 year	At our first AGM
Ng Chai Sing	Managing Director	10 March 2025	1 year	At our first AGM
Bernard Ng Chong Yan	Executive Director	10 March 2025	1 year	At our first AGM
Aliza Binti Ashari	Independent Non-Executive Director	25 September 2025	Less than 1 year	At our first AGM
Rose Zilawati Binti Mohamed Arifin	Independent Non-Executive Director	25 September 2025	Less than 1 year	At our first AGM
Chen Xiang Foong	Independent Non-Executive Director	25 September 2025	Less than 1 year	At our first AGM

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

(ii) Audit and Risk Management Committee

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

Name	Designation	Directorship
Aliza Binti Ashari	Chairperson	Independent Non-Executive Director
Rose Zilawati Binti Mohamed Arifin	Member	Independent Non-Executive Director
Chen Xiang Foong	Member	Independent Non-Executive Director

Our Audit and Risk Management Committee's terms of reference amongst others, include the following:

(a) To review with the external auditors on:

(i) The audit plan, its scope and nature;

(ii) The audit report;

(iii) The result of their evaluation of the accounting policies and system of internal accounting controls within our Group;

(iv) The assistance given by the officers of the Company to external auditors, including any difficulties or disputes with management encountered during the audit; and

(v) Any other matters the external auditors may wish to discuss in the absence of the management, if necessary.

(b) To review the adequacy of the scope, functions and resources and set the standards of the internal audit function.

(c) To do the following, in relation to the internal audit function:

(i) Review the adequacy of the scope, functions, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work;

(ii) Review the internal audit programme, processes, the results of the internal audit programme and process and where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function;

(iii) Review any appraisal or assessment of the performance of members of the internal audit function;

(iv) Review the independency of members of the internal audit function;

(v) Approve any appointment or termination of the internal auditors;

(vi) Take cognizance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning;

(vii) Review the necessary budget allocated to internal audit function;

(viii) Investigate or cause to be investigated any activity within its Terms of Reference; and

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

(ix) To have explicit authority over the resources such as professional advice and full access to information to investigate certain matters.

(d) To review with management:

(i) Audit reports and management letter issued by the external auditors and the implementation of audit recommendations;

(ii) Interim financial information; and

(iii) The assistance given by the officers of the Company to external auditors.

(e) To review and monitor related party transactions entered into by our Company or our Group and to determine if such transactions are undertaken on an arm's length basis, normal commercial terms, on terms not more favourable to the related parties than those generally available to the public, to ensure that the Directors report such transactions annually to shareholders via the annual report, and to review conflicts of interest that may arise within our Company or our Group including any transaction, procedure or course of conduct that raises questions of management integrity.

(f) To review the quarterly reports on consolidated results and annual financial statements prior to submission to our Board, focusing particularly on:

(i) Changes in or implementation of major accounting policy and practices;

(ii) Significant and/or unusual matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transactions and how these matters are being addressed;

(iii) The going concern assumption;

(iv) Compliance with accounting standards and other legal requirements; and

(v) Major areas.

(g) To consider the appointment and/or re-appointment of auditors, the audit fee and any questions of resignation or dismissal including recommending the nomination of person or persons as auditors. In considering the appointment and/or re-appointment of the auditors, to consider amongst others:

(i) The adequacy of the experience and resources of the accounting firm;

(ii) The persons assigned to the audit;

(iii) The accounting firm's audit engagements;

(iv) The size and complexity of the Company's Group being audited; and

(v) The number and experience of supervisory and professional staff assigned to the particular audit.

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

The Committee shall also consider the performance of the external auditors and its independence annually as below:

(i) The competence, audit quality and resource capacity of the external auditors in relation to the audit;

(ii) The external auditors' ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;

(iii) The nature of the non-audit services provided by the external auditors and fees paid for such services relative to the audit fee;

(iv) Whether there are safeguards in place to ensure that there is no threat to the objectivity and independence of the audit arising from the provision of non-audit services or tenure of the external auditors; and

(v) Obtaining written assurance from the external auditors confirming that they are and have been independent throughout the conduct of the audit engagement and in accordance with the terms of all relevant regulatory requirements.

(h) To review and approve the non-audit services provided by the external auditors and/or its network firms to our Company for the financial year, including the nature of the non-audit services, fees for the non-audit services relative to the external audit fees and safeguards deployed to eliminate or reduce the threat to objectivity and independence in the conduct of the external audit resulting from the non-audit services provided.

In the event that the non-audit fees paid to our Company's external auditors, or a firm or corporation affiliated to the external auditors' firm are significant (e.g. constitute 50% of the total amount of audit fees paid to our Company's external auditors), our Company is required to state the details on the nature of non-audit services-rendered in the annual report under the ARMC Report.

(i) To verify any allocation of options in accordance with the employees share scheme of our Company, at the end of the financial year.

(j) review the adequacy and integrity, including effectiveness, of risk management and internal control systems, management information system, and the internal auditors' and/or external auditors' evaluation of the said systems and assess the resources and knowledge of the management and employee involved in the risk management process.

(k) review the risk profile of our Group (including risk registers) and the risk management team's plans to mitigate business risks as identified from time to time.

(l) review the effectiveness of internal control systems deployed by the management to address those risks.

(m) review and recommend the corrective measures undertaken to remedy failings and/or weakness.

(n) review and recommend risk management strategies and policies.

(o) review and assess adequacy of risk management policies and framework in identifying, measuring, monitoring, mitigating, and controlling risk and the extent to which these are operating effectively.

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

(p) ensure adequate infrastructure, resources and systems are in place for risk management.

(q) review periodic reports from the management on risk exposure, risk portfolio composition and risk management activities.

(r) review and recommend new policies or changes to policies, and to consider their risk implications including the procedures in place by management to prevent and detect fraud such as cyber fraud.

(s) review the impact of risk on capital adequacy and profitability under normal and stress scenarios.

(t) review and evaluate the various processes and systems engaged by our Company and to ensure that they are conducted within the standards and policies as set by our Board.

(u) assess the adequacy of the business recovery/disaster recovery procedures.

(v) oversee our Group's internal control structure to ensure operational effectiveness and efficiency, reduce risk of inaccurate financial reporting, protect our Group's assets from misappropriation and encourage legal and regulatory compliance.

(w) provide reporting and update our Board on key risk management issues.

(x) to review the statement with regard to the statement of risk management and internal controls of the Company for inclusion in the annual report and report the same to our Board.

(y) to oversee the processes, framework and strategies designed to manage environmental, social and governance risks, covering matters such as our Company's reputation, health, safety, environment performance and other relevant sustainability matters.

(z) to review the statement with regard to the statement of risk management and internal controls, and sustainability statement and report of our Company for inclusion in the annual report and report the same to our Board.

(aa) to review and monitor our Group's sustainability key performance against the sustainability strategies and targets.

(bb) to consider other areas as defined by our Board or as may be prescribed by Bursa Securities or any other relevant authority from time to time.

(iii) Nomination Committee

The members of our Nomination Committee are as follows:

Name	Designation	Directorship
Rose Zilawati Binti Mohamed Arifin	Chairperson	Independent Non-Executive Director
Aliza Binti Ashari	Member	Independent Non-Executive Director
Chen Xiang Foong	Member	Independent Non-Executive Director

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

Our Nomination Committee's terms of reference amongst others, include the following:

(a) Annually review our Board's required mix of skills, experience, quality and core competencies which Non-Executive Directors should bring to our Board. This should be disclosed in the annual report.

(b) Annually assess the effectiveness of our Board as a whole, the committees of our Board and the contribution of each individual Director.

(c) Annually assess the independence of our Independent Directors.

(d) Recommend to our Board, candidates for all directorships to be filled by the shareholders or our Board. In making its recommendations, the committee shall assess and consider the following attributes or factors:

  (i) skills, knowledge, expertise and experience;

  (ii) professionalism;

  (iii) commitment (including time commitment) to effectively discharge his/her role as a Director;

  (iv) contribution and performance;

  (v) background, character, integrity, and competence; in the case of candidates for the position of Independent Non-Executive Directors, the Committee shall also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-Executive Directors; and

  (vi) boardroom diversity including gender diversity.

(e) Review the term of office and performance of the Audit and Risk Management Committee and each of its members to determine whether such Audit and Risk Management Committee and members have carried out their duties in accordance with their terms of reference.

(f) Review our Board's diversity including gender, age experience and ethnicity.

(g) Recommend the re-appointment/re-election of the Directors at the conclusion of his/her specified term of office by rotation in accordance with the Constitution of our Company.

(h) Consider candidates for directorships proposed by the Managing Director and, within the bounds of practicability, by any other senior executive or any Director or shareholder.

(i) Recommend to our Board, Directors to fill the seats on Board committees.

(j) Consider and recommend suitable persons for appointment as Board members of subsidiary and associate companies as Group nominees and to annually review their contribution.

(k) Consider and recommend any measures to upgrade the effectiveness of Directors of our Group and subsidiary and associate companies.

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

(l) To ensure that all Directors and senior management receive appropriate continuous training in order to keep abreast with the industry and with changes in the relevant statutory and regulatory requirements and to be equipped with the knowledge and skills to contribute effectively to our Board.

(m) Plan for succession to the position of Chairman of our Board and Managing Director as well as certain other senior management positions in our Group. The Managing Director annually provides the Committee with an assessment of senior managers and their potential.

(n) Establish management development programme for our Company.

(o) Carry out such other assignments as may be delegated by our Board.

(iv) Remuneration Committee

The members of our Remuneration Committee are as follows:

Name	Designation	Directorship
Chen Xiang Foong	Chairperson	Independent Non-Executive Director
Aliza Binti Ashari	Member	Independent Non-Executive Director
Rose Zilawati Binti Mohamed Arifin	Member	Independent Non-Executive Director

Our Remuneration Committee's terms of reference amongst others, include the following:

(a) Review and recommend the general remuneration policy of our Group. In determining such policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements. The objective of the remuneration policy should have regard to the risk appetite of our Company and alignment to our Company's long term strategic gains. A significant proportion of remuneration should be structured so as to link rewards to corporate and individual performance and designed to promote the long-term success of our Company.

(b) Recommend to our Board the remuneration package of the Executive Directors and senior management in all its forms, drawing from outside advice as necessary.

(c) Recommend to our Board the remuneration package of Non-Executive Directors. The individuals concerned should abstain from discussion on their own remuneration.

(d) Review the performance of the Executive Directors and senior management within our Group.

(e) Recommend the appointment and promotion of top executives (i.e. Executive Directors, Managing Director and the general managers) within our Group, determine their salaries and recommend salary revisions and improvements as are considered necessary together with fringe benefits, prerequisites and bonus programmes.

(f) Recommend suitable incentive plans for Executive Directors and senior management based on key performance indicators to be developed by our Company.

(g) Carry out such other responsibilities, functions or assignments as may be delegated by our Board.

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

5.4 KEY SENIOR MANAGEMENT

5.4.1 Key senior management's shareholdings in our Company

Our key senior management's shareholdings in our Company before and after our IPO are as follows:

Name	Designation	As at the LPD and before our IPO[1]				After our IPO[2][3]			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Khor Meng Chew	Head of Finance	-	-	-	-	500,000	0.13	-	-
Tan Wai Yin	Head of Administration and Human Resources	-	-	-	-	-	-	-	-
Choo Kok Siong	Head of Business Services	-	-	-	-	2,000,000	0.52	-	-

Notes:

(1) Based on our total number of 276,035,800 Shares after the Acquisition of Subsidiary and Share Split.

(2) Based on our enlarged total number of 383,383,000 Shares after the Acquisition of Subsidiary, Share Split, Public Issue and Offer for Sale.

(3) Assuming our key senior management fully subscribe for the Pink Form Shares allocated to them.

None of our key senior management are representatives of any corporate shareholder.

5.4.2 Profiles of key senior management

The profiles of our key senior management, Ng Chai Sing and Bernard Ng Chong Yan who are also our Promoters, substantial shareholders and Directors are disclosed in Section 5.1.2 of this Prospectus.

The profiles of our other key senior management are set out below:

(i) Khor Meng Chew
Malaysian, aged 38
Head of Finance

Khor Meng Chew, a Malaysian male aged 38, is our Head of Finance. He graduated with a Bachelor of Accounting with Honours from Universiti Utara Malaysia in 2012. He has been a member of the Malaysian Institute of Certified Public Accountants and the MIA since 2016.

In 2012, he began his career with BDO PLT, as an Audit Associate where he conducted audit on financial statements. He was subsequently promoted to Assistant Manager in 2016 where he was involved in the audit of companies ranging from small and medium enterprises to public companies listed on Bursa Securities.

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

In 2016, he left BDO PLT and joined M3 Technologies (Asia) Berhad (currently known as XOX Technology Berhad), a public company listed on ACE Market of Bursa Securities, as a Finance Manager where he was responsible for its financial reporting, group accounts consolidation, management reporting and regulatory reporting to Bursa Securities. In 2018, he left XOX Technology Berhad and joined Leong Hup Agrobusiness Sdn Bhd, a wholly-owned subsidiary of Leong Hup International Berhad, a public company listed on the Main Market of Bursa Securities, as their Finance Manager and was in charge of the accounting matters of the company. In 2020, he left Leong Hup Agrobusiness Sdn Bhd and joined Rams Solutions Sdn Bhd, a wholly-owned subsidiary of Ramssol Group Berhad, a public company listed on the ACE Market of Bursa Securities as their Financial Controller. During his tenure with Rams Solutions Sdn Bhd, he was mainly responsible for overseeing the financial matters of the group and the coordination of other professional advisers for the listing exercise of the group on the ACE Market of Bursa Securities.

In June 2023, he left Rams Solutions Sdn Bhd. He then joined Trader2u Sdn Bhd as the Group Accountant in July 2023 for 4 months before joining MEASAT Satellite Systems Sdn Bhd in November 2023 as Manager of Financial Accounting Department where he played a key role in group accounts consolidation, management reporting and regulatory compliance. He left MEASAT Satellite Systems Sdn Bhd in September 2024.

He took a 2-month career break and joined our Group as Head of Finance in December 2024, a position he holds to-date, where he is responsible for overseeing our Group's overall financial reporting and accounting matters, as well as facilitating our IPO.

For information purposes, prior to his appointment in December 2024, our Group's finance function (including day-to-day financial management, reporting and compliance functions as well as administrative matters) was jointly overseen by Yeow Lee Siah, the finance executive of our Group, and Tan Wai Yin, the Head of Administration and Human Resources of our Group.

He has no family relationship and/or association with the Promoters, substantial shareholders, Directors and key senior management of our Group.

As at the LPD, he does not have any directorships and involvement in other corporations outside of our Group.

(ii) Tan Wai Yin
Malaysian, aged 38
Head of Administration and Human Resources

Tan Wai Yin, a Malaysian female aged 38, is our Head of Administration and Human Resources. She graduated with a Bachelor of Business Administration (Honours), Banking and Finance from UTAR in 2012.

In 2012, she joined SHL as a Business Administration Executive where she handled the registration of buses in compliance with the relevant legislations and regulations as well as providing support in human resources matters, particularly in the hiring process of employees within the company.

In 2015, she was promoted to Assistant Manager of Business Administration where she supervised the day-to-day administrative functions of SHL and coordinated with various departments in the hiring process.

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

In 2023, she was promoted to Head of Administration and Human Resources, a position she holds to-date. In addition to her existing responsibilities, she also spearheaded the comprehensive implementation of the ERP system, seamlessly integrating manufacturing, procurement, inventory, and administrative workflows to enhance our Group's operational efficiency.

She is the spouse of Bernard Ng Chong Yan, and the daughter-in-law of Ng Chai Sing.

Please refer to Section 5.4.4 of this Prospectus of this Prospectus for the details of her directorships and/or shareholdings outside our Group as at the LPD.

(iii) Choo Kok Siong
Malaysian, aged 38
Head of Business Services

Choo Kok Siong, a Malaysian male aged 38, is our Head of Business Services. He graduated with a Bachelor of Marketing (Honours) from UTAR in 2012.

In 2013, he began his career with SHL as a Business Services Executive where he was involved in the procurement activities of the company including sourcing of raw materials and identifying new suppliers, overseeing machinery maintenance and inventory monitoring.

In 2015, he was promoted to Assistant Manager of Business Services where his responsibilities expanded to include cost management, providing administrative support and preparing reports on procurement activities.

In 2018, he was promoted to Head of Business Services, a position he holds to-date. In his current role, he is primarily responsible for overseeing the purchasing and production planning functions of our Group, participating in negotiations with our suppliers, as well as analysing order trends to support operational efficiency.

He has no family relationship and/or association with the Promoters, substantial shareholders, Directors and key senior management of our Group.

Please refer to Section 5.4.4 of this Prospectus of this Prospectus for the details of his directorships and/or shareholdings outside our Group as at the LPD.

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

5.4.3 Key senior management's remuneration and material benefits-in-kind

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our key senior management (save for Ng Chai Sing and Bernard Ng Chong Yan) for services rendered/ to be rendered to our Group in all capacities for the FYE 2024, FYE 2025 and FYE 2026 are as follows:

	Remuneration band[(1)] (in bands of RM50,000)		
	FYE 2024 (Paid)	**FYE 2025 (Paid)**	**FYE 2026[(2)] (Proposed)**
Name	**RM'000**	**RM'000**	**RM'000**
Khor Meng Chew[(3)]	0-50	100-150	100-150
Tan Wai Yin	100-150	150-200	150-200
Choo Kok Siong	100-150	150-200	150-200

Notes:

(1) Comprises salaries, bonuses, fees, benefits in-kinds and allowances.

(2) The bonuses for FYE 2026 are not included. Such bonuses, if any, will be determined at a later date based on the respective individual's and our Group's performance.

(3) Commenced employment with our Group in December 2024.

The remuneration package for our key senior management is subject to the recommendation of our Remuneration Committee and approval by our Board.

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

5.4.4 Involvement of key senior management in other businesses/ corporations

Save as disclosed below, none of our key senior management has any principal business activities performed outside of our Group as at the LPD and principal directorships in any other corporations outside our Group for the past 5 years prior to the LPD.

(i) Tan Wai Yin

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Present involvement						
The K2 Agency	Partner	6 March 2017	-	-	-	Insurance agent services
Past involvement						
IPick Sdn Bhd	Director	10 February 2021	2 August 2022	-	-	Courier activities other than national post activities; other service activities, other transportation support activities

(ii) Choo Kok Siong

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
Past involvement						
IPick Sdn Bhd	Shareholder	10 February 2021	18 August 2025	-	-	Courier activities other than national post activities; other service activities, other transportation support activities

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

Company	Designation	Date appointed as Director/ Partner	Date resigned as Director/ Partner	Equity interest as at the LPD (%)		Principal activities
				Direct	Indirect	
IPick Partners PLT	Partner	5 September 2022	21 September 2025	-	-	To carry on the business of trader, e-commerce fulfilment services, to provide services of pickup, transport, sorting, delivery and handling of all sorts of goods and articles, general agent, general merchant, general trader and commission agent in all kind

The involvement of Tan Wai Yin in the K2 Agency will not affect her contribution to our Group and would not be expected to affect her executive roles and responsibilities to our Group as The K2 Agency is an insurance agency firm and does not require her to participate in the day-to-day operations. She will continue to ensure that she would be able to fulfil and discharge her duties and responsibilities in our Group effectively.

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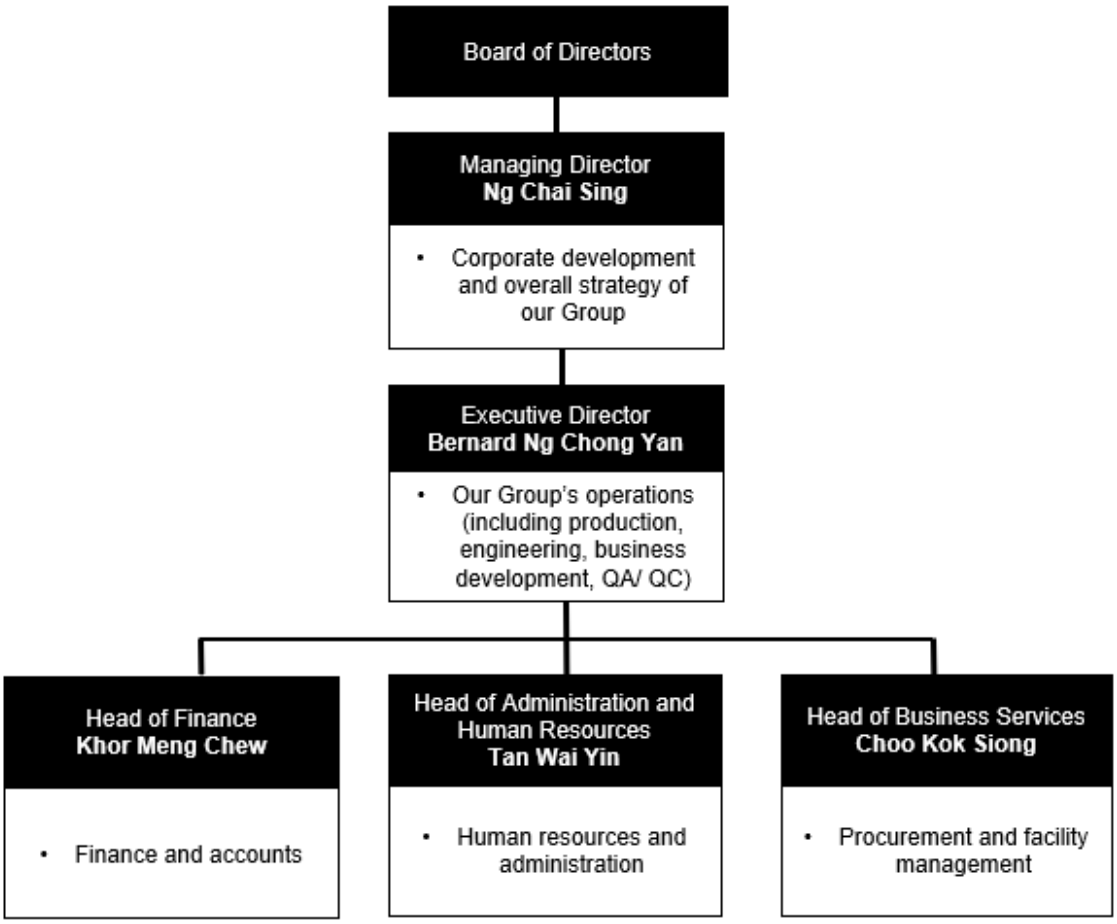
5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.4.5 Service contracts

As at the LPD, there are no existing or proposed service contracts between our Group and our key senior management which provide for benefits upon termination of employment.

5.4.6 Management reporting structure

The management reporting structure of our Group as follows:



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

5.5 DECLARATION BY OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

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

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

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

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

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

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

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

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

(viii) has any unsatisfied judgment against such person.

5.6 FAMILY RELATIONSHIPS AND ASSOCIATIONS

As at the LPD, save as disclosed below, there is no family relationship and/or association between any of our Promoters, substantial shareholders, Directors and key senior management:

Name	Position in our Company	Relationship
Ng Chai Sing	Promoter, substantial shareholder and Managing Director	• Spouse of Yeow Lee Siah • Father of Bernard Ng Chong Yan and Benjamin Ng Chong Jin • Father-in-law of Tan Wai Yin
Bernard Ng Chong Yan	Promoter, substantial shareholder and Executive Director	• Son of Ng Chai Sing and Yeow Lee Siah • Brother of Benjamin Ng Chong Jin • Spouse of Tan Wai Yin
Yeow Lee Siah	Finance Executive	• Spouse of Ng Chai Sing • Mother of Bernard Ng Chong Yan and Benjamin Ng Chong Jin • Mother-in-law of Tan Wai Yin

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

Name	Position in our Company	Relationship
Benjamin Ng Chong Jin	Nil	• Son of Ng Chai Sing and Yeow Lee Siah • Brother of Bernard Ng Chong Yan • Brother-in-law of Tan Wai Yin
Tan Wai Yin	Head of Administration and Human Resources	• Spouse of Bernard Ng Chong Yan • Daughter-in-law of Ng Chai Sing and Yeow Lee Siah • Sister-in-law of Benjamin Ng Chong Jin

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6. INFORMATION ON OUR GROUP

6.1 OUR COMPANY

Our Company was incorporated under the name of Bus Cap Sdn Bhd in Malaysia on 10 March 2025 under the Act as a private limited company. Subsequently, on 18 September 2025, our Company was converted to a public limited company.

Our Company had on 22 May 2025 entered into a share sale and purchase agreement with the vendors of SHL, i.e., Ng Chai Sing, Yeow Lee Siah and Benjamin Ng Chong Jin ("**Vendors**") to acquire the entire issued share capital of SHL of RM840,000 comprising 460,001 ordinary shares for a purchase consideration of RM13,801,789 which was completed on 4 August 2025.The purchase consideration of RM13,801,789 ("**Purchase Consideration**") for the acquisition of SHL was arrived based on a "willing-buyer willing-seller" basis after taking into consideration the unaudited NA of SHL as at 31 December 2024 of RM13,801,789.

The Purchase Consideration was satisfied via the issuance and allotment of 13,801,789 new Shares at an issue price of RM1.00 per Share, which was allotted to NCS, being the nominee appointed by the Vendors to receive such Shares.

We are an investment holding company. Through our Subsidiary, we are principally involved in bus building, covering the design and manufacturing of bus bodies, assembly of bus bodies with chassis sourced from chassis principals/dealers, sourcing and installation of fittings and accessories to form CBU buses as well as provision of bus repair and maintenance services.

There has been no material change in the manner in which our Group conducts our business or activities since our incorporation up to the LPD.

Please refer to Section 7.1 of this Prospectus for detailed information of our Group's history.

6.2 LISTING SCHEME

In conjunction with, and as an integral part of our Listing, the details of our Listing Scheme are as follows:

6.2.1 Share Split

Following the completion of the Acquisition of Subsidiary on 4 August 2025, SHL became our wholly-owned Subsidiary.

On 9 March 2026, our Company undertook a subdivision of 1 existing Share into 20 Shares to enhance the liquidity of our Shares at the time of our Listing. The shareholding structure of our Company before and after the Share Split is as follows:

	Before the Share Split		After the Share Split	
	No. of Shares	%	No. of Shares	%
NCS	13,801,790	100	276,035,800	100

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

6.2.2 Public Issue

Pursuant to the Public Issue, we shall issue 107,347,200 Issue Shares at the IPO Price to be allocated in the following manner:

(i) 19,169,200 Issue Shares will be offered to the Malaysian Public by way of balloting, of which at least 50% will be set aside for Bumiputera public investors;

(ii) 11,501,500 Pink Form Shares will be made available for application by the Eligible Persons; and

(iii) 76,676,500 Issue Shares will be made available for private placement to Selected Investors,

Please refer to Section 4.3.1 of this Prospectus for further details on the Public Issue.

Upon completion of our Public Issue, our share capital will increase from RM13,801,790 comprising 276,035,800 Shares to RM36,673,646 comprising 383,383,000 Shares, after deducting estimated listing expenses directly attributable to the issuance of new Shares of approximately RM1.82 million, which is allowed to be set off against our share capital.

6.2.3 Offer for Sale

Concurrently with our Listing, our Selling Shareholder will undertake an Offer for Sale of 19,169,200 Offer Shares at our IPO Price by way of private placement to Selected Investors.

6.2.4 Listing

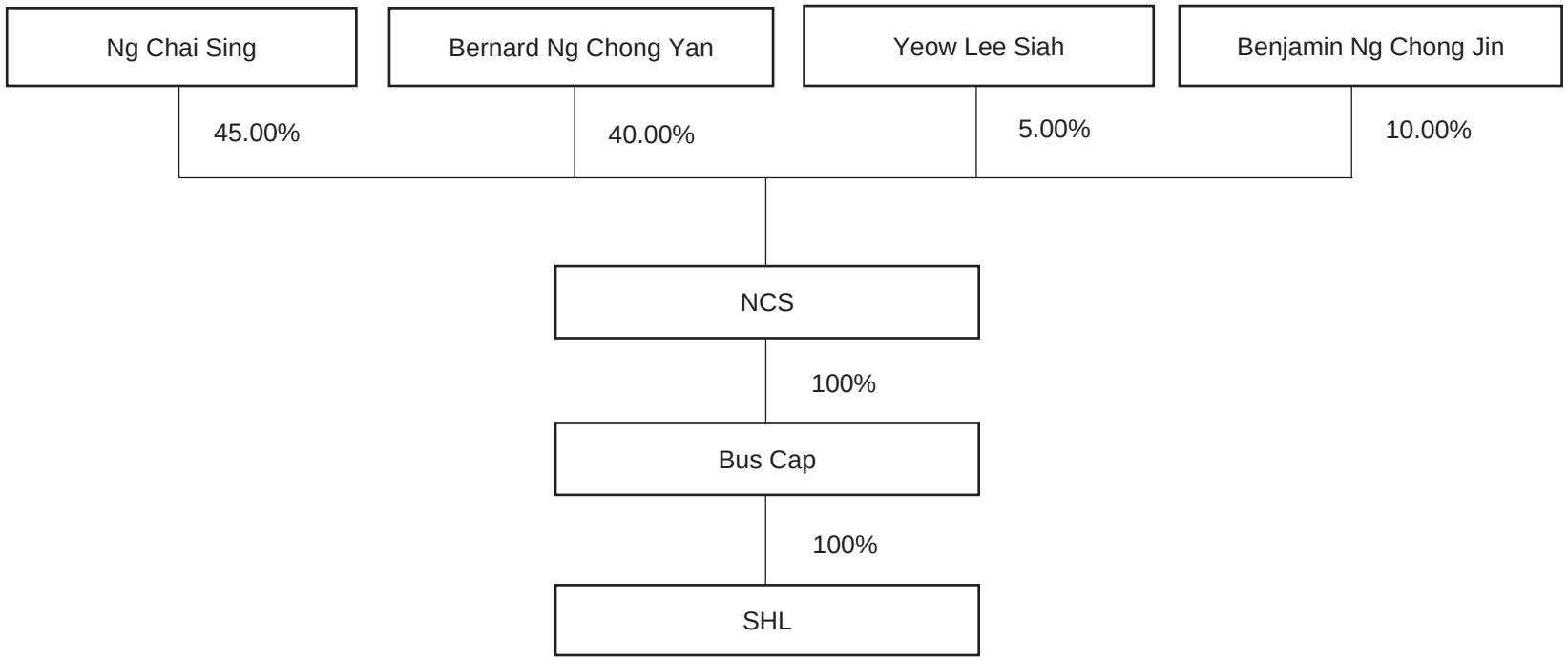
Upon completion of our IPO, our Company's entire enlarged issued share capital of RM36,673,646 comprising 383,383,000 Shares shall be listed on the ACE Market.

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

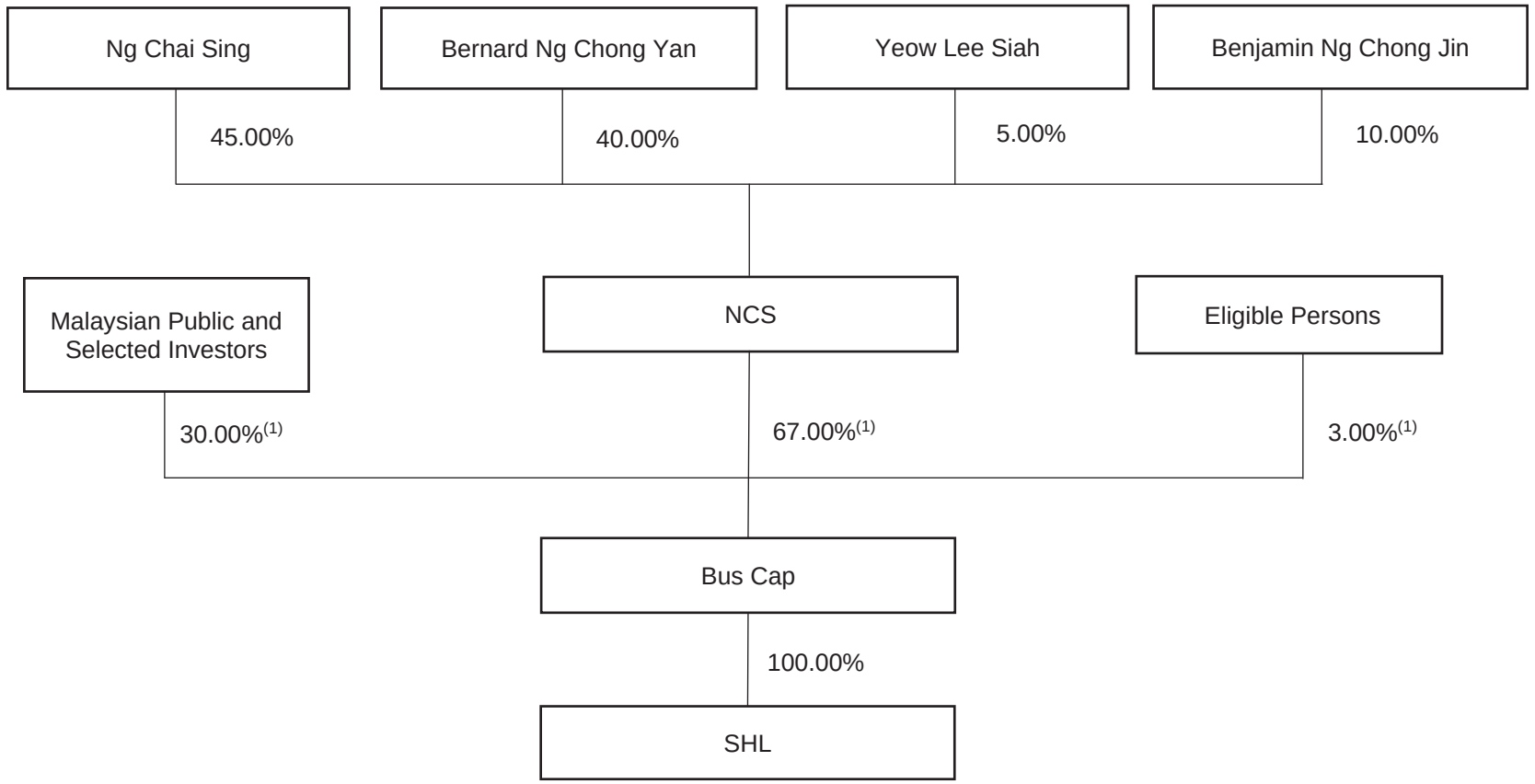
6.3 OUR GROUP STRUCTURE

Group structure before our IPO



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

Group structure after our IPO



Note:

(1) Based on our Company's enlarged issued share capital of 383,383,000 Shares after our IPO.

As at the date of this Prospectus, our Company does not have any associated companies or joint ventures. Further details of our Subsidiary are set out in Section 6.5 of this Prospectus.

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

6.4 OUR SHARE CAPITAL

As at the date of this Prospectus, our issued share capital is RM13,801,790 comprising 276,035,800 Shares. The changes in our issued share capital since our incorporation are as follows:

Date of allotment/ Share Split	No. of Shares allotted	Type of issue/ Consideration	Cumulative No. of Shares	Cumulative issued share capital (RM)
10 March 2025	1	Cash allotment/Subscriber's share	1	1
4 August 2025	13,801,789	Pursuant to Acquisition of Subsidiary/ RM13,801,789	13,801,790	13,801,790
9 March 2026	-	Subdivision of 1 Share into 20 Shares / Not applicable	276,035,800	13,801,790

There were no discounts, special terms or instalment payment terms applicable to the consideration given for the shares allotted.

Upon completion of our IPO, our issued share capital will increase to RM36,673,646 comprising 383,383,000 Shares.

There were no outstanding warrants, options, convertible securities or uncalled capital in respect of the shares in our Company as at the LPD.

6.5 OUR SUBSIDIARY

The details of our Subsidiary as at the LPD are as follows:

Name (Registration No.)	Date and country of incorporation	Issued share capital (RM)	Our Company's effective interest (%)	Principal place of business	Principal activities
SHL (198601009232 (158475-U))	23 December 1986/ Malaysia	840,000	100	Malaysia	Bus building, covering the design and manufacturing of bus bodies, assembly of bus bodies with chassis sourced from chassis principals/dealers, sourcing and installation of fittings and accessories to form CBU buses as well as provision of bus repair and maintenance services

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

6.5.1 Information on SHL

(i) Background and principal activities

SHL was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 23 December 1986 under the name of Sin Hock Leong Coach Works Sdn Bhd and deemed registered under the Act. SHL is principally involved in bus building, covering the design and manufacturing of bus bodies, assembly of bus bodies with chassis sourced from chassis principals/dealers, sourcing and installation of fittings and accessories to form CBU buses as well as provision of bus repair and maintenance services.

SHL's principal place of business is located at No. 8-10, Solok Rishah 3, Kawasan Perindustrian Silibin, 30100 Ipoh, Perak.

(ii) Share capital

As at the LPD, the issued share capital of SHL is RM840,000 comprising 460,001 ordinary shares. Save as disclosed below, there has been no change in the issued share capital of SHL for the past 3 years preceding the LPD:

Date of allotment	No. of shares allotted	Type of issue / Consideration	Cumulative issued share capital (RM)
25 December 2024	1	Cash allotment/ RM380,000	840,000

As at the LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in SHL.

(iii) Substantial shareholder

As at the LPD, SHL is our wholly-owned Subsidiary.

(iv) Directors

As at the LPD, the directors of SHL are Ng Chai Sing and Bernard Ng Chong Yan.

(v) Subsidiary, associate and joint venture

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

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7. BUSINESS OVERVIEW

7.1 HISTORY AND MILESTONES

The history of our Group can be traced back to 1 January 1968 when SHLCW was established as a partnership by the late Ng Boon Lan (the father of Ng Chai Sing who is our Managing Director) and several business partners (who ceased their involvement in 1986), to undertake bus building business. Prior to the establishment of SHLCW, the late Ng Boon Lan had been running bus building business in a workshop in Ipoh, Perak, focusing on the building and assembly of buses with wooden bodies.

The history and milestones of our Group and business operations since 1968 are as follows:

Year	Key events and milestones
1960s - 2000	• In 1968, SHLCW was established and we commenced our bus building business at a rented workshop in Ipoh, Perak. At this juncture, we focused on the building of single deck buses with wooden bus bodies. • In 1971, Ng Chai Sing joined SHLCW as Operations Assistant. He gradually assumed additional responsibilities and was admitted as a partner of SHLCW in 1977. Since then, he has taken over the management of our business from the late Ng Boon Lan and has played a pivotal role in the growth and expansion of our business. Please refer to Section 5.1.2(i) of this Prospectus for the profile of Ng Chai Sing. • In 1977, as our business continued to expand, we relocated our business to a factory in Ipoh, Perak ("**Ipoh Factory**") which was purchased by SHLCW and the legal ownership of the Ipoh Factory was subsequently transferred to SHL without any consideration as both SHLCW and SHL were under common ownership, and the transfer was part of an internal restructuring exercise to reallocate the asset within the commonly controlled entities. • In late 1970s, along with the continuous evolution of the bus building industry, we introduced our first bus with the bus body built using metal. • On 23 December 1986, SHL was incorporated by Ng Chai Sing as well as the late Ng Boon Lan and the brother of Ng Chai Sing named Ng Sing Piaw (who both ceased to be SHL's shareholders in 2001 and 2000 respectively) to assume the business of SHLCW. Following which, SHLCW gradually ceased operations and the partnership was expired on 12 February 2005.
2000s	• In 2008, we commenced the building of open top double deck buses, enabling us to expand and diversify our product offerings. • As our business continued growing, we anticipated a need to expand our premises to cater to the increased space needed for our operations. As such, in 2008, we purchased a factory in Kawasan Perindustrian Silibin, Ipoh (i.e. the Silibin Premises as defined). We commenced operations at Silibin Premises in the same year, focusing on the fabrication of bus bodies; whereas panelling and pre-painting, painting works, installation of fittings and accessories, as well as inspection were conducted at our Ipoh Factory.

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7. BUSINESS OVERVIEW *(Cont'd)*

Year	Key events and milestones
2010s	• In 2011, to further streamline and improve our bus building efficiency, we began to launch standardised bus models whereby the structural design including the bus dimensions and luggage compartment space is fixed. Prior to this, these features can be customised based on customer specifications. • In 2012, Bernard Ng Chong Yan (our Executive Director) joined SHL as Business Development Executive. Please refer to Section 5.1.2 of this Prospectus for the profile of Bernard Ng Chong Yan. • In 2017, we consolidated all our bus building operations by relocating all operations from Ipoh Factory to Silibin Premises. This resulted in improved operational efficiency, allowed for better coordination across the building process, and enhanced efficiency in the management of overall business operations. Since then, the Silibin Premises has remained as our Group's headquarters to-date. At this juncture, we had 1 production line at Silibin Premises that can be used interchangeably for the building of all types of buses. After the full relocation, the Ipoh Factory was sold to a third party in the same year. • In 2019, we increased our bus building capacity by setting up 1 additional production line at the vacant space of our Silibin Premises.
2020s	• In 2020, we further expanded our operational space by acquiring a plot of land adjacent to our Silibin Premises with a land area of approximately 54,400 sq. ft. (i.e. the New Land as defined), to be used as storage space for bus body parts, including work-in-progress pieces and complete buses. • In 2021, we expanded our range of buses as we launched semi-high deck and high deck buses. • In 2023, we ventured into the export market by securing our first sale to a customer in Singapore. We also expanded our product offerings by introducing closed top double deck buses. • In 2024, we further increased our bus building capacity by setting up 2 additional production lines through optimising the remaining vacant space along with some renovation works such as the concrete works, structural, roofing, interior, concrete as well as the facility and utility installation works, at our Silibin Premises.

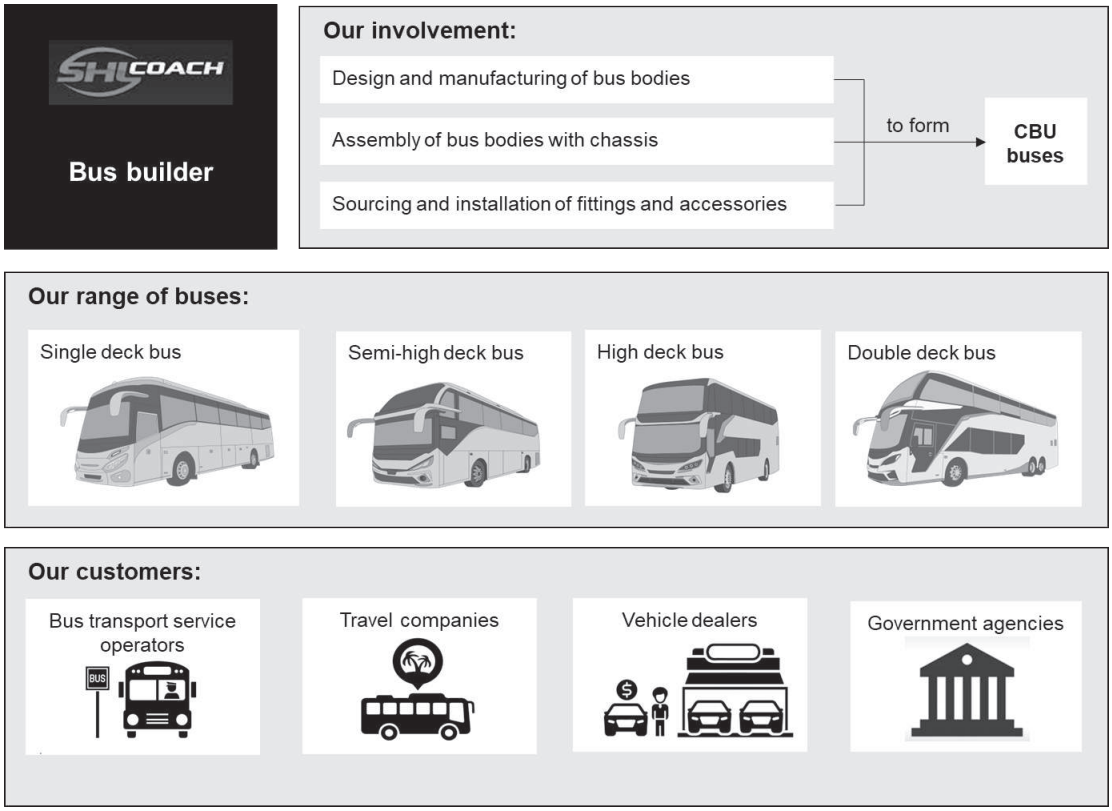
7.2 PRINCIPAL BUSINESS ACTIVITIES

As a bus builder, our Group is principally involved in the design and manufacturing of bus bodies, assembly of bus bodies with chassis sourced from chassis principals/dealers, as well as the sourcing and installation of fittings and accessories to form CBU buses. Further, we also provide bus repair and maintenance services.

Our Group sells our buses to local customers in Malaysia, which include bus transport service operators, travel companies and government agencies. Our Group also sells our buses to end-customers in Singapore, such as bus transport service operators and travel companies, primarily through a vehicle dealer in Singapore.

7. BUSINESS OVERVIEW *(Cont'd)*

Our Group's business can be summarised in the business model below:



A bus can typically be divided into three components, namely:

(1) Bus body made of metal structure, which includes the front frame, rear frame, side frames, door frames and roof frame fitted with front panels, rear panels, side panels, door panels and roof panels;

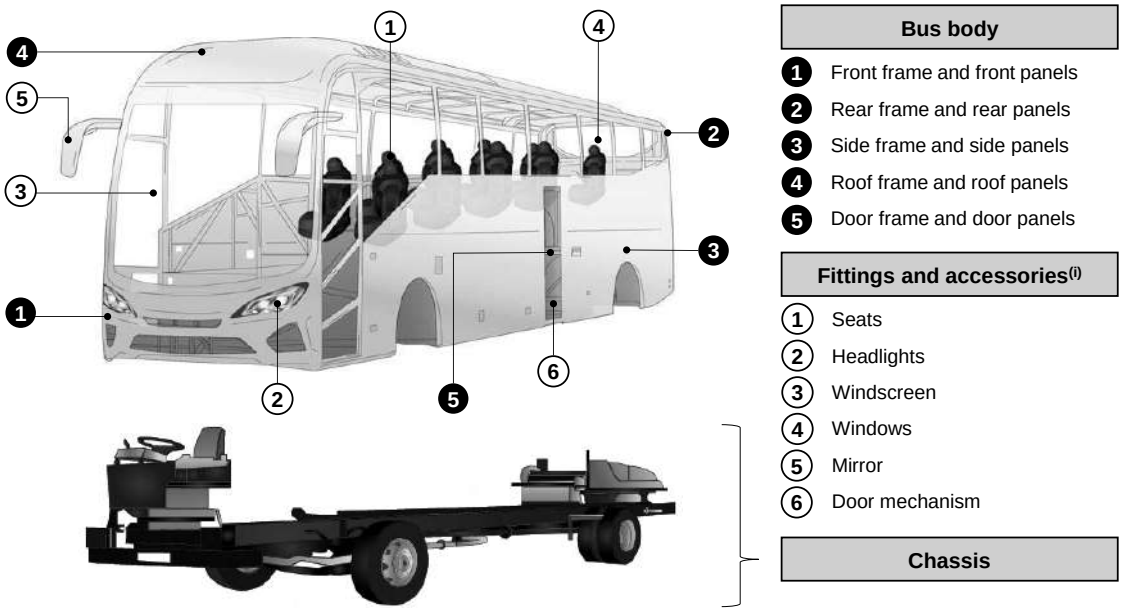
(2) Chassis, which serves as a structural and foundational framework for a bus and provides support to other components (e.g. the engine, wheels and bus body); and

(3) Fittings and accessories, which are essential functional components that are installed in a bus, such as seats, electrical systems, headlights, tail and brake lights, interior lighting, windscreen, windows, mirrors, door mechanism, handles, stereo systems, as well as air conditioning and ventilation systems.

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7. BUSINESS OVERVIEW *(Cont'd)*

Our Group's bus building activities cover the fabrication of bus body, assembly of the bus body onto chassis sourced from chassis principals/dealers, as well as sourcing and installation of fittings and accessories, to form CBU buses. A diagram illustrating the three components of a bus and the respective example under each component is as below:-



Note:

(i) Illustrates examples of fittings and accessories installed in a bus and does not purport to be exhaustive.

Our Group's expertise in bus building covers all aspects from design, assembly and fabrication to inspection and handover, with details as follows:

- Design

  Our Group designs our buses in-house based on our understanding of the needs and requirements of our customers and passengers. Over the years, our Group has continuously designed and launched new bus models with enhanced features and comfort, along with technological advancements and evolving industry norms. These include transitioning from building buses with wooden bus bodies to metal bus bodies; launching different types of buses with different passenger capacity and luggage compartment space; introducing amenities such as pantry area, restroom and entertainment room in our buses; configuring the seat layout for greater comfort; and integrating advanced features such as 360-degree camera and blind spot detection to enhance driver's visibility and safety, as well as digital displays such as wireless fidelity and charging ports for passenger convenience. As at the LPD, our Group offers 6 bus models to our customers, with details set out in Section 7.2.1 of this Prospectus.

  Our Group's bus models are designed with standard specifications, whereby the structural design, including the bus dimensions and luggage compartment space, is fixed for each bus model. Nevertheless, our Group's customers are able to customise certain elements of our buses, which include the bus body painting, seat layout and configuration, seat material and colour, as well as interior fittings and accessories (e.g. lightings and stereo systems) according to their needs. Further, our Group's customers can also choose their preferred brand of chassis which are varied in terms of specifications and cost. Based on the bus models chosen by our Group's customers as well as their customisation requirements, our Group performs in-house design and produces engineering drawings prior to commencing assembly and fabrication works.

7. BUSINESS OVERVIEW *(Cont'd)*

- Assembly and fabrication

  Our Group's buses are built upon order confirmation by customer, beginning from the fabrication of bus bodies and mounting of chassis, panelling and pre-painting works, painting works, and installation of fittings and accessories.

  Assembly and fabrication works are carried out by our Group's in-house employees and third-party subcontractors. Our Group's subcontractors are engaged on a per-job basis, whereby the scope of each job may vary depending on the resources required by us. For example, a subcontractor may be engaged to carry out solely certain part of fabrication works, or may include other works such as panelling, pre-painting, painting and/or installation works. Further, QA/ QC procedures are in place at each stage of our Group's assembly and fabrication process and are implemented by our in-house QA/ QC personnel to ensure that all works are carried out according to our quality standards. Please refer to Sections 7.2.2 and 7.5 of this Prospectus for details of our production workforce and QA/ QC procedures respectively.

- Inspection and handover

  Our Group conducts internal inspections throughout our bus assembly and fabrication process as well as after the buses are completely built up. Our Group also conducts in-house shower tests to ensure the water tightness of our buses by simulating the effects of rain to ensure that there are no potential areas for leakages particularly in high-risk areas such as the connecting joints of the bus doors, windows, seals and roof. We also conduct road tests on all our buses, before sending our buses for external inspections by Puspakom. After which, a certificate (i.e. Puspakom Inspection Certificate) will be issued by Puspakom, verifying that our buses have been inspected and comply with the relevant requirements.

  We also send all our buses to the respective chassis principals/dealers for external inspections to ensure the structural integrity and alignment of the chassis as well as to carry out functionality checks on the chassis components such as the filters, wheels and oil systems. In order for the chassis principals/dealers to grant us the chassis warranty, these inspections are required to be carried out by the chassis principals/dealers. The respective chassis principals/dealers also assist our Group in setting the speed limits of the buses in accordance with the relevant guidelines, laws and regulations. A final pre-delivery inspection is also carried out before handover of the buses to customers.

Apart from the above bus building works, our Group is also involved in the provision of repair and maintenance services for buses. Customers who purchased buses from our Group may continue to engage us for bus repairs and maintenance services at their own cost after the expiry of the warranty period, which forms a revenue stream for our Group under the 'repair and maintenance' segment. We also provide repair and maintenance services for buses that are not built by us. Bus repair and maintenance are either carried out by our Group's in-house employees or third-party subcontractors, depending on the availability of resources and scope of works required. Examples of repair and maintenance services provided by our Group include troubleshooting of electrical and wiring systems, repair of door systems and other accessories, waterproofing of bus body as well as bodywork repairs and repaints.

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7. BUSINESS OVERVIEW *(Cont'd)*

7.2.1 Principal products

As at the LPD, the type of buses built by our Group is single deck buses, semi-high deck buses, high deck buses and double deck buses, with details as follows:

	Single deck bus	Semi-high deck bus	High deck bus	Double deck bus
Description	- Standard single storey bus and mini bus with single level seating layout. - Built on a chassis with single front axle and single rear axle tyre configuration.	- Single storey bus with slightly elevated ceiling and floor levels. - Built on a chassis with single front axle and single rear axle tyre configuration.	- Double storey bus with elevated ceiling and floor levels, and seating located on the upper deck. - May be fitted with amenities such as a pantry area, restroom, entertainment room and luggage compartments at the lower deck. - Built on a chassis with single front axle and single rear axle tyre configuration.	- Double storey bus with seating available on both the upper deck and the lower deck, allowing for greater passenger capacity. - May be fitted with amenities such as a pantry area, restroom, entertainment room and luggage compartments at the lower deck. - Built on a chassis with single front axle and double rear axle tyre configuration. - Available in 2 forms: (i) closed-top whereby the upper deck is built with a roof; and (ii) open top whereby the upper deck is built with a partial roof or without a roof.
Dimension	- Height ranging up to 3.80 metres - Width ranging up to 2.55 metres - Length ranging up to 12.80 metres	- Height ranging up to 3.95 metres - Width ranging up to 2.55 metres - Length ranging up to 12.80 metres	- Height ranging up to 3.95 metres - Width ranging up to 2.55 metres - Length ranging up to 12.80 metres	- Height ranging up to 4.20 metres - Width ranging up to 2.55 metres - Length ranging up to 13.50 metres
Seat capacity	- Up to 45 seats	- Up to 53 seats	- Up to 45 seats	- Up to 72 seats
Luggage compartment	Yes, save for stage buses	Yes	Yes	Yes, save for stage buses

7. BUSINESS OVERVIEW *(Cont'd)*

	Single deck bus	Semi-high deck bus	High deck bus	Double deck bus
Common usage	- Stage buses - School buses - Worker buses - Shuttle buses - Express buses - Tour buses	- Express buses - Tour buses	- Express buses - Tour buses	- Stage buses - Express buses - Tour buses
Models offered	- Genesis G-16	- The Ark A-20 - Harmony	- The Ark A-20 HD	- The Ark A-20 DD - Harmony DD

As at the LPD, the buses are available in 6 models, as illustrated below:

Genesis G-16 (Single deck bus)



The Ark A-20 (Semi-high deck bus)



7. BUSINESS OVERVIEW *(Cont'd)*

Harmony (Semi-high deck bus)



The Ark A-20 HD (High deck bus)



The Ark A-20 DD (Double deck bus)



Harmony DD (Double deck bus)



7. BUSINESS OVERVIEW *(Cont'd)*

7.2.2 Our production workforce

Our bus building works are carried out through a combination of our employees and third-party subcontractors, as detailed below:

(1) Our employees are involved in bus building either on a fixed wages basis or contract basis.

a. As at LPD, we have 46 employees under our production department (i.e. 12 local permanent employees and 34 foreign workers) who are involved in bus building that are compensated on a fixed monthly wages basis. The fixed monthly wages paid to these employees form part of our direct labour costs under our cost of sales.

b. As at LPD, we have 10 employees under our production department, who are all foreign workers involved in bus building on a contract basis, whereby the engagement of these employees is on a per-job basis and the scope of work for each engagement may vary depending on the resources required by us for each bus. These employees are compensated based on agreed upon amount for each job, and the amount paid to these employees form part of our subcontractor costs under our cost of sales due to the nature of contract payment.

(2) Third-party subcontractors are engaged to perform bus building works during internal resource constraints. They are engaged based on several criteria, which includes quality of work, availability of resources, pricing and timeliness or work completion. These subcontractors are responsible for providing bus building services to our Group using their own labour. Each engagement with our subcontractors is based on a per-job basis, whereby the scope of work for each engagement may vary depending on the resources required by our Group for each bus. For example, a subcontractor may be engaged to carry out solely certain part of fabrication works, or may inclusive of other works such as panelling, pre-painting, painting, installation, and/or final touch-up works. These subcontractors are compensated based on an agreed upon amount for each job, and the amount paid to them form part of our subcontractor costs under our cost of sales due to the nature of contract payment. Bus building works carried out by third-party subcontractors are primarily conducted at our Silibin Premises, save for situations where all our production spaces are fully occupied. In such circumstances, we will transport the work-in-progress buses to third-party subcontractors' facilities to perform the required works, mainly pre-painting and painting works.

Notwithstanding that our Company have full in-house capability to perform such works, it is more efficient for our Company to outsource certain works to meet its bus delivery schedule and at the same time provide operational flexibility to produce more buses. Maintaining in-house employees and engaging third-party subcontractors to carry out our bus building works allows us to have greater flexibility in securing orders as well as to maintain a lean workforce and simplify the management of human resources whilst maintaining our operational efficiency. Each stage of our bus building process is supervised by our in-house QA/ QC personnel to ensure that all components produced in-house as well as every stage of the bus building works adhere to our quality standards.

7. BUSINESS OVERVIEW *(Cont'd)*

7.2.3 Our operational facilities

We operate from our Silibin Premises which is owned by our Group, with details as follows:

Land area	:	107,596.05 sq. ft.
Built-up area	:	71,518.11 sq. ft.
Address	:	No. 8-10, Solok Rishah 3, Kawasan Perindustrian Silibin, 30100 Ipoh, Perak
Function	:	Administrative office and production facilities (e.g. metal fabrication yard, mounting and panelling yard, pre-painting/painting and oven area, fittings and accessories installation area and inspection area)

We possess the following facilities at our Silibin Premises:



Metal fabrication yard



Mounting and panelling yard

7. BUSINESS OVERVIEW *(Cont'd)*



Pre-painting/painting and oven area



Fittings and accessories installation area

7. BUSINESS OVERVIEW *(Cont'd)*



Shower test area

7.2.4 Warranty

The following warranty applies to buses built by our Group:

Component	Warranty provider	Examples of defects	Length of warranty
Bus body	Our Group	- Leakages; - Painting defects; and - Coating defects.	1 year
Chassis	Chassis principals/ dealers	- Structural defects in the chassis; and - Faulty parts and misaligned components.	Back-to-back warranty with the respective chassis principals/dealers for either: (i) a period of 1 year irrespective of mileage; or (ii) a period of 1 year to 18 months or a specific mileage, whichever comes first.

7. BUSINESS OVERVIEW *(Cont'd)*

Component	Warranty provider	Examples of defects	Length of warranty
Fittings and accessories	Fittings and accessories suppliers	- Defects in the functionality of the seats, electrical systems, headlights, tail and brake lights, interior lighting, windscreen, windows, mirrors, door mechanism, handles, stereo systems, as well as air conditioning and ventilation systems, amongst others.	Back-to-back warranty with the respective fittings and accessories suppliers for a period of 1 to 3 years.

In the event of any of the above defects found and claimed by our customers during the respective warranty period, our customers will report to us and upon diagnosis of the issue, we will inform the customers to send the buses to either:

(i) our Silibin Premises where we will carry out the necessary inspections, repair and maintenance works; or

(ii) workshops selected by our Group based on the customers' preferred location and proximity, where the buses will be repaired and maintained by these selected workshops.

If the defects are covered under warranty, our Group and/or the respective chassis principals/dealers as well as fittings and accessories suppliers will bear the repair or replacement costs.

For the FYE Under Review, we incurred a total of RM17,101, RM44,501, RM24,004 and RM18,679 for bus repair costs that are covered under our warranty, which represented approximately 0.11%, 0.16%, 0.04% and 0.02% of our Group's total revenue respectively.

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7. BUSINESS OVERVIEW *(Cont'd)*

7.3 PRINCIPAL BUSINESS SEGMENTS AND MARKETS

Principal business segments

In FYE 2022 and FYE 2023, the sale of single deck buses was the largest revenue contributor as they contributed 42.0% and 58.5% to our Group's revenue respectively. Whereas in FYE 2024 and FYE 2025, the sale of semi-high deck buses was the largest revenue contributor as they contributed 73.8% and 77.9% to our Group's revenue respectively.

The breakdown of our Group's revenue by business segments in the FYE Under Review is as follows:

	Audited											
	FYE 2022			FYE 2023			FYE 2024			FYE 2025		
	RM'000	%	Units sold	RM'000	%	Units sold	RM'000	%	Units sold	RM'000	%	Units sold
Sales of buses												
- Semi-high deck bus	4,488	28.7	8	6,395	23.2	11	41,645	73.8	69	68,598	77.9	105
- Single deck bus	6,557	42.0	13	16,155	58.5	36	8,714	15.5	23	3,245	3.7	5
- High deck bus	3,955	25.3	5	1,804	6.5	2	2,733	4.8	3	-	-	-
- Double deck bus	-	-	-	2,536	9.2	6	2,110	3.7	2	14,977	17.0	21
Sub-total	**15,000**	**96.0**	**26**	**26,890**	**97.4**	**55**	**55,202**	**97.8**	**97**	**86,820**	**98.6**	**131**
Repair and maintenance[(1)]	624	4.0	-	732	2.6	-	1,244	2.2	-	1,263	1.4	-
Total	**15,624**	**100.0**	**26**	**27,622**	**100.0**	**55**	**56,446**	**100.0**	**97**	**88,083**	**100.0**	**131**

Note:

(1) Comprise the revenue generated from the provision of bus repair and maintenance services.

Principal market

Our Group's principal market is in Malaysia, which accounted for 100.0%, 92.6%, 88.8% and 94.7% of our total revenue in the FYE Under Review respectively. In FYE 2023, FYE 2024 and FYE 2025, our Group also derived revenue from 1 oversea country, namely Singapore.

The breakdown of our Group's revenue segmentation by geographical market is as follows:

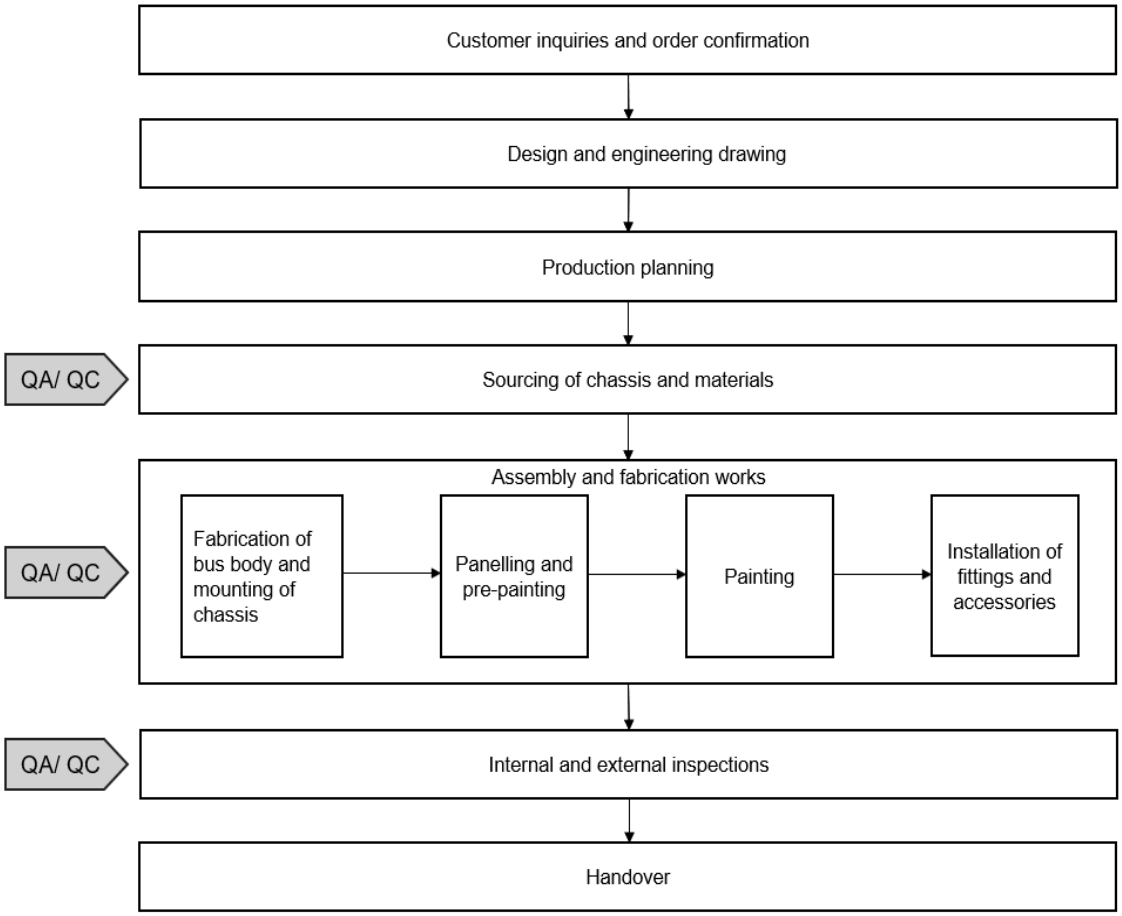
	Audited											
	FYE 2022			FYE 2023			FYE 2024			FYE 2025		
	RM'000	%	Units sold	RM'000	%	Units sold	RM'000	%	Units sold	RM'000	%	Units sold
Malaysia	15,624	100.0	26	25,583	92.6	48	50,136	88.8	76	83,388	94.7	116
Singapore	-	-	-	2,039	7.4	7	6,310	11.2	21	4,695	5.3	15
Total	**15,624**	**100.0**	**26**	**27,622**	**100.0**	**55**	**56,446**	**100.0**	**97**	**88,083**	**100.0**	**131**

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7. BUSINESS OVERVIEW *(Cont'd)*

7.4 OUR OPERATIONAL PROCESS FLOW

The process flow for our Group's business operations is depicted below.



(a) Customer inquiries and order confirmation

Upon receiving order inquiries from customers, our Group will prepare a quotation taking into account the customers' model specifications and customisation requirements with regards to the brand of chassis, bus body painting, seat layout and configuration, seat material and colour, as well as interior fittings and accessories (e.g. lightings and stereo systems). Our Group also takes into consideration the prevailing cost of raw materials (e.g. metal materials and fittings and accessories) and delivery timeline while preparing the quotation.

A purchase order will be placed by customers, or a sales order will be issued by our Group as a form of order confirmation upon agreement with our Group's quotation by customers.

(b) Design and engineering drawing

Based on the bus models chosen by customers as well as their customisation requirements, our Group designs and produces detailed engineering drawings using CAD software. Such engineering drawings will set out the details of structural dimensions and specifications of the bus, which will be used as a guide for our Group's production planning, sourcing as well as assembly and fabrication activities.

7. BUSINESS OVERVIEW *(Cont'd)*

(c) Production planning

Following which, our Group will prepare a detailed production plan specifying amongst others, the production schedule and resources required which include chassis as well as raw materials. In addition, our Group also engages third-party subcontractors for bus building works required to ensure that our Group possesses sufficient resources to fulfil customers' orders in a timely manner.

(d) Sourcing of chassis and raw materials

Depending on customers' specifications and requirements, our Group will source the appropriate chassis from chassis principals/dealers. Depending on our customers' arrangement and preferences, they may independently source their preferred chassis from chassis principals/dealers, which will then be provided to our Group for bus building. This generally occurs when customers have a large volume of bus orders and have established direct relationships with the chassis principals/dealers, and therefore prefer to purchase chassis directly from them.

In addition, our Group also sources metal materials (e.g. metal sheets and metal pipes) that are necessary for the bus building process. To ensure that our Group has sufficient metal materials to meet customers' orders, our Group provides a forecast of metal materials required to our suppliers based on upcoming orders, which assist our suppliers to plan their production and allocate materials in advance, thereby ensuring a steady and timely supply of metal materials to our Group. Subsequently, our Group generally places monthly orders with our suppliers and adopts a just-in-time inventory management system to minimise the storage costs of metal materials, whereby the metal materials ordered are generally delivered to our Silibin Premises no earlier than 1 month prior to the scheduled production.

Further, our Group also sources other raw materials from our suppliers, which include fittings and accessories (e.g. seats, electrical systems, headlights, tail and brake lights, interior lighting, windscreen, windows, mirrors, door mechanism, handles, stereo systems, and air conditioning and ventilation systems); paints, greases and adhesive materials. Our Group generally maintains a 1 to 3 months of inventory level for these raw materials depending on our Group's production requirements to minimise any risk of disruption during our production operations.

All our chassis and raw materials are stored at our Silibin Premises, save for the bus seats which are delivered to third-party subcontractors' premises who are engaged to carry out seat installation works.

(e) Assembly and fabrication works

Our Group's bus assembly and fabrication process is split into 4 stages, namely the fabrication of bus body and mounting of chassis, panelling and pre-painting, painting, and installation of fittings and accessories. Each assembly and fabrication process has designated yards or areas for the respective works to be carried out by our Group's in-house employees and/or third-party subcontractors. Once the process at a certain stage is completed, the bus will be sent to the next stage for the subsequent processes. Further, QA/ QC measures are in place at each stage to ensure that all works are carried out in accordance with our Group's quality standards, which are carried out by our in-house QA/ QC personnel. This allows for a more efficient and organised production process with clearly defined assembly and fabrication works at each stage, resulting in improved implementation of QA/ QC procedures at every stage of the production process, thus enabling our Group to detect and address any quality issues timely.

7. BUSINESS OVERVIEW *(Cont'd)*

As at the LPD, we rely on relatively basic machines, manual equipment and tools, including cutting/ sawing machines, drilling tools, grinders, bending machines, manual welding machines and spray guns, amongst others, to carry out bus assembly and fabrication works. These machines, equipment and tools are not material in terms of NBV as at the FYE 31 December 2025.

The details of each stage of our Group's current production process are set out as follows:

(i) Fabrication of bus body and mounting of chassis

Our Group's production process begins with the fabrication of bus body. The metal materials required for the fabrication activities will go through several processes which include cutting, bending, metal stamping and welding to form the structural frame of the bus body. Thereafter, the structural frame will be mounted on the chassis.

Following which, other body parts such as the side panels, rear panels, front panels and roof panels will also be fabricated through similar processes.

(ii) Panelling and pre-painting

Panelling work, which is the welding and fitting of side panels, rear panels, front panels and roof panels to the bus structural frame, is carried out to form a complete external bus body. At this stage, ducting works are conducted, and air conditioning and ventilation systems are also installed on the bus.

The surface of the bus body is then thoroughly cleaned to remove any dirt, grease or oil that may affect the paint's adhesion as part of pre-painting works. The surface of the bus body will also be sanded/abraded before applying primer.

(iii) Painting

Painting works to the exterior of the primed bus body will then be carried out based on the design provided by our customers. Depending on the coverage and consistency of the applied paint, the application may be repeated several times to ensure that there is no uneven application. The painted bus is then left to dry before a protective clear coat is applied to the bus body for protection against scratches, UV radiation and harsh weather conditions.

After applying the protective clear coat, the painted bus body is then dried in a drying oven. Depending on the exterior design of the bus as requested by customers, stickers that are designed in-house based on customer requirements may be pasted on the painted bus body.

(iv) Installation of fittings and accessories

After the painting works are completed, exterior fittings and accessories such as headlights, tail and brake lights, windscreen, windows and mirrors are fitted to the bus body. Rubber seals or adhesives are also used to ensure a secure fit and prevent the occurrences of leakages.

Thereafter, interior fittings and accessories such as seats, stereo systems, electrical systems, interior lighting, door mechanism and handles will be installed in the buses.

7. BUSINESS OVERVIEW *(Cont'd)*

(f) Internal and external inspections

Once we completed the assembly and fabrication processes, finishing works and final touch-ups are carried out, which include final painting and touch-ups, sealing of joints, alignment of mirrors, as well as calibration of stereo systems, electrical systems and door mechanism, our Group conducts internal visual inspection to ensure that the quality of the paintwork as well as installation of interior and exterior fittings and accessories comply with our quality standards and customer requirements. Our Group also conducts a shower test to test the water tightness of buses by simulating the effects of rain to ensure that there are no potential areas for leakage particularly in high-risk areas such as the connecting joints of the bus doors, windows, seals and roof.

In addition to the above internal inspections, our Group submits the technical plans of the buses built to JPJ for approval by JPJ personnel. Additionally, our Group also sends the buses for inspection by Puspakom and chassis principals/dealers. Following which, our Group conducts road tests on all the buses whereby the buses are test driven on designated routes to ascertain the overall performance, functionality and handling experience of the buses as well as to identify any faultiness in the buses. Our Group also conducts a final pre-delivery inspection, which is a comprehensive assessment to ensure that the buses are fully operational and free from cosmetic defects before being handed over to customers.

(g) Handover

After completing all internal and external inspections, a final handover takes place where our customers typically collect the buses from the Silibin Premises, accompanied by an official bus handover ceremony organised by our Group. Please refer to Section 7.9 of this Prospectus for further details on the official bus handover ceremony. Alternatively, we may also deliver our buses to our customers' premises.

The duration required for assembly and fabrication works as well as finishing works, final touch-ups and inspections works (excluding external inspections as the duration of such is beyond our control) as detailed in Sections 7.4(e) and 7.4(f) above, is generally up to 9 weeks for single deck and semi-high deck buses and up to 18 weeks for high deck and double deck buses under normal production capacity. However, it typically takes a longer production lead time of 3 to 5 months for single and semi-high deck buses and 5 to 7 months for high deck and double deck buses, from the receipt of chassis to the handover of buses to customers. The extension of production lead time beyond the normal production duration may be due to several factors beyond our Group's control, which include the additional time required for customers to finalise the specifications for fittings, accessories and painting designs; as well as the time involved in external inspections and the issuance of necessary certification/warranty by Puspakom and chassis principals/dealers respectively. Our Group typically completes the handover within 10 days from the completion of all internal and external inspections.

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7. BUSINESS OVERVIEW *(Cont'd)*

7.5 QA/ QC PROCEDURES

Our Group's commitment towards product quality and safety is demonstrated by our stringent QA/ QC procedures that include:

Operation stage	QA/ QC procedures
Receipt of chassis as well as raw materials	- Upon receiving chassis from chassis principals/dealers, we will conduct visual and functionality inspections to ensure that the chassis conforms to our purchase order. - Upon receiving metal materials from our suppliers, we inspect the metal materials to ensure that the volume and specifications match the procurement details and are in good condition. - Upon receiving other raw materials such as fittings and accessories, paints, greases and adhesive materials from our suppliers, we carry out inspections to ensure that there are no defects and that the volume and specifications match the procurement details. - We also carry out inspections on the bus seats upon delivery at third-party subcontractors' premises who are engaged to carry out seat installation works for our Group, to ensure that there are no defects in the seats and that the volume and specifications match the procurement details.
Fabrication of bus body and mounting of chassis	- We inspect the structural frames and other body parts to identify any defects or imperfections, such as dents and inaccurate dimensions. - We also inspect the bus body to ensure that it is properly mounted and aligned with the designated mounting points on the chassis.
Panelling and pre-painting	- We inspect the entire bus body for weld quality as well as installation and alignment of panels. - We conduct inspections on the ducting for air conditioning and ventilation systems to ensure that they are properly installed. - We also inspect the quality of our pre-painting works by conducting surface preparation checks to ensure that the bus bodies are free from dust, dirt, oil, grease and/or any other contaminants. We also ensure that the surfaces are smooth and properly sanded to promote paint adhesion.
Painting	- We inspect the paintwork to ensure that there are no defects or scratches on the surface of our buses.

7. BUSINESS OVERVIEW *(Cont'd)*

Operation stage	QA/ QC procedures
Installation of fittings and accessories	- We inspect the installation of the glass fittings and accessories to ensure that all glass fittings and accessories are free from any defects (e.g. cracks), are neatly installed, fully functional and adhere to the light transmittance specifications as stipulated by the regulatory guidelines and as requested by our customers. - We also conduct inspections on all interior fittings such as seats, stereo systems, electrical systems, interior lighting, door mechanism and handles to ensure that they are properly installed, fully functional and free from any defects.
Internal inspections	- We conduct a shower test to test the water tightness of our buses by simulating the effects of rain to ensure that there are no potential areas for leakage particularly in high-risk areas such as the connecting joints of the bus doors, windows, seals and roof. - We also conduct road tests on all our buses whereby our buses are test driven on designated routes to ascertain the overall performance, functionality and handling experience of our buses as well as to identify any faultiness in our buses prior to delivery.
External inspections	- We send our buses to Puspakom where our buses are assessed to ensure that they adhere to, amongst others, the vehicle dimensions, body structure, seating layout and proper installation of fittings and accessories according to the Puspakom guidelines and technical drawings approved by the JPJ, to ensure road worthiness. - We also send our buses to the respective chassis principals/dealers where inspections are conducted to ensure the structural integrity and alignment of the chassis as well as to carry out functionality checks on the chassis components such as the filters, wheels, electrical, brake and oil systems. The respective chassis principals/dealers also assist in setting the speed limits of our buses in accordance with the relevant guidelines, laws and regulations.

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7. BUSINESS OVERVIEW *(Cont'd)*

7.6 OPERATIONAL CAPACITIES AND OUTPUTS

As at the LPD, our Group has 4 production lines for bus building. Out of which, 3 production lines are dedicated to the building of single deck and semi-high deck buses, and the remaining 1 production line is dedicated to the building of double deck and high deck buses. Nevertheless, all production lines can be used interchangeably for the building of the different buses offered by our Group when necessary.

Each of our production lines comprises a series of sequential processes operating on a continuous basis. These processes include:

(i) fabrication of bus body and mounting of chassis;
(ii) panelling and pre-painting;
(iii) painting;
(iv) installation of fittings and accessories;
(v) finishing works and final touch-ups; and
(vi) internal and external inspections.

Please refer to Sections 7.4(e) and 7.4(f) of this Prospectus for further details of each of these processes. Upon completion of the required works at any process, a bus progresses to the next process along the production line. Concurrently, another bus enters the vacated process to undergo the corresponding works, such that multiple buses are processed concurrently at different stages of a production line.

At the final process of a production line where a bus is completely built (i.e. internal inspections), the duration required for inspections works is typically up to 1 week for single deck and semi-high deck buses, and up to 2 weeks for high deck and double deck buses. While external inspections are required for each bus, such external inspections are excluded for the purpose of the calculation of production capacity as they are conducted by external parties (i.e. Puspakom and chassis principals/dealers), whereby the duration of such inspections are beyond our Group's control. Hence, buses that underwent internal inspections are deemed fully completed buses.

As buses progress sequentially through a continuously operating production line, a fully completed bus is produced from the final process (i.e. internal inspections) at the same or corresponding interval, which is 1 bus per week for single deck and semi-high deck buses, or 1 bus every 2 weeks for high deck and double deck buses, representing the capacity of each production line. Based on 48 working weeks per year (excluding public holidays and shut down for maintenance), the annual capacity for each production line is therefore 48 units per year for single deck and semi-high deck buses, and 24 units per year for high deck and double deck buses.

The table below sets out the annual capacity, actual output and utilisation rate of our Group for the FYE 2024 and FYE 2025:

FYE	Product category	Annual capacity (Number of buses)	Actual output (Number of buses)
2024	Single deck and semi-high deck buses	96[(i)]	92
	High deck and double deck buses	24[(ii)]	5
	Total	**120**	**97**
	Utilisation rate	**80.8%[(iii)]**	
2025	Single deck and semi-high deck buses	144[(i)]	110
	High deck and double deck buses	24[(ii)]	21
	Total	**168**	**131**
	Utilisation rate	**78.0%[(iii)]**	

7. BUSINESS OVERVIEW *(Cont'd)*

Notes:

(i) Annual capacity for single deck and semi-high deck buses is calculated based on a weekly capacity of 1 unit per production line for 48 weeks a year (excluding public holidays and shut down for maintenance). As at the LPD, our Group has 3 production lines dedicated to the building of single deck and semi-high deck buses, 2 of which were newly commissioned in July 2024. As such, the annual capacity for these 2 newly commissioned production lines in the FYE 2024 was calculated based on 24 weeks from July 2024 to December 2024. In FYE 2025, our annual capacity for single deck and semi-high deck buses was 144 units, calculated based on a weekly capacity of 1 unit per production line for 3 production lines, for 48 weeks a year (excluding public holidays and shut down for maintenance).

(ii) Annual capacity for high deck and double deck buses is calculated based on a weekly capacity of 0.5 unit per production line for 48 weeks a year (excluding public holidays and shut down for maintenance). As at the LPD, our Group has 1 production line dedicated to the building of high deck and double deck buses.

(iii) The utilisation rate is computed by dividing total actual output (i.e. 97 units for FYE 2024 and 131 units for FYE 2025) against total annual capacity (i.e. 120 units for FYE 2024 and 168 units for FYE 2025).

7.7 OUR COMPETITIVE STRENGTHS

7.7.1 We have extensive experience and expertise in bus building gained from our established track record of 58 years in the bus building industry

Our Group has an established history of 58 years in the bus building industry since the establishment of SHLCW in 1968; and over the years, our Group has supplied our buses to the local market as well as in Singapore. Our Group's expertise in the design and building of buses is gained over the years of our business operations since 1968, as well as understanding of the needs and requirements of our customers and passengers. This allows our Group to continuously build and supply buses with enhanced features and comfort over the years along with technological advancements and evolving industry norms as well as to address the changing needs of customers and passengers. During the initial years of our Group's business operations, our Group focused on building buses with wooden bus bodies and in the late-1970s, our Group transitioned to the building of buses with metal bus bodies. As at the LPD, our Group has 6 bus models available for sale. Please refer to Section 7.2.1 of this Prospectus for further details of our buses.

Armed with a business history of over half a century in the bus building industry, our Group has been through business and economic cycles as well as industry transformations, which demonstrates our business growth and resilience, including weathering adverse economic and market conditions as well as adapting to evolving industry norms. With such a foundation, our Group believes that we will be able to continue leveraging on our expertise and capabilities to drive the growth and expansion of our business.

7.7.2 We build a variety of bus types and models to cater to the differing requirements of our customers

As at the LPD, our Group builds 4 types of buses, namely single deck buses, semi-high deck buses, high deck buses and double deck buses. Each type of bus possesses its own characteristics in terms of design, dimensions, seat capacity, luggage compartment and common usage. Please refer to Section 7.2.1 of this Prospectus for further details of the types and models of buses built and offered by our Group.

7. BUSINESS OVERVIEW *(Cont'd)*

With differing specifications and characteristics, the buses are suitable to be used for a variety of functions (e.g. stage bus, school bus, worker bus, shuttle bus, express bus and tour bus) across different industries such as the transportation industry and tourism industry. The range of bus types and bus models also ensures that the buses appeal to a broad category of customers (e.g. bus transport service operators, travel companies, government agencies and vehicle dealers). These diverse bus types and bus models enhance our Group's market reach and allow our Group to cater to customer needs across different segments.

7.7.3 We adopt systematic and organised bus building and QA/ QC processes that enable us to uphold the quality of our buses and to maintain our industry standing and reputation

The bus body assembly and fabrication process comprises several stages starting from the fabrication of bus body and mounting of chassis, to panelling and pre-painting works, painting works, as well as installation of fittings and accessories. Each process has designated yards or areas for the respective works to be carried out, while QA/ QC measures are in place at each stage to ensure that all works are carried out in accordance with our Group's quality standards. Our Group's systematic and organised assembly and fabrication works, as well as QA/ QC processes enable our Group to detect and address any quality issues timely.

In addition, our Group also conducts a shower test on all the buses to ensure that there are no potential areas for leakage in the connecting joints of the bus doors, windows, seals and roof. Moreover, our Group conducts road tests on all the buses whereby the buses are test driven on designated routes to ascertain the overall performance, functionality and handling experience as well as identify any faultiness in the buses prior to delivery. Further, our Group sends our buses for external inspections by Puspakom as well as our chassis principals/dealers prior to conducting final pre-delivery inspection before handover to customers.

Due to stringent QA/ QC procedures, our Group managed to maintain relatively low bus repair costs for customers during the warranty period. For the FYE Under Review, our Group incurred a total of RM17,101, RM44,501, RM24,004 and RM18,679 for bus repair costs that are covered under warranty, which represented approximately 0.11%, 0.16%, 0.04% and 0.02% of our Group's total revenue respectively. Our Group's minimal bus repair costs are indicative of high product quality, thereby strengthening our Group's industry standing and enhancing our reputation amongst customers, which will lay a strong foundation for our future business growth and expansion.

7.7.4 We have an experienced key senior management team

Our Group is led by an experienced and hands-on key senior management team that has accumulated years of relevant industry experience and/or in-depth knowledge of our Group's business operations. Our Group's Managing Director, Ng Chai Sing, who has over 55 years of experience in the bus building industry, has played a pivotal role in steering the growth and success of our Group. His experience, drive and passion for our Group's business have been instrumental to our success to-date.

He is supported by other key senior management personnel as follows:

Name	Designation	Years of relevant working experience
Bernard Ng Chong Yan	Executive Director	14
Khor Meng Chew	Head of Finance	14
Tan Wai Yin	Head of Administration and Human Resources	14
Choo Kok Siong	Head of Business Services Department	13

7. BUSINESS OVERVIEW *(Cont'd)*

Please refer to Sections 5.1.2 and 5.4.2 of this Prospectus for the profiles of the key senior management team. The key senior management team has strong industry and functional expertise as a result of years of experience in their respective fields. Further, each of the key senior management takes an active, hands-on role in spearheading their respective departments to support the growth of our Group. Their hands-on involvement in our Group demonstrates their strong commitment to our Group's growth as our Group continues to expand our business.

7.8 OUR BUSINESS STRATEGIES AND FUTURE PLANS

7.8.1 We intend to expand our bus building operations by constructing a New Factory on the New Land adjacent to our Silibin Premises

As at the LPD, our Group operates from our Silibin Premises whereby all built-up space has been occupied by our existing operations. Our Group intends to construct a New Factory on the New Land measuring approximately 54,400 sq. ft. which is adjacent to our Silibin Premises, whereby the New Factory will include the following:

(i) a production plant to house a new semi-automated fabrication line for bus bodies, with details set out below;

(ii) a storage area to store standardised modular bus body parts that will be manufactured using the new semi-automated bus body fabrication line as detailed in Section 7.8.2 of this Prospectus;

(iii) a storage area to store complete buses, including those requiring final touch-ups prior to handover and those pending collection by customers. As at the LPD, our Group's complete buses requiring final touch-ups are placed in an open area or under a temporary shelter with open sides, which exposes our in-house employees and third-party subcontractors to harsh weather conditions while conducting final touch-ups during the pre-delivery inspection stage. By having a storage space in the New Factory for final touch-ups to be carried out, our Group believes that it will enhance the working environment of our employees and third-party subcontractors. Further, as at the LPD, collection of buses by customers from our Silibin Premises is also carried out in an open area or under a temporary shelter with open sides. Having a dedicated sheltered delivery bay in the New Factory for bus collection by customers is expected to improve customers' overall experience with our Group;

(iv) a 3-storey office building to house all our office staff which are currently based at our Silibin Premises, whereby the new office building will provide a more spacious and conducive working environment for our Group's employees; and

(v) a dedicated showroom to showcase our Group's buses of different models, with details set out in Section 7.8.3 of this Prospectus.

The New Factory is estimated to have a total built-up area of approximately 34,380 sq. ft., with the breakdown as follows:

• production plant and storage areas	:	21,150 sq. ft.
• 3-storey office building	:	10,550 sq. ft.
• showroom	:	2,680 sq. ft.
		34,380 sq. ft.

7. BUSINESS OVERVIEW *(Cont'd)*

As at the LPD, the New Land is being used as storage space for bus bodies parts, including work-in-progress pieces and complete buses. As the construction of the New Factory will be carried out progressively, we do not expect an immediate and significant disruptions to our business operations. Nevertheless, we plan to utilise our existing space at our Silibin Premises, and/or to temporarily rent an industrial unit in close proximity to our Silibin Premises, where necessary, for the storage of bus body parts, work-in-progress pieces and complete buses. The indicative rental rate of the industrial unit is estimated to be approximately RM0.36 million per annum, which is expected to be funded via internally generated funds.

The indicative timeline for the construction of the New Factory from the date of Listing is as follows:-

Timeframe from date of Listing ("T")	Details
T + 1 month	• Submission of applications for planning approval to the relevant government authorities
T + 8 months	• To obtain approval from the relevant government authorities on planning permit and building plan
T + 16 months	• Commencement of construction of the New Factory
T + 30 months	• Completion of construction of the New Factory • To purchase machines that form the new semi-automated bus body fabrication line immediately after the completion of construction of the New Factory, whereby the machines are expected to arrive at the New Factory approximately 3 to 4 months after placing orders
T + 34 months	• To obtain CCC for the New Factory • To install the new semi-automated bus body fabrication line
T + 36 months	• To commence bus building operations in the New Factory

The cost for constructing the New Factory is estimated to be approximately RM9.1 million, which will be fully funded from the proceeds to be raised from the Public Issue. Please refer to Section 4.7.1 of this Prospectus for further details of the construction of the New Factory.

Following the commencement of bus building operations in the New Factory, our Group intends to retain and continue utilising the Silibin Premises for our bus building operations. The Silibin Premises will complement the New Factory by supporting on-going production requirements as well as handling repair, refurbishment and ancillary works.

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7. BUSINESS OVERVIEW *(Cont'd)*

7.8.2 We intend to enhance our production efficiency by manufacturing standardised modular bus body parts using a new semi-automated bus body fabrication line

Our bus building works begin with the fabrication of bus bodies, which involves cutting, bending, metal stamping and welding of metal materials to form numerous body parts that will be assembled, mounted and/or welded together to form a complete external bus body. As at the LPD, each of these body parts is manufactured upon receiving orders from our customers. However, certain body parts such as driver and passenger door frames, luggage compartment door frames, front and rear cowl structures of the front and rear frame respectively, as well as certain panel parts are of standard dimensions regardless of the customisation requirements requested by customers. As such, our Group intends to manufacture these body parts as standardised modular bus body parts in advance and keep them in stock prior to receiving bus orders from customers. This will contribute to reducing production lead time as we will be able to skip several fabrication processes upon receiving orders.

As at the LPD, all built-up space at our Silibin Premises has been occupied by our existing operations. As such, our Group intends to set up a new semi-automated bus body fabrication line in the New Factory to manufacture these standardised modular bus body parts, whereby the fabrication line will consist of several machines with details as follows:

Machine	Function	No. of units	Estimated cost (RM'000)
Robotic welding machine	To weld several metal pieces/parts with the aid of robotic arms	10	1,600
Linear track for robot welding	A linear motorised rail system that holds and enables robotic welding machines to move along a linear axis, which extends the reach of the robotic welding machines to weld larger parts or components, thereby enhancing productivity and manufacturing efficiency	4	720
CNC press brake machine	To bend metal sheets into customised shapes	2	502
Laser pipe cutting machine	To cut metal tubes and pipes into specified dimensions	4	1,252
Laser tracking system	To be installed along with the linear track for robot welding as it assists in accurately measuring and tracking the alignment and position of welding points	4	320
Laser plate cutting machine	To cut metal plates into specified dimensions	2	560
CNC router machine	To mill, drill and cut metallic and non-metallic materials into specified dimensions	1	80
Total			**5,034**

7. BUSINESS OVERVIEW *(Cont'd)*

The total cost for the purchase of the above machines is estimated to be approximately RM5.03 million, which will be fully funded from the proceeds to be raised from the Public Issue. The estimated cost for the machines is based on the supplier's quotations and is subject to change if the prices are revised subsequently. Any excess amount required for the above machines will be funded by internal funds and/or bank borrowings. Conversely, if the actual amount for the above purchase of machines is lower than budgeted, the excess will be used for working capital purposes.

Our Group plans to purchase all of these machines concurrently to form the semi-automated bus body fabrication line after the completion of the construction of the New Factory, while awaiting the obtaining of the CCC for the New Factory. Upon obtaining the CCC for the New Factory, we will commence the machine installation at the New Factory. The machine installation is envisaged to be completed and commence operations within 36 months from the date of Listing. As at the LPD, our Group does not own any machines similar to those intended for purchase, as our current operations rely on relatively basic machines, manual equipment and tools, such as cutting/ sawing machines, drilling tools, grinders, bending machines, manual welding machines and spray guns.

The implementation of the new semi-automated bus body fabrication line is expected to reduce our Group's reliance on manual labour, including foreign workers, in certain fabrication processes, while improving production output levels through enhanced operational efficiency. Based on our Group's internal assessment and current production configuration as at the LPD, under the normal operating conditions, the new semi-automated fabrication line is estimated to reduce the requirement for up to 15 foreign workers currently involved in manual fabrication works. Concurrently, our Group expects to recruit approximately 6 additional local and/or foreign workers to perform technical roles associated with the operation, monitoring, repair and maintenance of the semi-automated machines, including machine operators and mechanics. However, depending on factors such as production volume, overall manpower planning, operational efficiency and machine utilisation rates at the relevant time in the future, the actual net reduction in foreign workers may differ from such estimates.

The dimensions of standardised modular bus body parts vary across different bus models (i.e. Genesis G-16, The Ark A-20, Harmony, The Ark A-20 HD, The Ark A-20 DD and Harmony DD). Our Group will manufacture standardised modular bus body parts catered for each bus model based on our internal sales forecast and historical sales record of each model.

In FYE 2024 and FYE 2025, the utilisation rate of our production lines stood at 80.8% and 78.0% respectively, as detailed in Section 7.6 of this Prospectus. There were periods where our production lines were fully occupied, during which we had to decline certain customer orders, particularly those requiring urgent delivery. By manufacturing standardised modular bus body parts in advance, our production lead time will be shortened and thus increase our annual capacity. Our Group estimates that there will be an approximately 15% increase in our annual capacity from a total of 168* buses to 194 buses. This will provide us with greater room to accept customer orders, which in turn contributes to improving our business and financial performance.

* *Calculated based on full annual capacity of 144 units of single deck and semi-high deck buses as well as 24 units of high deck and double deck buses. Please refer to Section 7.6 of this Prospectus for further details on our Group's annual capacity.*

7. BUSINESS OVERVIEW *(Cont'd)*

7.8.3 We intend to set up a dedicated showroom in the New Factory to showcase our buses

As at the LPD, we do not have a showroom and we rely on pictures of buses delivered and engineering drawings to explain the features of our buses to potential customers. Hence, we intend to set up a dedicated showroom in the New Factory to showcase our Group's buses of different models. As an initial step, we plan to build 2 semi-high deck buses (i.e. The Ark A-20 and Harmony) and 1 double deck bus (i.e. The Ark A-20 DD), which are commonly sought by customers, for showroom display. However, the selection of bus models to be built for display may be revised in response to the prevailing customer demand upon the establishment of the New Factory.

Aside from being displayed at the showroom, these buses can also be sold to customers as ready units if they are satisfied with the design and all built-in features. The buses will be painted according to the customers' design, and we will conduct internal and external inspections prior to handover. This offering will be especially appealing to customers who require ready units urgently.

The total cost of raw materials required for the building of the abovementioned 3 display buses is estimated to be approximately RM2.20 million, which will be fully funded through internally generated funds. However, to further ease our Group's cashflow, we intend to make arrangements with chassis principals/dealers for the chassis to be used to build the display buses at our showroom on a consignment basis, where we will be billed by the respective chassis principal/dealer when the buses are sold to customers. As at LPD, our Group has initiated discussions with 2 chassis principals/dealers regarding such consignment arrangements, and both have expressed interest in such arrangements. Nevertheless, no contractual agreement has been entered with these chassis principals/dealers as at LPD as we intend to enter into the consignment agreements upon completion of construction of the New Factory. The labour cost required, which include subcontractor cost (if any) to build the 3 display buses is estimated to be approximately RM0.19 million, will also be funded through internally generated funds.

Having a dedicated showroom showcasing our buses of different models is expected to provide visitors and potential customers an interactive experience as well as to allow them to better understand the quality, design and features of our buses. We also believe that having a dedicated showroom will enhance our brand image and allow us to better host and engage with potential customers, facilitate sales conversion and eventually improve our business and financial performance.

7.9 SALES AND MARKETING STRATEGIES

We are actively engaged in the following sales and marketing strategies:

(i) Campaigns, events and bus handover ceremonies

Our Group recognises the importance of building and maintaining brand awareness. To achieve this, we have organised and/or participated in campaigns and events aimed at showcasing our product offerings, enhancing our branding efforts and strengthening stakeholder relationships. These campaigns and events, organised in collaboration with, or participated together with, our customers and/or suppliers include Memorandum of Understanding ("**MoU**") signing ceremonies, launch events for new bus types and/or models as well as vehicle exhibition. Campaigns and events organised and/or participated in by our Group for the FYE Under Review are listed below:

7. BUSINESS OVERVIEW *(Cont'd)*

Year	Name of campaign/event	Customer involved	Supplier involved
2022	Participated in the Malaysia Commercial Vehicle Expo	N/A	Scania (M) Sdn Bhd
2022	Co-organised the MoU signing ceremony between Billion Stars Express Sdn Bhd and Scania (M) Sdn Bhd on launching a fleet of affordable luxury buses	Billion Stars Express Sdn Bhd	Scania (M) Sdn Bhd
2023	Participated in the launching of the first longest Scania double-deck coach of Konsortium E- Mutiara	Konsortium E-Mutiara Berhad	Scania (M) Sdn Bhd
2023	Participated in and organised the new coach handover event and MoU signing ceremony between our Group and Alisan Golden Coach & Travel Sdn Bhd on the purchase of 20 buses	Alisan Golden Coach & Travel Sdn Bhd	Scania (M) Sdn Bhd

The above campaigns and events which were organised and/or participated by our Group involved buses which were built by us. Therefore, through these campaigns and events, we are able to showcase our buses and our expertise.

Our Group also organises official bus handover ceremonies at our Silibin Premises when customers collect their buses. These ceremonies primarily comprise photo sessions which are subsequently posted on our social media accounts, as well as briefing on the features of our buses. We believe that having official bus handover ceremonies improve our customers' overall experience with our Group, thereby strengthening our relationship with them.

(ii) Direct approach and tendering

We secure new customers through direct approach with potential customers such as bus transport service operators, travel companies and vehicle dealers. We also follow up closely with our existing customers to identify opportunities to secure more sales. As at the LPD, our Group is also registered under the "ePerolehan" platform by the Ministry of Finance Malaysia, thus providing us with access to tenders for bus building orders.

(iii) Referral from business associates

Our consistent track record in providing quality buses has brought in referrals and enquiries from potential customers through recommendations by our business associates (e.g. chassis principals/dealers, suppliers and third-party subcontractors) and existing customers. We engage with these potential customers regularly to introduce our product offerings and values that we can bring to them, as we believe that consistently building business relationships with potential customers is crucial in contributing to our Group's future growth.

7. BUSINESS OVERVIEW *(Cont'd)*

(iv) Corporate website

We have established our corporate website at *www.shlcoach.com* that provides comprehensive information regarding our Group. The website also provides information about our product offerings. Potential customers who are interested in our product offerings are able to contact us and our business development team will attend to the inquiries accordingly.

(v) Digital marketing

We conduct online marketing activities through our social media accounts, mainly on Facebook (SHL Coach Works) where we post and update the bus models offered by our Group as well as bus handover ceremonies for successful buses delivery to our customers. The adoption of digital marketing enables us to increase our exposure on social media platforms which in turn enhances our brand awareness.

7.10 TECHNOLOGY USED

We use the following technologies/ software in our business operations:

Technology/ software	Description
CAD software	A software used for creating engineering drawings of both the interior and exterior of buses covering different bus designs, features, specifications, layout and/or configurations in terms of dimensions and geometric proportions.
NC machines	Semi-automated machines that are operated via pre-set instructions and used in bending processes as part of our bus bodies manufacturing works.

7.11 TYPES, SOURCES AND AVAILABILITY OF SUPPLIES

The main purchases sourced for our business are chassis which contributed 58.5%, 51.7%, 55.7% and 59.2% to our total purchases in the FYE Under Review respectively. The table below sets out our breakdown of our Group's purchases for the FYE Under Review:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
Purchases	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Chassis	8,050	58.5	13,233	51.7	28,238	55.7	42,695	59.2
Fittings and accessories	3,406	24.8	7,406	29.0	12,475	24.6	16,143	22.4
Metal materials	869	6.3	1,625	6.4	3,532	7.0	2,858	4.0
Paints, grease and adhesive	453	3.3	800	3.1	1,864	3.7	2,197	3.0
Sub-contractor cost	904	6.6	2,380	9.3	4,391	8.7	7,977	11.0
Others[(i)]	70	0.5	130	0.5	144	0.3	292	0.4
Total	**13,752**	**100.0**	**25,574**	**100.0**	**50,644**	**100.0**	**72,162**	**100.0**

Note:

(i) Includes petrol and stickers.

7. BUSINESS OVERVIEW *(Cont'd)*

Our Group did not encounter any major disruptions in the purchase of supplies in the FYE Under Review. Our supplies are also generally readily available and can be sourced from local and overseas suppliers. In the FYE Under Review, 97.3%, 93.1%, 91.9% and 93.5% of our purchases were sourced from local suppliers and denominated in RM, whereas the remaining 2.7%, 6.9%, 8.1% and 6.5% of our purchases were sourced from overseas suppliers and denominated in various foreign currencies. Given the purchases from overseas suppliers denominated in various foreign currencies are not substantial, we are not exposed to risks arising from significant fluctuations in any single foreign currency exchange rate.

The prices of our supplies, in particular metal materials (e.g. aluminium and steel) used in the manufacturing of the bus body are subject to fluctuations according to the global supply and demand conditions. As such, our financial performance may be adversely impacted if we are unable to pass on any increase in cost of metal materials to our customers. In the FYE Under Review, our GP margin was not materially impacted by the fluctuation of aluminium and/or steel prices as the fluctuation in the price of aluminium and steel were not material.

7.12 INTERRUPTIONS TO THE BUSINESS AND OPERATIONS

Our Group did not experience any material interruptions which had a significant effect on our operations during the past 12 months preceding the LPD.

7.13 R&D

Our Group does not have a formally set-up R&D facility or personnel. However, improvement efforts are constantly undertaken by our Group with regard to the development of new bus models with enhanced features and comfort, based on changing market trends and our customers' preferences and requirements. Our R&D activities are led by Ng Chai Sing, supported by Bernard Ng Chong Yan, Choo Kok Siong and our engineers. Our Group has continuously kept abreast of any developments and technological advancements within the bus building industry to adopt any improvements made in terms of the bus building processes as well as enhancements to bus model design and bus features.

The R&D cost incurred by our Group mainly comprises mould fabrication cost as well as purchases of raw materials sourced for the development of new bus model. Amongst the recent bus model launched by our Group is The Ark series, comprising our A-20, A-20 HD and A-20 DD bus models. The R&D works for this series was conducted between 2020 and 2024, and we incurred a total R&D cost of RM0.20 million during this period. Further, we also expanded our Harmony series by launching Harmony DD in 2026, whereby the R&D works for this model was conducted in January 2026, incurring a total R&D cost of approximately RM2,500. Such R&D costs incurred were not significant to our financial and business operations.

7.14 SEASONALITY AND CYCLICALITY

Our revenue is subject to seasonal and cyclical nature of procurement trends of our customers, particularly the travel and transport-related customers. This is due to the business nature of our customers, whereby the demand for buses is dependent on several factors, such as our customers' decisions on the replacement of existing fleets and their expectations of life expectancies of existing fleets. Further, we generally experience higher bus delivery during the period leading up to festive/holiday seasons.

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7. BUSINESS OVERVIEW *(Cont'd)*

7.15 MAJOR CUSTOMERS

Our Group's top 5 major customers for the FYE Under Review are as follows:

FYE 2022

Major customer	Nature of business	Type of buses sold	Length of relationship[(i)] (Years)	Revenue (RM'000)	% of our Group's revenue
Billion Stars Express Sdn Bhd	Bus transport service operator	High deck	9	3,955	25.3
Siva Jaya Group[(ii)]	Bus transport service operator and travel company	Single deck and semi-high deck	5	3,256	20.8
SC Southern Tours & Travel Sdn Bhd	Travel company	Semi-high deck	Less than 1 year	1,160	7.4
New Hoover Express & Travels Sdn Bhd	Travel company	Semi-high deck	Less than 1 year	1,090	7.0
Bakawan Sdn Bhd	Bus transport service operator	Semi-high deck	Less than 1 year	1,080	6.9
			Sub-total	**10,541**	**67.4**
			Total revenue	**15,624**	**100.0**

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7. BUSINESS OVERVIEW *(Cont'd)*

FYE 2023

Major customer	Nature of business	Type of buses sold	Length of relationship[(i)] (Years)	Revenue (RM'000)	% of our Group's revenue
Hin Huat Services Sdn Bhd	Bus transport service operator	Single deck	1	2,780	10.1
Siva Jaya Group[(ii)]	Bus transport service operator and travel company	Single deck	6	2,700	9.8
707 Group[(iii)]	Bus transport service operator and travel company	Single deck and semi-high deck	4	2,215	8.0
Almighty Auto Pte Ltd	Vehicle dealer	Single deck	Less than 1 year	2,039	7.4
MBC Marine & Services (M) Sdn Bhd	Bus transport service operator as well as offshore and onshore catering and hospitality service provider	Single deck	Less than 1 year	1,944	7.0
			Sub-total	**11,678**	**42.3**
			Total revenue	**27,622**	**100.0**

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7. BUSINESS OVERVIEW *(Cont'd)*

FYE 2024

Major customer	Nature of business	Type of buses sold	Length of relationship[(i)] (Years)	Revenue (RM'000)	% of our Group's revenue
Almighty Auto Pte Ltd	Vehicle dealer	Single deck and semi-high deck	1	6,310	11.2
K.K.K.L. Group[(iv)]	Bus transport service operator	Semi-high deck	Less than 1 year	3,870	6.9
Siva Jaya Group[(ii)]	Bus transport service operator and travel company	Single deck	7	3,030	5.4
Sanwa Tours (M) Sdn Bhd	Bus transport service operator	Semi-high deck	5	2,786	4.9
Konsortium Bas Ekspres Semenanjung (M) Sdn Bhd	Bus transport service operator	High deck	1	2,733	4.8
			Sub-total	**18,729**	**33.2**
			Total revenue	**56,446**	**100.0**

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7. BUSINESS OVERVIEW *(Cont'd)*

FYE 2025

Major customer	Nature of business	Type of buses sold	Length of relationship[(i)] (Years)	Revenue (RM'000)	% of our Group's revenue
Highway Star Travel Sdn Bhd	Bus transport service operator	Semi-high deck	Less than 1 year	8,440	9.6
Almighty Auto Pte Ltd	Vehicle dealer	Single deck and semi-high deck	2	4,695	5.3
Alisan Golden Coach & Travel Sdn Bhd	Bus transport service operator and travel company	Semi-high deck and double deck	5	4,440	5.0
LA Holidays Travel & Tour Sdn Bhd	Bus transport service operator and travel company	Semi-high deck	1	4,320	4.9
Silmatra Jaya Sdn Bhd	Bus transport service operator	Double deck	Less than 1 year	3,600	4.1
			Sub-total	**25,495**	**28.9**
			Total revenue	**88,083**	**100.0**

Notes:

(i) Calculated from the first business transaction with the major customers up to the respective FYE.

(ii) Siva Jaya Group comprises Siva Jaya Tour and Travel Sdn Bhd and Pancawarna Bumi Tour and Travel Sdn Bhd which have common shareholders.

(iii) 707 Group comprises Red Bus Sdn Bhd, Coachliner 707 Travel & Tours Sdn Bhd and The Kuala Lumpur – Singapore Express Sdn Bhd which have common shareholders.

(iv) K.K.K.L. Group comprises Trans Lim Sdn Bhd and K.K.K.L. Sdn Bhd which have common shareholders.

For the FYE Under Review, our Group's top 5 major customers collectively contributed 67.4%, 42.3%, 33.2% and 28.9% of our Group's total revenue respectively, which were mainly consist of bus transport service operators.

7. BUSINESS OVERVIEW *(Cont'd)*

In addition, certain major customers individually contributed more than 10% of our Group's revenue during the FYE Under Review. However, we are not dependent on any of these major customers premised on the following:

(i) the largest customer during the FYE Under Review varied across different financial years while our Group's revenue has increased from RM15.62 million in FYE 2022 to RM88.08 million in FYE 2025;

(ii) the contribution percentage of our largest customer for each FYE has decreased from 25.3% in FYE 2022 to 9.6% in FYE 2025 in spite of our improved financial performance as mentioned above. This demonstrated our ability to increase our revenue through securing additional sales from our existing customers and sales from new customers; and

(iii) as our revenue increased during the FYE Under Review, we were able to increase our customer base as follows:

	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
No. of customers served during the financial year	13	23	40	64

As at the LPD, we have a diversified customer base which consist of more than 300 customers, comprising mainly bus transport service operators, travel companies and government agencies.

We do not enter into any long-term sales agreements with our customers whereby all sales are conducted by purchase order basis.

There was no dispute with any of our Group's major customers during the FYE Under Review.

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7. BUSINESS OVERVIEW *(Cont'd)*

7.16 MAJOR SUPPLIERS

Our Group's top 5 major suppliers for the FYE Under Review are as follows:

FYE 2022

Major suppliers	Products sourced	Length of relationship[(i)] (Years)	Purchases (RM'000)	% of our Group's purchases
Scania (M) Sdn Bhd	Chassis	6	3,690	26.8
AWS Jaya Motors Sdn Bhd	Chassis	7	2,427	17.7
Truck & Bus Marketing Sdn Bhd	Chassis	5	1,933	14.1
APM Climate Control Sdn Bhd	Fittings and accessories (air conditioning and ventilation systems)	4	665	4.8
Great Core Marketing Sdn Bhd	Fittings and accessories (e,g. lighting components, handles and door mechanisms)	7	575	4.2
		Sub-total	**9,290**	**67.6**
		Total purchases	**13,752**	**100.0**

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7. BUSINESS OVERVIEW *(Cont'd)*

FYE 2023

Major suppliers	Products sourced	Length of relationship[(i)] (Years)	Purchases (RM'000)	% of our Group's purchases
Truck & Bus Marketing Sdn Bhd	Chassis	6	5,408	21.2
Scania (M) Sdn Bhd	Chassis	7	4,299	16.8
APM Climate Control Sdn Bhd	Fittings and accessories (air conditioning and ventilation systems)	5	1,161	4.5
Volvo Malaysia Sdn Bhd	Chassis	Less than 1 year	1,052	4.1
Great Core Marketing Sdn Bhd	Fittings and accessories (e.g. lighting components, handles and door mechanisms)	8	989	3.9
		Sub-total	**12,909**	**50.5**
		Total purchases	**25,574**	**100.0**

FYE 2024

Major suppliers	Products sourced	Length of relationship[(i)] (Years)	Purchases (RM'000)	% of our Group's purchases
Acacia Motor Services Sdn Bhd	Chassis	1	11,270	22.3
Scania (Malaysia) Sdn Bhd	Chassis	8	8,283	16.4
AWS Jaya Motors Sdn Bhd	Chassis	9	3,911	7.7
Volvo Malaysia Sdn Bhd	Chassis	1	3,065	6.1
APM Climate Control Sdn Bhd	Fittings and accessories (air conditioning and ventilation systems)	6	2,110	4.2
		Sub-total	**28,639**	**56.7**
		Total purchases	**50,644**	**100.0**

7. BUSINESS OVERVIEW *(Cont'd)*

FYE 2025

Major suppliers	Products sourced	Length of relationship[(i)] (Years)	Purchases (RM'000)	% of our Group's purchases
Acacia Motor Services Sdn Bhd	Chassis	2	18,735	26.0
Scania (Malaysia) Sdn Bhd	Chassis	9	16,319	22.6
Volvo Malaysia Sdn Bhd	Chassis	2	6,354	8.8
Primerry Supplies Co Ltd	Fittings and accessories (seats)	6	2,916	4.0
APM Climate Control Sdn Bhd	Fittings and accessories (air conditioning and ventilation systems)	7	2,602	3.6
		Sub-total	**46,926**	**65.0**
		Total purchases	**72,162**	**100.0**

Note:

(i) Calculated from our first business transaction with the respective major suppliers up to the respective financial years.

Our top 5 major suppliers collectively contributed 67.6%, 50.5%, 56.7% and 65.0% of our total purchases in the FYE Under Review respectively. Our top 5 suppliers in the FYE Under Review mainly comprise chassis principals and dealers whom we source chassis from.

Notwithstanding that certain chassis principals and dealers of our Group contributed more than 10.0% of our Group's total purchases during the FYE Under Review, our Group is of the view that we are not dependent on any chassis principals and dealers. This is due to the nature of higher cost per unit of chassis, which typically constitute approximately 51.7% to 59.2% of the total purchases for the FYE Under Review as compared to other cost components.

The number of units of chassis sourced from the respective chassis suppliers varied during the FYE Under Review as the brand and specifications of chassis that our Group purchased are dependent on customers' preferences and requirements for the buses, which may also vary across each year depending on their business operations and clientele portfolio.

7. BUSINESS OVERVIEW *(Cont'd)*

Whilst we are not dependent on any chassis principals and dealers, our Group's financial performance may be materially and adversely affected if our Group is unable to fulfil our customers' requirements for specific chassis brands, given that chassis represents a crucial component in a bus. Although our Group has not encountered difficulties in sourcing the required chassis for our customers, there is no assurance that our Group is able to continue to source the required chassis as per customers' requirements from our chassis principals and dealers in a timely manner and/or on commercially acceptable terms.

We do not enter into any long-term supply agreements with our suppliers whereby all sales are conducted by purchase order basis.

There was no dispute with any of our Group's major suppliers during the FYE Under Review.

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7. BUSINESS OVERVIEW *(Cont'd)*

7.17 EMPLOYEES

As at 31 December 2025, our Group has a total workforce of 72 employees, of which 24 are permanent employees and 48 are contract/temporary workers. Our local employees accounted for approximately 37.5% of the total workforce while the remaining 62.5% were foreign workers. The following depicts the number of our employees according to their respective departments as at 31 December 2025:

	Permanent		Contract/ temporary		
Department	**Local**	**Foreign**	**Local**	**Foreign**	**Total**
Executive Director	2	-	-	-	2
Key senior management	3	-	-	-	3
Finance and accounts	1	-	1[iii]	-	2
Human resources and administration	1	-	2[iv]	-	3
Production[i]	12	-	-	45	57
Business services[ii]	4	-	-	-	4
Business development	1	-	-	-	1
Total	**24**	**-**	**3**	**45**	**72**

As at the LPD, our Group has a total workforce of 73 employees, of which 26 are permanent employees and 47 are contract/temporary workers. Our local employees accounted for approximately 39.7% of the total workforce while the remaining 60.3% were foreign workers. The following depicts the number of our employees according to their respective departments as at the LPD:

	Permanent		Contract/ temporary		
Department	**Local**	**Foreign**	**Local**	**Foreign**	**Total**
Executive Director	2	-	-	-	2
Key senior management	3	-	-	-	3
Finance and accounts	2	-	1[iii]	-	3
Human resources and administration	1	-	2[iv]	-	3
Production[i]	12	-	-	44	56
Business services[ii]	4	-	-	-	4
Business development	2	-	-	-	2
Total	**26**	**-**	**3**	**44**	**73**

Notes:

(i) Include engineering and QA/ QC.

(ii) Include procurement and facility management.

(iii) Refers to a contractual employee who has passed the retirement age and is hired on an as-needed basis to assist with the processing of invoices for several days each month. As at the LPD, our Group has employed additional 1 permanent employee under this department to further strengthen our manpower.

(iv) Refer to drivers who primarily assist in carrying out administrative errands and relocating buses. The drivers are hired on a contractual basis to allow flexibility in contract renewal depending on our Group's business operation.

As at the LPD, all our foreign workers have valid working permits; and none of our Group's employees, whether permanent or contractual, belong to any labour union. Further, as at the LPD, we have not experienced any strikes or other disruptions due to labour disputes or manpower constraints. In view of the above, as at the LPD, our Group does not foresee any material business disruption arising from shortfall of manpower.

7. BUSINESS OVERVIEW *(Cont'd)*

7.18 MAJOR LICENCES, CERTIFICATES AND PERMITS

No.	Company	Description of certificate/ licence	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Date of Issue/ Validity Period	Conditions	Compliance status
1.	SHL	Manufacturing licence for fabrication of commercial vehicle bodies at Silibin Premises	MITI **Licence No.:** A026688	24 July 2025/ Nil	(a) MITI and MIDA shall be notified of any sale of shares in the company. (b) The company shall comply with the capital investment per employee (CIPE) ratio requirement of at least RM140,000.00. (c) The company shall take initiative to ensure that at least 80% of its total full-time workforce comprises Malaysians. Employment of foreign workers including outsourced workers is subject to current policies. However, compliance with this condition is granted flexibility until the multi-tier levy mechanism ("**MTLM**") is fully implemented.	Complied Complied Noted. To be complied(1)

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Company	Description of certificate/ licence	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Date of Issue/ Validity Period	Conditions	Compliance status
					(d) The company shall submit information on the performance of its investment and implementation of its projects under the Industrial Co-ordination Act 1975 and the MIDA (Incorporation) Act 1965 when required by MIDA. Failure to submit such information may result in the company: (i) guilty of an offence and liable to a fine not exceeding RM1,000 or imprisonment for a term not exceeding 3 months or both and to a further fine not exceeding RM500 for each day the offence continues; or	Noted Noted

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Company	Description of certificate/ licence	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Date of Issue/ Validity Period	Conditions	Compliance status
					(ii) commits an offence if it gives any statement or other information which is false or misleading in any material way and is liable to a fine not exceeding RM2,000 or imprisonment for a term not exceeding 6 months or both.	Noted
2.	SHL	Certificate of company registration issued to SHL as a supplier/ service provider in the sector, field and subfield under the following sector codes: 110105 – Transportation, component and accessories/ motor vehicles and non-motor vehicles/ bus 110199 - Transportation, component and accessories/ motor vehicles and non-motor vehicles/ manufacturer (bus body)	MOF **Certificate No.:** K11702411104131604	17 April 2025/ 17 April 2025 to 16 April 2028	(a) Any change to the details of the company shall be updated online at www.eperolehan.gov.my within 21 days from the effective date of change, failing which the company shall be penalised as per item (d) below. (b) The company shall submit all the information within the prescribed period when requested by the MOF, failing which the company shall be penalised as per item (d) below.	Complied Noted

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Company	Description of certificate/ licence	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Date of Issue/ Validity Period	Conditions	Compliance status
		220103 – Services/ maintenance and repairing vehicles/ vehicles used for special purposes (such as recreational vehicles) 220108 – Services / maintenance and repairing vehicles/ knocking and painting 220109 – Services / maintenance and repairing vehicles/ air-conditioners for vehicles 220110 – Services / maintenance and repairing vehicles/ repair of seats/ cushions and roofing 220502 – Services/ maintenance/ engineering repair and communication/ container/ tank			(c) The company must ensure that the registered sector in this certificate shall not overlap with the sectors approved for other companies which have the same shareholders, members of board of directors, management and staff or companies that are operating from the same premises. (d) MOF has the right to conduct an inspection or audit at any time without prior notification. Failure to comply with the conditions of registration and/or sector code may result in the registration of the company being suspended/cancelled and the company, its shareholders and directors may be subject to disciplinary proceedings or blacklisted without any notice being given if it is determined that the information provided is false.	Noted Noted

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Company	Description of certificate/ licence	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Date of Issue/ Validity Period	Conditions	Compliance status
					(e) Failure of the company to renew its registration after 1 year from the expiry of its registration may result in the company's registration with the MOF being revoked and automatically removed from the ePerolehan System. In such circumstances, the company is required to make a new application.	Noted
3.	SHL	Business licence for automobiles and engine spare parts (car body manufacturing) at Silibin Premises	Majlis Bandaraya Ipoh **Account No.:** L0075855-01	1 January 2026/ 1 January 2026 to 31 December 2026	This licence shall be renewed 30 days prior to its expiry.	Noted
4.	SHL	Advertising licence for Silibin Premises	Majlis Bandaraya Ipoh **Account No.:** L0076518-01	1 January 2026/ 1 January 2026 to 31 December 2026	Nil	Not applicable
5.	SHL	Certificate of registration of engineering (category "A") to carry out the work of new body construction, repair and technical modification for all types of buses, rigid trucks and vans only at Silibin Premises	JPJ **Reference No.:** JPJ. BKA.600-6/5/4 Jld 22 (16)	2 September 2024/ 2 September 2024 to 11 September 2026	1. The workshop shall always practice "good engineering practices" and maintain a conducive working environment in line with the activities being carried out.	Complied

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Company	Description of certificate/ licence	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Date of Issue/ Validity Period	Conditions	Compliance status
					2. This certificate cannot be commercialised without performing the work at the above-mentioned premises according to the specified job title.	Complied
6.	SHL	Scheduled controlled article permit to purchase and store up to 50 litres of diesel per day from TCM Petrol Sdn Bhd, No 2, Lengkok Jelapang Maju, Kawasan Perindustrian Ringan Jelapang Maju, 30020 Ipoh, Perak	Ministry of Domestic Trade and Cost of Living ("**MDTCL**") **Reference No.:** KPDNPRK.600-2/6/1/PK/2024/88/D	21 October 2025/ 21 October 2025 to 20 October 2026	1. The holder of the permit shall be allowed to buy and store a total of 50 litre(s) of diesel per day from TCM Petrol Sdn Bhd only. 2. This permit cannot be transferred. 3. The purchase of the diesel as stated in the permit is for its own use and is not intended for sale.	Complied
7.	SHL	Certificate of fitness of machinery for air vacuum tank	DOSH **Serial Number:** PMT-PK/A25-125861	23 May 2025/ 23 May 2025 to 20 August 2026	Nil	Not applicable
8.	SHL	Certificate of fitness of machinery for air vacuum tank	DOSH **Serial Number:** PMT-PK/A25-125871	23 May 2025/ 23 May 2025 to 20 August 2026	Nil	Not applicable

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Company	Description of certificate/ licence	Issuing Authority/ Certificate No./ Registration No./ Licence No.	Date of Issue/ Validity Period	Conditions	Compliance status
9.	SHL	Certificate of fitness of machinery for air receiver	DOSH **Serial Number:** PMT-PK/A25-126182	29 May 2025/ 29 May 2025 to 27 August 2026	Nil	Not applicable
10.	SHL	Certificate of fitness of machinery for air receiver	DOSH **Serial Number:** PMT-PK/A25-126180	29 May 2025/ 29 May 2025 to 27 August 2026	Nil	Not applicable
11.	SHL	Certificate of fitness of machinery for air receiver	DOSH **Serial Number:** PMT-PK/A25-126176	29 May 2025/ 29 May 2025 to 27 August 2026	Nil	Not applicable
12.	SHL	Certificate of fitness of machinery for air compressor	DOSH **Serial Number:** PMT-PK/A25-126178	29 May 2025/ 29 May 2025 to 27 August 2026	Nil	Not applicable
13.	SHL	Certificate of fitness of machinery for single girder overhead travelling crane	DOSH **Serial Number:** PMT-PK/A25-126174	29 May 2025/ 29 May 2025 to 27 August 2026	Nil	Not applicable

7. BUSINESS OVERVIEW *(Cont'd)*

Note:

(1) Pursuant to the Thirteenth Malaysia Plan, 2026-2030 published on 31 July 2025, the MTLM will be implemented in 2026, of which the official date of implementation has yet to be announced. The MLTM is a mechanism that sets different levy rates for every sector based on dependency levels of foreign workers. This measure is expected to create skilled job opportunities for the local talent through a shift to automation and gradually reduce dependence on foreign workers. Pursuant to a press release dated 10 February 2026, the Minister of Human Resources of Malaysia, Datuk Seri Ramanan Ramakrishnan mentioned that the Government will roll out the MLTM in 2026, with higher levy rates and penalties targeting companies that remain heavily reliant on foreign workers. As at the LPD, our Group's total full-time workforce comprises 28 Malaysians, representing 38.4% of our total workforce. In the event the MTLM becomes enforceable and our Group is unable to comply with the MTLM condition, MITI may take action by issuing warnings, imposing penalties or additional conditions or restrictions, suspending and/or revoking the licence for any breach or non-compliance. In the event that our licence is revoked by MITI due to non-compliance of this condition, our business operations and financial performance may be adversely impacted as our business operations may not be allowed to be carried out without the licence.

Nevertheless, we are in close communication with MIDA on compliance with this condition and MIDA has acknowledged our commitment to continue working closely with them to explore measures and progressively reduce our reliance on foreign workers. Accordingly, our Group has published advertisements to recruit local workers to comply with such condition and our Group will continue to implement the necessary measures to comply with this condition, which includes, amongst others, continuously engaging in the recruitment of local workers, retaining local employees by benchmarking wages and benefits, providing a conducive working environment, and exploring ways to streamline operations in order to reduce dependency on foreign workers.

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7. BUSINESS OVERVIEW *(Cont'd)*

7.19 INTELLECTUAL PROPERTIES

As at LPD, our Group has not registered or applied for any other intellectual properties other than those disclosed below:

Trademark	Applicant	Authority	Description	Application No.	Status
	Bus Cap	MyIPO	Class 36 Financial investment; Capital investment; Fund investment; Investment trusteeship; Global investment research services; Management of investment portfolios; Financial management for commercial business; Asset and portfolio management.	TM2025026865	The application has been approved and published for advertisement gazette(1)
	SHL	MyIPO	Class 12 Land vehicles; Buses; Coaches; Structural parts for land vehicles, buses and coaches.	TM2025026780	Under substantive examination(2)

Notes:

(1) MyIPO received the said registration application on 7 August 2025. The application has been approved and published for advertisement gazette on 5 March 2026.

(2) *On 20 January 2026, our trademark agent received a notice from MyIPO stating that the trademark application was provisionally refused on the ground that the specification of the goods/services applied for was unclear. We had on 2 March 2026, through our trademark agent submitted an appeal against the said refusal and amended the description to "Land vehicles; Buses; Coaches; Structural parts for land vehicles, buses and coaches". As at 17 April 2026, MyIPO has accepted our appeal and the trademark is currently under substantive examination which entails examination by MyIPO on whether the trademark fulfils the requirements for registration under the Trademarks Act 2019 such as the distinctiveness and whether there exist potential conflicts with existing trademark.*

7. BUSINESS OVERVIEW *(Cont'd)*

7.20 PROPERTY, PLANT AND EQUIPMENT

Material properties owned by our Group

No.	Registered / Beneficial Owner	Property Address/ Title Details	Description/ Existing Use	Category of Land Use/ Express Condition of Land Use / Tenure of Property	Restrictions in Interest/ Material Encumbrance(s)	Date of Acquisition/ Date of Issuance of CF/ CCC	Land Area/ Built-up area (sq. ft.)
1.	SHL	**Property address:** Solok Rishah 3, Kawasan Perindustrian Silibin, 30100 Ipoh, Perak **Title details:** PN309318, Lot 138773, Mukim Hulu Kinta, Daerah Kinta, Perak	**Description:** 1. Three (3) units of single-storey workshop 2. Three (3) units of single-storey rest area 3. One (1) unit of two-storey storage building 4. One (1) unit of single-storey toilet & bathroom facility **Existing use:** Manufacturing facility and head office	**Category of land use** Industry **Tenure of property** 60 years, ending on 13 February 2085 **Express Condition** Commercial	**Restriction in Interest:** This land cannot be transferred, sub-leased or mortgaged without the approval of Menteri Besar Perak. This condition is exempted as long as the land is owned by Perbadanan Kemajuan Negeri Perak **Material encumbrance(s):** Charged to Public Bank Berhad and subject to a registrar's caveat registered vide presentation no. 00B18062/2025 on 22 October 2025 which has been cancelled(1)	**Date of Acquisition:** 7 March 2008 **Date of CF/ CCC** 26 September 2025	**Land Area:** 53,195.25 **Total built-up area:** 26,051.25

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Registered / Beneficial Owner	Property Address/ Title Details	Description/ Existing Use	Category of Land Use/ Express Condition of Land Use / Tenure of Property	Restrictions in Interest/ Material Encumbrance(s)	Date of Acquisition/ Date of Issuance of CF/ CCC	Land Area/ Built-up area (sq. ft.)
2.	SHL	**Property address:** No. 8, Solok Rishah 3, Kawasan Perindustrian Silibin, 30100 Ipoh, Perak **Title details:** PN309319, Lot 138774, Mukim Hulu Kinta, Daerah Kinta, Perak	**Description:** 1. One (1) unit of single-storey manufacturing factory with an integrated Two-storey office 2. One (1) unit of single-storey security guardhouse with an integrated rest area **Existing use:** Manufacturing facility and head office	**Category of land use** Industry **Tenure of property** 60 years, ending on 13 February 2085 **Express Condition** Commercial	**Restriction in Interest:** This land cannot be transferred, sub-leased or mortgaged without the approval of Menteri Besar Perak. This condition is exempted as long as the land is owned by Perbadanan Kemajuan Negeri Perak **Material encumbrance(s):** Charged to Public Bank Berhad and subject to a registrar's caveat registered vide presentation no. 00B18062/2025 on 22 October 2025 which has been cancelled(1)	**Date of Acquisition:** 7 March 2008 **Date of CF/ CCC** 26 September 2025	**Land Area:** 54,400.80 **Total built-up area:** 45,466.86

7. BUSINESS OVERVIEW *(Cont'd)*

No.	Registered / Beneficial Owner	Property Address/ Title Details	Description/ Existing Use	Category of Land Use/ Express Condition of Land Use / Tenure of Property	Restrictions in Interest/ Material Encumbrance(s)	Date of Acquisition/ Date of Issuance of CF/ CCC	Land Area/ Built-up area (sq. ft.)
3.	SHL	**Property address:** PT59999, Solok Rishah 3, Kawasan Perindustrian Silibin, 30100 Ipoh, Perak **Title details:** PN309315, Lot 138770, Mukim Hulu Kinta, Daerah Kinta, Perak	**Description:** Vacant Land **Existing use:** Storage/vehicles parking space	**Category of land use** Industry **Tenure of property** 60 years, ending on 14 February 2046 **Express Condition** Commercial	**Restriction in Interest:** This land cannot be transferred, sub-leased, mortgaged or encumbered without the approval of Menteri Besar Perak. This condition is exempted as long as the land is owned by Perbadanan Kemajuan Negeri Perak **Material encumbrance(s):** Charged to Maybank Islamic Berhad and subject to a registrar's caveat registered vide presentation no. 00B18062/2025 on 22 October 2025 which has been cancelled(1)	**Date of Acquisition:** 6 May 2020 **Date of CF/ CCC** Not applicable	**Land Area:** 54,400.80

Note:

*(1) A registrar's caveat (which restricted the registered/beneficial owner from dealing with the land (such as transferring, charging or leasing it) unless waived by the registrar) had been lodged by the Inland Revenue Board of Malaysia ("**IRB**") in connection with an approved tax instalment plan for SHL's tax liabilities for year assessment 2024 ("**YA 2024**"). Subsequently, SHL and IRB have mutually agreed to a revised tax liabilities settlement plan to expedite the settlement of the remaining tax liabilities for YA 2024. Following this, the IRB had vide its letter dated 13 April 2026 applied for the cancellation of the caveat, which has since been uplifted. Further, such revision in the tax liabilities settlement plan is not expected to have any material adverse impact to our Group's business operations and financial condition in view of our Group's working capital as at the LPD as set out in Section 12.4.1 of this Prospectus.*

7. BUSINESS OVERVIEW *(Cont'd)*

7.21 MATERIAL INVESTMENT AND DIVESTITURES

(i) Material capital expenditure

Save for the Acquisition of Subsidiary and as disclosed below, our Group has not incurred any other material capital expenditures during the FYE Under Review and up to the LPD:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025	1 January 2026 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Leasehold land and buildings[(1)]	363	696	609	359	-
Motor vehicles[(2)]	-	380	603	-	-
Renovation[(3)]	-	-	422	463	-
Total	**363**	**1,076**	**1,634**	**822**	**-**

Notes:

(1) Mainly comprise of the following:

a. lease extension costs for our leasehold land located in Ipoh, Perak which comprises the Silibin Premises in FYE 2022.

b. capital expenditures incurred for the enhancement of business operations, such as the concrete works in our Silibin Premises (located in Ipoh, Perak) and preliminary site preparation works, such as the soil and surveying works as well as electrical installation works on the New Land (located in Ipoh, Perak) in FYE 2023 and FYE 2025.

*c. recognition on the right-of-use assets arising from the renting of property for our subcontractors' works located at No. 2, Solok Rishah 2, Kawasan Perindustrian Silibin, 30100 Ipoh, Perak ("**Solok Rishah 2**") in FYE 2024. Such tenancy agreement has ceased since July 2025.*

(2) Purchase of 3 units of motor vehicles (1 unit in FYE 2023 and 2 units in FYE 2024) for our Group's business operations in Malaysia.

(3) Renovation works for the Silibin Premises (located in Ipoh, Perak), such as the structural, roofing, interior, concrete as well as the facility and utility installation works.

The above capital expenditures incurred were primarily financed by a combination of bank borrowings and internally generated funds.

(ii) Material capital divestitures

Save as disclosed below, our Group has not incurred any other material capital divestiture during the FYE Under Review and up to the LPD:

	FYE 2022	FYE 2023	FYE 2024	FYE 2025	1 January 2026 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Leasehold land and buildings[(1)]	-	-	-	657	-
Total	**-**	**-**	**-**	**657**	**-**

7. BUSINESS OVERVIEW *(Cont'd)*

Note:

(1) Due to the derecognition of right-of-use assets arising from termination of tenancy agreements for the properties rented for our subcontractors including amongst others, Solok Rishah 2 and other properties located in Ipoh, Perak since July 2025.

7.22 GOVERNING LAWS AND REGULATIONS

Our Group's business operations are subject to the following governing laws and regulations:

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

Pursuant to the ICA and the Industrial Co-ordination (Exemption) Order 1976, manufacturing companies with shareholders' funds of RM2.5 million and above or engaging 75 or more full-time paid employees are required to apply for a manufacturing licence to carry out manufacturing activity. Failure to comply is an offence punishable, upon conviction, with a fine not exceeding RM2,000 or to a term of imprisonment not exceeding 6 months and to a further fine not exceeding RM1,000 for every day during which such default continues.

In this respect, SHL's shareholders' funds exceeded RM2.5 million in 2018. However, SHL was not aware of the requirement to obtain a manufacturing licence under the ICA. As a result of this, SHL did not apply for the manufacturing licence at the relevant time. On 20 June 2025, SHL subsequently submitted its application and obtained the manufacturing licence on 24 July 2025, which is effective from 11 July 2025.

As at the LPD, SHL has not received any notices, penalties or compounds from MITI/ Malaysian Investment Development Authority, an agency under MITI, for carrying out its manufacturing activities without a valid manufacturing licence prior to the issuance of its manufacturing licence.

Premised on the above, our Board is of the view that the said past non-compliance does not pose any material adverse impact to our Group's business operations and financial condition in view that it has been rectified as at the LPD and SHL has been granted a valid manufacturing licence by MITI.

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

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

As our Group is operating a bus body manufacturing plant at the Silibin Premises, we are required to obtain the business licence and advertising licence pursuant to the Licensing of Trades, Businesses and Industries (Ipoh City Council) By-Laws 2017 ("**Ipoh By-Laws**") and the Advertisement (Ipoh City Council) By-Laws 2013 ("**Ipoh Advertisement By-Laws**").

Pursuant to the Ipoh By-Laws, no person shall operate any activity of trade, business or industry or use any place or premise in the local area of the council for any activity or trade, business or industry without a licence issued by the licensing authority. In addition, the Ipoh Advertisement By-Laws provide that no person shall exhibit any advertisement without a licence granted by the licensing authority.

7. BUSINESS OVERVIEW *(Cont'd)*

Any person who contravenes any provisions of the provisions of the Ipoh By-Laws or the Ipoh Advertisement By-Laws shall be guilty of an offence and shall upon conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding one year, or both, and in the case of a continuing offence to a further fine not exceeding RM200 for each day during which such offence is continued after conviction.

As at the LPD, our Group holds and maintains a valid business licence and advertising licence in respect of the bus body manufacturing plant at the Silibin Premises.

(c) OSHA

The OSHA is an act to make further provisions for securing the safety, health and welfare of persons at work, for protecting others against risks to safety or health in connection with the activities of persons at work.

Pursuant to Section 15 of the OSHA, it shall be the duty of every employer to ensure, so far as is practicable, the safety, health and welfare to work of all his employees. It shall also be the duty of every employer to prepare and as often as may be appropriate revise a written statement of his general policy with respect to the safety and health at work of his employees.

Failure to carry out the aforementioned duties shall constitute an offence and the employer shall upon conviction, be liable to a fine not exceeding RM500,000.00 or to imprisonment for a term not exceeding 2 years, or to both.

Section 27D(1) of the OSHA requires every plant installed under Section 27C to be issued with a certificate of fitness issued by an officer or a licensed person.

Failure to do so shall constitute an offence and shall on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding one year or to both and operations of the machinery will be prohibited until a valid certificate of fitness is obtained.

Section 30 of the OSHA also requires every employer to establish a safety and health committee at our place of work if there are 40 or more persons employed at the place of work or the Director General of the DOSH directs the establishment of such a committee at the place of work.

Failure to do so shall constitute an offence and the employer shall, on conviction, be liable to a fine not exceeding RM100,000.00 or to imprisonment for a term not exceeding 1 year or to both.

As at the LPD, our Group holds and maintains valid certificates of fitness for the relevant machinery we use and is in compliance with the relevant provisions under the OSHA.

(d) CSA

The CSA provides for the control and rationing of supplies in Malaysia.

Pursuant to Section 7 of the CSA, the controller of supplies may issue or renew licences to authorise any person to sell, wholesale or retail any controlled article in any premises or at any places specified in the licence.

Pursuant to Regulation 3(1) of the Control of Supplies Regulations 1974 ("**CSR 1974**"), no person shall deal by wholesale or retail in any scheduled article or manufacture any scheduled article except under and in accordance with a licence issued under the CSR 1974.

7. BUSINESS OVERVIEW *(Cont'd)*

Any body corporate which commits an offence under the CSA 1961 shall, on conviction be liable to a fine not exceeding RM2,000,000 and, for a second or subsequent offence, to a fine not exceeding RM5,000,000.

As at the LPD, our Group holds and maintains a valid scheduled controlled article permit.

(e) Environmental Quality Act 1974 ("EQA") / Environmental Quality (Scheduled Waste) Regulations 2005 ("EQR")

EQA provides for prevention, abatement, control of pollution and enhancement of the environment, and for purposes connected therewith. EQR is a subsidiary legislation pursuant to the EQA which imposes on the waste generator of the premises an obligation to treat and dispose scheduled waste in accordance with the EQR.

Pursuant to Section 34B(1)(a) of the EQA, no person shall place, deposit or dispose of, or cause or permit to place, deposit or dispose of, except at prescribed premises only, any scheduled wastes on land or into Malaysian waters without any prior written approval of the Director General of Environmental Quality. Any person who contravenes such section commits an offence and shall, on conviction, be punished with imprisonment for a term not exceeding 5 years and shall also be liable to a fine of not less than RM100,000 and not exceeding RM10,000,000.

Pursuant to Regulation 4(1) of the EQR, scheduled wastes shall be disposed of at prescribed premises only. Regulation 5(1) of the EQR further provides that scheduled wastes shall be treated at prescribed premises or at on-site treatment facilities only.

Our Group has appointed a licensed service provider to collect scheduled wastes from our Silibin Premises for further processing or disposal thereof.

As at the LPD, our Group is in compliance with the relevant provisions of EQA and EQR.

(f) Immigration Act 1959/63 ("Immigration Act")

The Immigration Act is enacted to regulate matters in respect of immigration, including the issuance of visit pass of foreign workers employed by Malaysian employers.

Pursuant to Section 5 of the Immigration Act, no person other than citizen shall enter Malaysia unless the person is in possession of a valid entry permit or valid pass lawfully issued to him to enter Malaysia or has been granted an exemption under the Immigration Act. The Immigration Act provides that any person who employs one or more persons, other than a citizen or a holder of an entry permit, who is not in possession of a valid pass shall be guilty of an offence and shall, on conviction, be liable to a fine of not less than RM10,000.00 but not more than RM50,000.00 or to imprisonment for a term not exceeding 12 months or to both for each such non-resident employee.

As at the LPD, our Group employs 44 foreign workers, which all have valid working permits or entry passes.

7. BUSINESS OVERVIEW *(Cont'd)*

(g) Employment Act 1955 ("EA")

The EA regulates all labour related matters including contracts of service, payment of wages, maternity protection, rest days, hours of work, holidays, termination, etc.

Any person who commits any offence under, or contravenes any provision of the EA, or any regulations, order, or other subsidiary legislation whatsoever made thereunder, in respect of which no penalty is provided, shall be liable, on conviction, to a fine not exceeding RM50,000.

As at the LPD, our Group has complied with the relevant provisions under the EA.

(h) Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 ("EMSHAA 1990")

The EMSHAA 1990 and regulations made thereunder, prescribe the minimum standards of housing for employees and centralised accommodations, requirement for employers to provide health, hospital, medical and social amenities and all matters incidental thereto. Pursuant to Section 24D(1) of the EMSHAA 1990, no accommodation shall be provided to an employee unless the accommodation is certified with a certificate for accommodation issued by the Department of Labour ("**DOL**"). The EMSHAA 1990 provides that if the employer fails to obtain such certification, upon conviction, be liable to a fine not exceeding RM50,000.00.

SHL had rented accommodations from third parties to house its foreign workers during the FYE Under Review. The accommodations provided were not certified with a certificate of accommodation as required under the EMSHAA 1990 as SHL was not aware of the certificate of accommodation ("**COA**") requirement pursuant to EMSHAA 1990. The EMSHAA 1990 provides that if the employer fails to obtain such certification, upon conviction, be liable to a fine not exceeding RM50,000.00.

In July 2025, SHL has terminated all the accommodations that were rented from third parties for housing its foreign workers that were not supported with a COA.

At the same time, SHL has entered into a service agreement on 30 June 2025 with centralised labour quarter service provider ("**Service Provider**") with a monthly rental rate of RM11,000 to provide accommodations with COA for its foreign workers located at Taman Sri Wan, Ipoh, Perak. The additional cost for such relocation is approximately RM0.11 million per annum, which represents approximately 0.01% to our Group's PBT for the FYE 2024. As at the LPD, our Group is in compliance with Section 24D of the EMSHAA 1990 and no fines have been imposed by the relevant authorities on SHL for such past non-compliance.

Premised on the above, our Board is of the view that there is no material impact on our Group's business since SHL has entered into service agreement with the Service Provider and relocated our foreign workers to accommodations with a COA as at the LPD. As at the LPD, SHL has not received any notices, penalties or compounds from the DOL for the abovementioned non-compliance. Our Board is of the view that the risk of penalty being imposed on SHL is low, given that we have relocated our foreign workers to accommodations with a COA.

7. BUSINESS OVERVIEW *(Cont'd)*

(i) Street, Drainage and Building Act 1974 ("SDBA")

The SDBA governs matters relating to streets, drainage and buildings in Peninsular Malaysia and it provides a requirement to have a CCC to ensure that the building is safe and fit for occupation. Section 70(1) of the SDBA provides that no person shall erect any building without the prior written permission of the local authority. Any person who fails to comply with such provision commits an offence and shall upon conviction, be liable to a fine not exceeding RM50,000 or imprisonment for a term not exceeding three years or both and a further fine of RM1,000 for every day during which the offence is continued after conviction. Further, Section 70(27)(f) of the SDBA provides that any person occupies or permits to be occupied any building or any part thereof without a CCC shall be liable on conviction, to a fine not exceeding RM250,000 or imprisonment for a term not exceeding 10 years or to both.

SHL acquired the Silibin Premises in 2008 with a valid CCC dated 2 February 1994. Subsequent to the acquisition of the Silibin Premises, SHL carried out renovations to Silibin Premises in 2017 for the purpose of its business operations. The renovations included, amongst others, extensions and partitions. However, a new CCC was not obtained for the renovations due to oversight by our Group on the regulatory and legal requirements under the SDBA.

Subsequently, SHL had submitted an application for planning permission to the local authority on 11 March 2025 and obtained the planning permission on 2 July 2025. Thereafter, SHL had submitted an application to the local authority in respect of the building plan approval on 9 July 2025, and obtained conditional approval on the revised building plan on 25 August 2025. Subsequent to the clearance by the local authority on the final revised building plan, the Fire and Rescue Department of Malaysia had carried out the necessary inspections on the Silibin Premises and issued its letter of support for the issuance of the new CCC on 24 September 2025. On 26 September 2025, we have obtained a new CCC for the Silibin Premises.

As a result of the above non-compliance, a penalty of RM106,642.60 was imposed on our Group by the local authority on 25 August 2025 for undertaking the said renovations without obtaining prior approval. The said penalty represents approximately 1.23% of our Group's PBT for the FYE 2024. We have fully settled the compound on 22 September 2025. Save for the aforementioned penalty, our Group has not received any other notices, penalties or compounds from the local authority in relation to the above non-compliance.

In addition, the estimated costs to rectify the non-compliance is approximately RM0.61 million, of which approximately RM0.23 million will be expensed off in our statements of comprehensive income and the remaining RM0.38 million will be capitalised as part our assets in the statements of financial position.

In view of the above, our Board is of the view that the said past non-compliance does not pose any material adverse impact to our Group's business operations and financial condition in view that it has been rectified as at the LPD and we have obtained the CCC for the Silibin Premises.

We will continue to ensure compliance to the relevant provisions under SDBA.

7. BUSINESS OVERVIEW *(Cont'd)*

Our Board is of the view that the past non-compliances disclosed in Sections 7.22(a), 7.22(h) and 7.22(i) of this Prospectus will not have any material adverse impact to our Group's business operations or financial performance as our Group has paid the relevant penalties imposed and these non-compliances have also been rectified as at the LPD. To prevent the occurrence of regulatory non-compliances such as the abovementioned in the future, our Group has implemented the following measures:

(i) our Group has engaged an external independent firm to undertake a review of our Group's internal control systems. Pursuant to the findings from the review, our Group has adopted the recommendations suggested by the external independent firm to address such non-compliance incidents. These measures include enhancing and strengthening key standard operating procedure;

(ii) enhanced our administration policies and procedures (i.e., for renewal and monitoring of licences, permits and certificates as well as maintain a master list) to keep track of all the licences, permits and certificates required, status of compliance with conditions imposed and renewal dates for the licences, permits and certificates; and

(iii) where necessary, our Group will engage professional advisers and seek for professional advice and assistance in respect of matters related to regulatory compliances as well as to keep our Group informed on any latest updates on the applicable laws relevant to our Group.

7.23 ESG PRACTICES OF OUR GROUP

Our Group is committed to act responsibly in our business operations and maintain sound ESG practices, and has adopted the following ESG practices:

(i) Environmental commitments

Our Group is committed to minimise any potential negative impact to the environment arising from our business operations and the measures that we have adopted or plan to adopt are as follows:

(a) Sustainable manufacturing and resource efficiency

Our Group shall rigorously implement 6S methodology (sort, set in order, shine, standardise, sustain, safety) across all production gates to minimise waste generation and optimise the utilisation of resources. Our Group will also adopt a systematic approach to prioritise the use of recyclable materials (e.g., aluminium, metal, steel) and enforce waste segregation protocols (distinguishing between normal and hazardous waste). Our Group's energy consumption shall be systematically reduced through the optimisation of production schedules and adoption of energy-efficient machinery and lighting systems.

(b) Hazardous material management and emissions control

Our Group shall adhere to the highest standards in the handling, storage, and disposal of hazardous chemicals and ensure recycling and reuse of suitable materials during production and maintenance.

7. BUSINESS OVERVIEW *(Cont'd)*

An appointed ESG consultant has conducted an assessment of our Group's greenhouse gas ("**GHG**") emissions, covering Scope 1 - Direct Emissions ("**Scope 1**") and Scope 2 - Indirect Emissions ("**Scope 2**"). The assessment, which includes benchmarking against industry norms and peer comparison, indicates that our Group's emissions are relatively low and we are not classified as a high emission company. This is primarily attributable to the assembly-based nature of our Group's operations, which involve in lower fuel usage and electricity consumption.

Our Group is in the process of enhancing our ESG reporting framework to align with the National Sustainability Reporting Framework. This includes the establishment of a formal GHG inventory system to monitor and measure Scope 1 and Scope 2 emissions, improvement of data collection processes, and the progressive adoption of energy efficiency initiatives within our production facilities to further strengthen our Group's environmental management practices.

(c) Water and energy conservation

Our Group shall monitor and optimise water usage in critical processes such as painting and cleaning and shall promote energy-efficient operations by minimising idle time for heavy machines and installing energy-saving equipment where feasible.

(ii) Social commitments

Our Group is committed to provide a safe and healthy working environment, maintain good labour practices and foster the welfare and development of local communities.

(a) Workplace safety and employee welfare

Our Group shall enforce compliance with personal protective equipment ("**PPE**") requirements across all production gates, to cultivate a secure, healthy and supportive workplace environment for the employees. Our Group shall also conduct quarterly safety training programs, encompassing spill response, welding safety, and mental health awareness, to foster a culture of safety and well-being and encourage reporting of incidents or hazards without fear of reprisal.

(b) Fair labour practices

Our Group prohibits child labour and forced labour, ensuring all contractors adhere to the ethical guidelines. Our Group also ensures equal access to opportunities regardless of one's age, gender, ethnicity, religion, national origin, sexual orientation, disability or any other relevant characteristics and empowers the workforce by supporting their personal and professional growth. We will also eliminate improper conduct and practices, including but not limited to workplace bullying, discrimination against individual differences, discriminatory and sexual harassment, intimidation and victimisation and supports social inclusion and diversity within the workforce.

7. BUSINESS OVERVIEW *(Cont'd)*

(iii) Governance commitments

Our Board is dedicated to maintaining a high corporate governance standard across our Group with the aim of preserving long-term value for stakeholders.

(a) Ethical operations and transparency

We have established a whistle-blowing policy to promote ethical work culture as well as transparency, and confidential ways for stakeholders to raise concerns on any unethical practices/malpractices within our Group. The whistle-blowing policy will be reviewed annually to ensure relevance to our operations. We have also established an anti-bribery & corruption policy which sets our clear ethical rules for our Directors, employees, and business partners, including customers, suppliers, and anyone we work with.

Our Group is also committed to conduct its business ethically and in compliance with all applicable laws and regulations in Malaysia. These laws include but are not limited to the EA, OSHA, the Act and MCCG. Monthly ESG audits shall be conducted to evaluate compliance with waste management protocols, PPE usage, and other critical metrics, with findings reported to the Board.

(b) Supply chain responsibility

Our Group implements supplier selection which shall prioritise those with recognised green certifications, and all suppliers shall be bound by the Company's code of conduct. We will also be implementing ERP system to digitize and streamline supply chain operations, ensuring a controlled, auditable, and agile supply chain, aligning with best practices and stakeholder expectations. We shall also systematically assess and mitigate the environmental impact of logistics partners, particularly in relation to chassis deliveries.

(c) Stakeholder engagement

Our Group shall publish an annual ESG report, aligned with the disclosure requirements of Bursa Securities to communicate its sustainability performance to stakeholders. Quarterly dialogue sessions with employees, contractors, and community representatives shall be held to address ESG concerns and solicit feedback for continuous improvement.

Moving forward, our Group will establish an ESG committee which will comprise the head of production, environmental health and safety officer, and human resources manager, to oversee the execution of this policy. All sustainability metrics will be documented and reviewed during management meetings and be disclosed via the sustainability statement in our annual report which will be prepared in accordance with the standards and requirements set out in the sustainability reporting guide issued by Bursa Securities.

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8. IMR REPORT

SMITH ZANDER INTERNATIONAL SDN BHD (201301028298 (1058128-V))
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SMITH ZANDER

Date: 10 April 2026

The Board of Directors
BUS CAP BERHAD
E-10-4, Megan Avenue 1
189, Jalan Tun Razak
50400 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur

Dear Sirs / Madams,

Independent Market Research Report on the Bus Building Industry in Malaysia and Singapore ("IMR Report")

This IMR Report has been prepared by SMITH ZANDER INTERNATIONAL SDN BHD ("**SMITH ZANDER**") for inclusion in the Prospectus in conjunction with the listing of Bus Cap Berhad on the ACE Market of Bursa Malaysia Securities Berhad.

The objective of this IMR Report is to provide an independent view of the industry in which Bus Cap Berhad and its subsidiary ("**Bus Cap Group**") operate and to offer a clear understanding of the industry dynamics. As Bus Cap Group is a bus builder serving customers in Malaysia and Singapore, the scope of work for this IMR Report will thus address the following areas:

(i) The bus building industry in Malaysia;

(ii) Key industry drivers, risks and challenges of the bus building industry in Malaysia;

(iii) Competitive landscape of the bus building industry in Malaysia;

(iv) The bus building industry in Singapore; and

(v) Prospects and outlook of the bus building industry in Malaysia and Singapore.

The research process for this study has been undertaken through secondary or desktop research, as well as detailed primary research when required, which involves discussing the status of the industry with leading industry participants. Quantitative market information could be sourced from interviews by way of primary research and therefore, the information is subject to fluctuations due to possible changes in business, industry and economic conditions.

SMITH ZANDER has prepared this IMR Report in an independent and objective manner and has taken adequate care to ensure the accuracy and completeness of the report. We believe that this IMR Report presents a balanced view of the industry within the limitations of, amongst others, secondary statistics and primary research, and does not purport to be exhaustive. Our research has been conducted with an "overall industry" perspective and may not necessarily reflect the performance of individual companies in this IMR Report. SMITH ZANDER shall not be held responsible for the decisions and/or actions of the readers of this report. This report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies mentioned in this report.

For and on behalf of SMITH ZANDER:

DENNIS TAN
MANAGING PARTNER

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The research for this IMR Report was completed on 8 April 2026.

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About SMITH ZANDER INTERNATIONAL SDN BHD

SMITH ZANDER is a professional independent market research company based in Kuala Lumpur, Malaysia, offering market research, industry intelligence and strategy consulting solutions. SMITH ZANDER is involved in the preparation of independent market research reports for capital market exercises, including initial public offerings, reverse takeovers, mergers and acquisitions, and other fund-raising and corporate exercises.

Profile of the signing partner, Dennis Tan Tze Wen

Dennis Tan is the Managing Partner of SMITH ZANDER. Dennis Tan has over 28 years of experience in market research and strategy consulting, including over 23 years in independent market research and due diligence studies for capital markets throughout the Asia Pacific region. Dennis Tan has a Bachelor of Science (major in Computer Science and minor in Business Administration) from Memorial University of Newfoundland, Canada.

1 THE BUS BUILDING INDUSTRY IN MALAYSIA

Introduction and value chain

There are several modes of transportation available in Malaysia, namely land, aviation and maritime transport. According to the Ministry of Transport Malaysia ("**MOT**"), land transport, comprising road and rail transport, is the main mode of transportation in Malaysia, facilitating public mobility nationwide. Road infrastructure is utilised by vehicles such as buses, vans, cars and motorcycles for purposes such as bus services, e-hailing services, private vehicle use and logistics operations. Rail infrastructure, on the other hand, is utilised by trains providing services such as the Keretapi Tanah Melayu, Mass Rapid Transit ("**MRT**"), Light Rail Transit ("**LRT**") and Monorail for public transportation as well as for freight services. Together with aviation and maritime transport, these modes are often interdependent, working in tandem to ensure seamless connectivity from point to point, while catering to varying needs in terms of comfort, speed and cost.

Amongst the types of motor vehicles utilising the Malaysian road infrastructure are buses, which are designed to transport a large number of passengers for intracity, intercity, interstate and cross-border travel. Buses are generally operated by bus service operators, travel agencies, educational institutions and other entities on assigned routes. Buses in Malaysia that operate on fixed schedules and assigned routes with designated stops approved by the Land Public Transport Agency, also known as *Agensi Pengangkutan Awam Darat* ("**APAD**"), comprise stage[1(a)] and express[1(b)] buses, which are for public commuters. Feeder buses[1(c)], while also serving public commuters, typically operate within a limited radius and fixed schedules, on routes which may or may not be assigned by APAD. On the other hand, buses which operate on flexible schedules and routes, comprising charter[1(d)], employee[1(e)], school[1(f)] and excursion[1(g)] buses, are for private use. Nevertheless, regardless of their operational structure and purposes, buses play a crucial role in facilitating public mobility and form an integral part of Malaysia's transportation network.

The design of a bus varies based on its intended functions (e.g. travel distance, passenger capacity and passenger comfort level), as well as external factors (e.g. environmental conditions, road width and height limitations), all of which influence its optimal performance. Furthermore, in line with the increasing emphasis on sustainability within the transportation sector, there has been a growing adoption of renewable energy buses, such as electric and hydrogen buses as well as hybrid buses (a combination of renewable energy with diesel power), thus energy efficiency has also become an important consideration in bus design. As such, to accommodate these requirements, bus builders build different types of buses to meet the specific demands of their customers.

For example, for routes with narrow streets and low bridges, single-deck buses are preferred due to their manoeuvrability. In contrast, for routes with fewer road limitations, longer distance and higher passenger volumes, semi-high deck buses, high deck buses and double-deck buses are more suitable as they provide greater comfort and/or passenger capacity while reducing the number of trips needed to transport the same passenger volume. Additionally, smaller buses (i.e. minibuses) are ideal for private hires and short-route shuttle services, whereas larger buses (i.e. coaches) are designed for long-distance travel, including intercity, interstate and cross-border journeys. Furthermore, coaches typically offer enhanced passenger comfort, featuring more legroom and additional facilities such as onboard entertainment systems, reclining seats and restrooms. Moreover, in terms of energy efficiency, for intracity travel, electric buses are increasingly preferred due to their lower carbon emissions and suitability for short-distance routes; while for intercity, interstate and

[1] *According to the Land Public Transport Act 2010:*

(a) Stage bus – follows routes approved by APAD for the carriage of passengers on a bus service that contains fare stages, with separate fares, timetables and schedules for each fare stage;

*(b) Express bus – follows routes approved by APAD for the carriage of passengers on a bus service that contains no fare stages of less than 32 kilometres ("**km**"), with a fixed timetable and fare table applicable to the entire route.*

(c) Feeder bus – also known as shuttle bus, is used for the carriage of passengers on a round trip from a fixed base within a radius of not more than 7km, with no fare stages, with or without the collection of fares;

(d) Charter bus - hired as a whole for a single journey, in consideration of payment;

(e) Employee bus - used for the conveyance of workers in any industry to and from their workplaces and other related destinations;

(f) School bus - used exclusively for the conveyance of pupils or staff of schools or other educational institutions; and

(g) *Excursion bus - also known as tour bus, is used exclusively for the conveyance of tourists, in consideration of payment, and with no fare stages.*

cross-border travel, traditional diesel-powered buses are still commonly used due to their extended range and refuelling convenience.

All these buses are built by bus builders where the bus building industry value chain is described as follows:

Value chain of the bus building industry

Design and development	Building and assembly	Sale	After-sales services
Bus builders	• Bus builders • Parts and components manufacturers/suppliers	• Bus builders • Bus dealers/distributors	• Bus builders • Parts and components manufacturers • Bus dealers/distributors • Authorised service centres • Independent automotive workshops

Note:

- *Bus Cap Group is involved in all steps of the value chain.*

Source: SMITH ZANDER

Design and development

The bus building industry value chain in Malaysia begins with the design and development stage, where bus builders conduct design and development activities to develop new models with improved features and specifications based on changing market trends and customer preferences, or enhance existing models through facelifts and/or other modifications. Design and development activities also include adopting the latest technological advancements to improve safety measures, energy efficiency, durability and passenger comfort level.

Additionally, bus builders may also offer customised designs on the bus's exterior painting, interior layout, seats arrangement, upholstery design and luggage compartment size, amongst others. Nevertheless, bus builders must adhere to the guidelines set by the MOT, whereby such guidelines outline the length, height and width of a bus, as well as the seat width and seat distance within a bus.

Building and assembly

Buses are built and/or assembled by bus builders into completely built-up ("**CBU**") buses using parts and components manufactured in-house as well as parts and components sourced from manufacturers or suppliers. Parts and components of buses typically comprise chassis, bus body (i.e. frames and panels), as well as fittings and accessories (e.g. seats, heating, ventilation and air conditioning (HVAC) systems and windows).

Sale

These CBU buses are sold either directly by bus builders to end-customers, such as bus service operators, travel agencies, educational institutions, vehicle leasing and fleet management companies; or to bus dealers/distributors who operate showrooms for onward sales to end-customers.

After-sales services

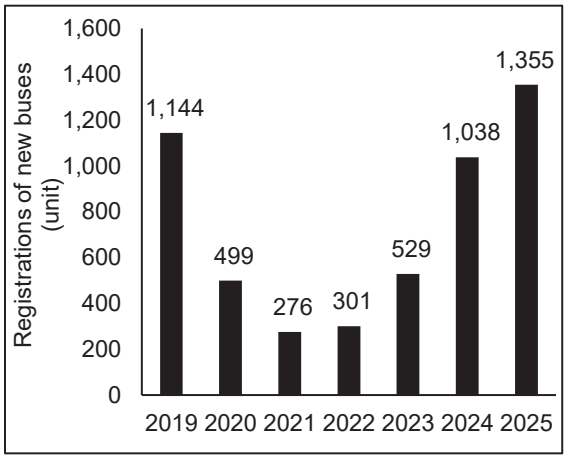
After-sales services for buses include scheduled maintenance and supply of spare parts, technical support and refurbishment or retrofitting services for older buses. These after-sales services may be provided by bus builders, parts and components manufacturers, bus dealers/distributors, authorised service centres and independent automotive workshops. Bus dealers/distributors may also offer training programmes for their customers to ensure proper vehicle handling, maintenance and fuel efficiency optimisation.

Industry Performance, Size and Growth

In Malaysia, the registrations for all new buses, including stage buses, express buses, feeder buses, charter buses, employee buses, school buses and excursion buses, must be applied through the Road Transport Department, also known as *Jabatan Pengangkutan Jalan* ("**JPJ**"), which comprise locally built buses and imported buses. The breakdown of new bus registrations separately for locally built buses and imported buses is not publicly available. As such, the total number of new buses registered under JPJ is presented to reflect the demand for new buses in Malaysia.

In 2019, the number of new bus registrations in Malaysia was recorded at 1,144 units. However, following the outbreak of the coronavirus disease ("**COVID-19**") pandemic, the number of new bus registrations declined from 1,144 units in 2019 to 276 units in 2021, recording a negative compound annual growth rate ("**CAGR**") of 50.88%. This decline was primarily due to nationwide lockdowns and movement restrictions imposed by the Government of Malaysia ("**Government**"), which resulted in operational restrictions, labour shortages, supply chain disruptions and a significant drop in demand for bus services. Nevertheless, new bus registrations recovered and increased to 301 units in 2022 and continue rising to 529 units in 2023. Furthermore in 2024, new bus registrations returned to near pre-pandemic levels at 1,038 units; and by 2025, new bus registrations continued to increase and exceeded pre-pandemic levels at 1,355 units.

Number of new bus registrations (Malaysia), 2019 - 2025



Sources: JPJ, SMITH ZANDER

Moving forward, the demand for newly built buses will continue to be driven by drivers as detailed in Chapter 2 – Key Industry Drivers of this IMR Report.

2 KEY INDUSTRY DRIVERS, RISKS AND CHALLENGES OF THE BUS BUILDING INDUSTRY IN MALAYSIA

Key Industry Drivers

► **Government regulations on the limited lifespan of buses drive the bus building industry**

The lifespan of a bus varies depending on its operating environment, mileage usage and level of maintenance. Therefore, to ensure public safety, the APAD has issued guidelines that specify the maximum allowable lifespan for different types of buses. Under these guidelines, stage buses must be replaced after 15 years, while express buses have a shorter limit of 10 years. School buses, on the other hand, may operate for up to 30 years and excursion buses are limited to 12 years. Furthermore, under the Land Public Transport Act 2010, operators may renew their operating licences every seven years at most, under the condition that the buses do not exceed its permitted lifespan and are maintained in a fit and serviceable condition as determined by the Director General of the JPJ. As a result of these regulatory requirements, there is a consistent and recurring demand for new buses, thus driving the bus building industry in Malaysia.

► **Government initiatives promoting the use of public transportation, which includes public buses, will drive the bus building industry**

In recent years, the Government has actively introduced various initiatives to incentivise and promote the use of public transportation facilities, including public buses. These efforts are as outlined below:

- Interim Stage Bus Support Fund ("**ISBSF**")

  In 2012, the Government established the ISBSF, an initiative aimed at assisting and supporting bus operators in providing public bus services in rural areas, where low passenger volumes often result in higher operating costs. Managed by the APAD, the ISBSF's main objectives are to ensure continued provision of public bus services in rural areas, improve the quality of existing services by increasing trip frequency, enhance bus conditions, reactivate previously discontinued routes and encourage greater public utilisation of public bus services.

  Additionally, to demonstrate ongoing commitment and continued support for the initiative, the Government allocated RM96 million under Budget 2024 to the ISBSF, to subsidise the daily operating costs of these bus operators that continue to provide services on low-passenger rural routes. Under Budget 2025, the Government further showed its support by allocating RM273 million for both the ISBSF and the Stage Bus

Service Transformation programme (a government initiative which is further elaborated below), with plans to expand these programmes across every state and major city(ies).

- Stage Bus Service Transformation programme ("**SBST**")

  In 2015, funded by the MOT and supervised by the APAD, the SBST programme is designed to assist bus operators in providing public bus services in state capitals across Malaysia, under the brand name BAS.MY (previously known as myBAS). It aims to ensure the availability of public bus services along previously underserved routes, while optimising service coverage by reducing route overlaps. Based on latest publicly available information, BAS.MY services are currently operational in Ipoh, Johor Bahru, Kangar, Kota Bharu, Kota Setar, Kuala Terengganu, Kuching, Melaka and Seremban, with plans to expand services to Kota Kinabalu and Kuantan.

  To further encourage public usage of BAS.MY buses, the Government introduced travel pass products such as the BAS.MY 30-day Unlimited Travel Pass (previously known as myBAS50 Transit Pass), launched in Johor Bahru in 2023 and Kuching in 2025. This pass allows passengers to enjoy unlimited BAS.MY travel for 30 days at a cost of RM50. In addition, a special fare-free initiative, namely BAS.MY Concession (previously known as myBAS Concession), has been introduced for Malaysian senior citizens, persons with disabilities and students. This initiative is currently available across all BAS.MY networks nationwide. As of November 2025, the cost of the BAS.MY 30-day Unlimited Travel Pass has been reduced to RM30, further reducing transportation cost for commuters.

  Additionally, demonstrating continued commitment to the SBST initiative, the Government allocated RM150 million under Budget 2024 to expand the programme to new locations, namely Kota Bharu, Kota Setar and Kuantan. Under Budget 2025, RM273 million was allocated for both the ISBSF and SBST programmes, with plans to extend coverage across every state and major city(s) in Malaysia. Under Budget 2026, RM197 million was allocated for the enhancement of the SBST programme, which will include the introduction of new routes and additional buses in Johor Bahru to support the Rapid Transit System (RTS) Link operations.

- Travel passes programmes

  In June 2020, as part of the Government's economic recovery initiatives under the National Economic Recovery Plan, the Government introduced the My30 unlimited travel pass. This pass offered unlimited rides on Rapid KL services (a public rail and bus service serving the Klang Valley) for Malaysian citizens at RM30 for 30 days. The promotional fare concluded on 31 December 2021 and beginning 1 January 2022, the Government replaced it with the My50 unlimited travel pass, priced at RM50 for 30 days. This pass covers rail and bus services in the Klang valley operated by Prasarana Malaysia Berhad (a government-linked bus and rail service operator serving Peninsular Malaysia), including the LRT, MRT, Bus Rapid Transit, Monorail, Rapid KL bus services, as well as the Jom Naik MRT shuttle.

  According to the latest Malaysia Transport Statistics 2024 report published by the MOT, in 2024, 2.73 million My50 travel passes were sold, providing the public with affordable access to land public transportation. Additionally, under Budget 2025, the Government allocated RM216 million to continue subsidising the My50 travel pass, which is expected to benefit Klang Valley residents who rely on these bus and rail services, thus the public is able to utilise land public transport services, which include public bus services, at a lower and more affordable cost. The My50 travel pass is also available in Penang under Mutiara Pass My50, offering unlimited rides on Rapid Penang bus services, also priced at RM50 for 30 days.

- Fare-free bus services programmes

  Throughout the years, the Government has funded bus services that offer fare-free transportation to the public, with some notable examples as follows:

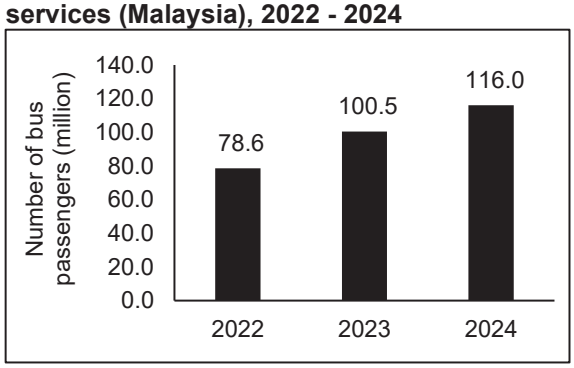
  - Go KL City Bus, which was launched in 2012 and serves areas in Kuala Lumpur;
  - Smart Selangor Bus, which was launched in 2015 and serves areas in Selangor; and
  - Bas Muafakat Johor, which was launched in 2016 and serves areas in Johor.

  Through these fare-free bus services programmes, the Government aims to facilitate convenient travel across the city/state in which these programmes are serving, and to reduce the cost of living as well as enhance accessibility to public transport for the public.

By increasing travel frequencies and improving the efficiency of public transport systems, the Government is making public transport a more viable and accessible option for the public. According to the latest Malaysia Transport Statistics 2024 report published by the MOT, the number of bus passengers for public bus services offered nationwide increased at a CAGR of 21.48% from 78.6 million passengers in 2022 to 116.0 million bus passengers in 2024.

Following the growth in the number of bus passengers as well as the Government's continuing efforts in making public transportation more accessible and affordable, an increased demand for newly built buses is expected in order to meet rising bus passenger volume, thus driving the growth of the public transport industry as well as the bus building industry in Malaysia.

Number of bus passengers for public bus services (Malaysia), 2022 - 2024



Notes:

- *Data from 2019 to 2021 is not publicly available.*
- *Latest available as at date of research completion.*

Sources: MOT, SMITH ZANDER

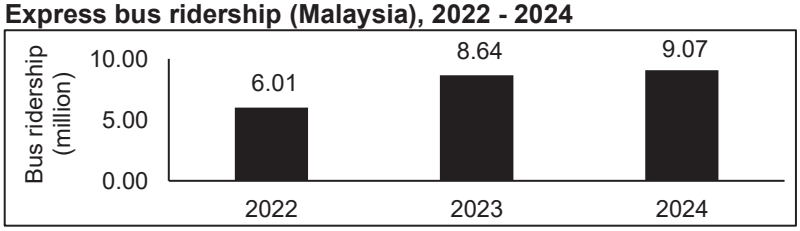
► **The continued need for intercity, interstate and cross-border bus services will increase the demand for express bus services, thus driving the bus building industry**

As detailed in Chapter 1 of this IMR Report, land transport is the primary mode of transport in Malaysia. Across both Peninsular Malaysia and East Malaysia, road and rail infrastructure such as highways and rail lines have been established to support the land transport ecosystem. Malaysia has an extensive and well-maintained road network, which includes major expressways such as the North-South Expressway, East Coast Expressway, West Coast Expressway and Pan Borneo Highway. Through these expressways, users which include express bus operators are able to efficiently provide bus services for routes between towns, cities, states and even neighbouring countries, namely Singapore, Thailand and Brunei.

Based on latest publicly available information, as of 2020, there were 181 private express bus operators based in Peninsular Malaysia. The availability of private express bus operators contribute to a wider variety of options in terms of departure and arrival times, destinations and stops, comfort levels and price points, enabling passengers to select their journeys based on their respective budget and preferences. Moreover, bus services tend to have greater operational flexibility, whereby express bus operators are able to adjust schedules, routes and stops as well as increase capacity based on seasonal demand. This is especially crucial during peak travel periods such as Hari Raya Aidilfitri, Chinese New Year and Deepavali, when the public transportation networks experience significant surges in demand and express bus service operators have to be adaptable to increasing passenger volume.

According to the latest available data from the APAD, express bus ridership grew from 6.01 million passengers in 2022 to 9.07 million passengers in 2024, representing a CAGR of 22.85%. Moving forward, the continued need for intercity, interstate, and cross-border travel is expected to sustain express bus ridership, thereby supporting the growth of Malaysia's bus building industry.

Express bus ridership (Malaysia), 2022 - 2024



Notes:

- *Data from 2019 to 2021 is not publicly available.*
- *Latest available as at date of research completion.*

Sources: APAD, SMITH ZANDER

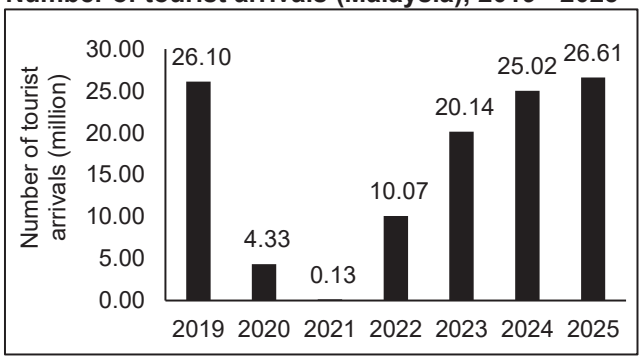
► **Growing tourism industry in Malaysia will increase the demand for excursion buses, thus driving the bus building industry**

Travelling has become an integral part of modern lifestyle for many people as it brings various benefits in enriching a person's life experience. Travelling to places outside one's usual environment and experiencing out-of-ordinary activities can often rejuvenate a person when he/she returns home. It enables a person to enjoy and recognise the beauty of nature, the richness of histories and cultures, as well as culinary delights and

hospitality that would otherwise be unavailable in a person's usual environment. Further, travel is also a regular activity for many, such as for annual and/or family vacations.

In 2019, the number of tourist arrivals in Malaysia stood at 26.10 million. However, following the COVID-19 pandemic in 2020 and 2021, the number of tourist arrivals in Malaysia decreased significantly from 26.10 million in 2019 to 0.13 million in 2021, at a negative CAGR of 92.94%. Nevertheless, with the global easing of lockdowns as the COVID-19 pandemic gradually subsided, the number of tourist arrivals in Malaysia recovered, as seen from the increase in tourist arrivals to 10.07 million in 2022. Thereafter, the number of tourist arrivals in Malaysia normalised and grew from 20.14 million in 2023 to 26.61 million in 2025, at a CAGR of 14.95%.

Number of tourist arrivals (Malaysia), 2019 - 2025

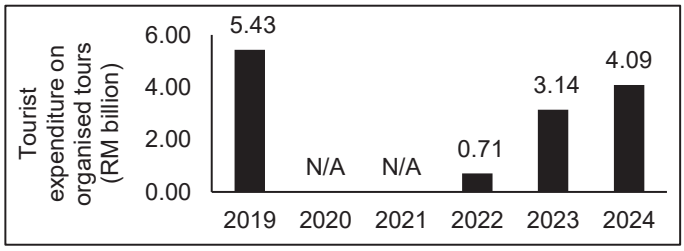


Sources: Tourism Malaysia, SMITH ZANDER

Further, following the same trend, tourist expenditure on organised tours decreased from RM5.43 billion in 2019 to RM0.71 billion in 2022, at a negative CAGR of 49.24%. In 2023, tourist expenditure on organised tours recovered by 342.25% to RM3.14 billion and grew by 30.25% to RM4.09 billion in 2024.

Moving forward, people's general desire to travel will continue to drive travel and tourism activities. This is further supported by Government initiatives, such as visa exemptions for certain nationalities visiting Malaysia, which is expected to boost tourist arrivals and thus local tourism.

Tourist expenditure on organised tours (Malaysia), 2019 - 2024



Notes:

- *N/A – not publicly available.*
- *Latest available as at date of research completion*.

Sources: Tourism Malaysia, SMITH ZANDER

Therefore, the increase in tourism activities will contribute to increased demand for excursion buses, thereby supporting and driving the growth of the bus building industry in Malaysia.

Key Industry Risks and Challenges

► **Exposure to changes in regulations relating to licences, permits and approvals for bus building**

Industry players in the bus building industry are dependent on various licences, permits and approvals issued by the relevant government authorities in Malaysia to conduct their business. For example, bus builders in Malaysia are required to possess the Certificate of Registration of Engineering (Category "A") issued by the JPJ to carry out new body construction, repair, and technical modification for all types of buses, rigid trucks and vans.

Additionally, for industry players who export their buses to international markets, they must comply with both Malaysian regulations and the laws of the countries where they sell or export their buses. For example, as Bus Cap Group exports its buses to Singapore, the technical and safety specifications of the buses exported must comply with the standards and requirements set by Singapore's Land Transport Authority ("**LTA**").

As laws and regulations governing bus building and safety standards vary by country, non-compliance with these regulations could result adversely for bus builders. If a bus builder fails to meet the required safety standards in a specific country, they may face the revocation or non-renewal of their licences, permits and/or approvals to build buses in/ export buses to the respective country. Furthermore, the bus builder could also be subjected to fines and penalties, depending on the severity of the non-compliance.

► **Reliance on foreign workers**

The issue of labour shortages is common in the bus building industry in Malaysia where Malaysia is dependent on foreign workers as a result of limited supply of local workers for building-related operations. Any quota restrictions or suspensions in the hiring of foreign workers may cause difficulties in employing sufficient labour. Further, any increase in the levy rate for foreign workers or minimum wages for employees will increase the cost of labour.

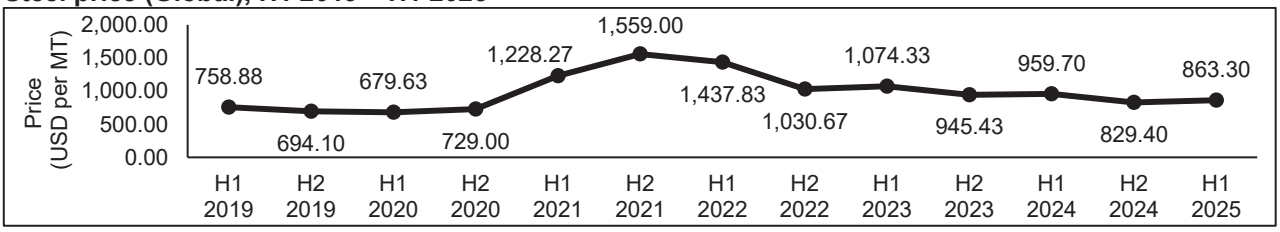
If a suspension or similar policy issues were to cause a suspension or cessation of future intake of foreign workers, bus builders may have to source for local workers which may come at higher cost. Bus builders who are unable to pass on the increase in labour costs to their customers may experience material impact on their profitability. Further, any delays in hiring sufficient number of local workers may result in operational disruptions which would subsequently affect production schedules and cause delays in production and delivery schedules as well as potential order cancellations from customers. Consequently, this may affect bus builders' business and financial performance.

► **Exposure to global steel and aluminium price fluctuations**

Metal, in particular steel and aluminium, are amongst the main types of metal used for the building of buses. The prices of steel and aluminium in Malaysia are driven by their respective global prices.

Steel is susceptible to price fluctuations due to demand and supply conditions in the global market. From first half ("**H1**") 2019 to second half ("**H2**") 2020, the semi-annual global average steel price ("**Global Steel Price**") remained relatively stable, fluctuating between a narrow range of USD679.63 (RM2,855.53)[2] per metric tonne ("**MT**") and USD758.88 (RM3,143.81)[2] per MT. Thereafter, Global Steel Price recorded a significant increase from USD729.00 (RM3,062.97)[2] per MT in H2 2020 to USD1,559.00 (RM6,462.68)[2] per MT in H2 2021, driven by post-pandemic recovery in industrial demand and global supply chain disruptions. Subsequently, Global Steel Price was on a downward trend from H2 2021 at USD1,559.00 (RM6,462.68)[2] per MT to H2 2024 at USD829.40 (RM3,791.85)[2] per MT, which was due the increase in global steel output, thus increasing steel supply, as well as interest rate hikes by central banks globally, which dampened the demand for steel. Thereafter Global Steel Price remained relatively stable, with a slight increase to USD863.30 (RM3,696.22)[2] per MT in H1 2025.

Steel price (Global), H1 2019 – H1 2025



Notes:

- *Global Steel Price is derived from the average price per MT of hot rolled coil, hot rolled plate, cold rolled coil, hot dipped galvanised coil and electro-zinc coil.*
- *Latest available as at date of research completion.*

Sources: MEPS International Ltd, SMITH ZANDER

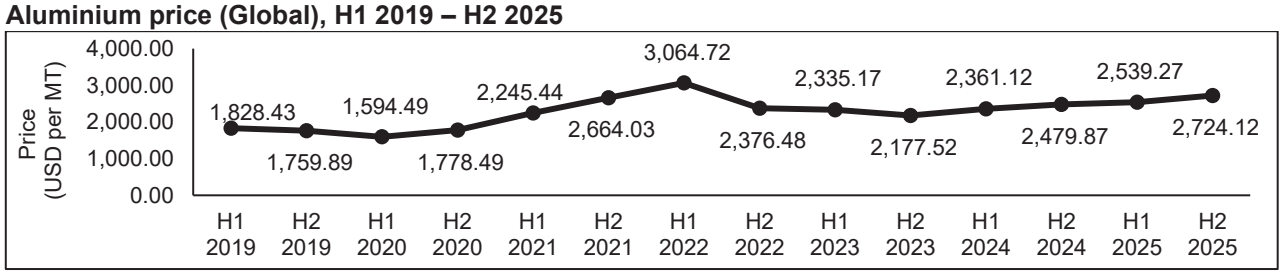
Meanwhile, aluminium is also susceptible to price fluctuations due to factors such as changes in global demand and supply conditions, supply chain disruptions and prevailing energy costs. The semi-annual average global aluminium price ("**Global Aluminium Price**") declined from USD1,828.43 (RM7,574.64)[2] per MT in H1 2019 to USD1,594.49 (RM6,699.41)[2] per MT in H1 2020, whereby the decline in 2019 was largely due to a slowdown in global industrial activities influenced by the United States-China trade war; and for the decline in 2020, it was due to the outbreak of the COVID-19 pandemic, where industrial activities came to a temporary halt,

[2] *Exchange rates from USD to RM for 2019 to 2025 were converted based on average annual exchange rates of the respective years, where these exchange rates were extracted from published information from Bank Negara Malaysia ("**BNM**").*

	2019	2020	2021	2022	2023	2024	2025
USD1=RM	4.1427	4.2016	4.1454	4.4005	4.5653	4.5718	4.2815

weaking the demand for aluminium. Thereafter, Global Aluminium Price started to increase from H2 2020 at USD1,778.49 (RM7,472.50)[2] per MT to H1 2022 at USD3,064.72 (RM13,486.30)[2] per MT, whereby in the beginning of this period, Global Aluminium Price was driven by supply shortages and supply chain disruptions, and later on from H2 2021 to H1 2022, Global Aluminium Price was driven by the post-pandemic demand for industrial activities and the rising energy prices due to geopolitical tensions arising from the Russia-Ukraine conflict. Subsequently, Global Aluminium Price declined significantly to USD2,376.48 (RM10,457.70)[2] per MT in H2 2022 due to the increase in interest rates by the Federal Reserve, which reduced global demand for industrial commodities, alongside a rise in aluminium output in China. Following which, Global Aluminium Price remained relatively stable from H2 2022 at USD2,376.48 (RM10,457.70)[2] per MT to H2 2024 at USD2,479.87(RM11,337.47)[2] per MT, despite minor volatility during this period. Thereafter, Global Aluminium Price increased to USD2,724.12 (RM11,663.32)[2] per MT in H2 2025, primarily driven by tightened global aluminium supply, particularly in China, as well as higher energy costs which lead to higher aluminium production cost.

Aluminium price (Global), H1 2019 – H2 2025



Sources: World Bank, SMITH ZANDER

The recent war and conflicts in the Middle East since February 2026, which were triggered by joint military strikes by the Unites States and Israel against Iran, have heightened regional instability and raised concerns over the security of key oil supply routes, particularly through strategic transit routes such as the Strait of Hormuz. As a result, global oil prices have experienced upward pressure due to potential supply disruptions and market uncertainty, which have led to an increase in shipping costs. Further, the conflict has adversely affected global supply chains, with temporary airspace closure, shipping rerouting and/or logistical disruptions potentially leading to delays and a further increase in shipping costs. These may consequently lead to a surge in commodity prices, including the prices of steel and aluminium. Any material increases in the price of steel and/or aluminium may lead to a rise in cost of production for bus building industry players, as well as carrying cost for maintaining inventories. If bus building industry players are unable to pass on the increased material cost to their customers, they may have to bear the increased costs which could materially impact their financial performance.

3 COMPETITIVE LANDSCAPE OF THE BUS BUILDING INDUSTRY IN MALAYSIA

Overview

The bus building industry in Malaysia is moderately competitive, where a total of 13 industry players have been identified based on publicly available information. However, there may be companies that have no online and/or published media presence, or are operating with minimal public advertisement. As such, the total official number of industry players in the bus building industry in Malaysia is not publicly available. The players in the bus building industry in Malaysia compete in terms of pricing, quality of products and services and/or delivery timing.

The barriers to entry for new entrants are moderately high as it involves high capital expenditure at the primary stage, whereby substantial upfront capital is required for the setup of a plant as well as purchase of machinery and equipment, and subsequently high operating cost for the maintenance of machinery and equipment. Additionally, in order to remain competitive and keep abreast with market trends, ongoing investments will be

required for design and development activities, as industry players continuously introduce facelifts of existing bus models or develop new bus models.

Key Industry Players

As Bus Cap Group is principally involved in bus building in Malaysia, the basis for selection of the key industry players in the bus building industry in Malaysia is as follows:

- Companies involved in the building of buses in Malaysia; and
- Companies which recorded more than RM10.00 million in revenue based on their respective latest available financial years.

Company name	Latest available financial year	Revenue[(i)] (RM million)	Gross profit/ (loss) (RM million)	Gross profit/ (loss) margin (%)	Profit/ (loss) after tax (RM million)	Profit/ (loss) after tax margin (%)
SKS Coachbuilders Sdn Bhd	31 December 2024	140.24	27.79	19.82	15.24	10.86
Badanbas Sdn Bhd	31 December 2023	109.04	26.64	24.43	16.63	15.25
Gemilang Coachwork Sdn Bhd[(ii)]	31 October 2024	101.45	16.22	15.99	3.31	3.27
Bus Cap Group	31 December 2025	88.08	18.18	20.64	9.81	11.13
Pioneer Coachbuilders Sdn Bhd	31 March 2023	30.58	0.44	1.43	(6.80)	(22.22)
Truckquip Sdn Bhd[(iii)]	31 December 2024	30.26	(6.48)	(21.42)	(13.53)	(44.73)
Sun Bus Tech Sdn Bhd	30 June 2025	27.20	4.07	14.96	(4.22)	(15.51)
Aviva Master Coach Technology Sdn Bhd[(iv)]	31 December 2024	19.29	3.48	18.04	(1.57)	(8.14)

Notes:

- *Latest available as at date of research completion.*
- *The identified key industry players include all industry players that were identified by SMITH ZANDER based on sources available, such as the internet, published documents and industry directories. However, there may be companies that have no online and/or published media presence, or are operating with minimal public advertisement, and hence SMITH ZANDER is unable to state conclusively that the list of industry players is exhaustive.*
- *Terus Maju Services Sdn Bhd, a bus builder and bus service operator, is also deemed as a key industry player in the bus building industry, however it is not included in the table above as it is an exempt private company and its latest available audited financial statements from Companies Commission of Malaysia was for the financial year ended 31 December 2014.*

(i) Revenue of industry players may include revenue derived from other business activities and/or revenue derived from countries outside Malaysia.

(ii) A subsidiary of Gemilang International Limited, which is a company listed on the Stock Exchange of Hong Kong Limited.

(iii) A subsidiary of Tan Chong Motor Holdings Berhad, which is a company listed on the Main Market of Bursa Malaysia Securities Berhad.

(iv) A subsidiary of Advance Synergy Berhad, which is a company listed on the Main Market of Bursa Malaysia Securities Berhad.

Sources: Bus Cap Group, various company websites, Companies Commission of Malaysia, SMITH ZANDER

Market Share

The market share of Bus Cap Group in the bus building industry in Malaysia from 2022 to 2025 is computed based on its total number of bus sales in Malaysia, against the number of new bus registrations in Malaysia for the corresponding years.

Market share of Bus Cap Group (Malaysia), 2022 - 2025

Year	Total number of bus sales by Bus Cap Group in Malaysia (units)	Number of new bus registrations in Malaysia (units)	Market share captured by Bus Cap Group (%)
2022	26	301	8.64
2023	48	529	9.07
2024	76	1,038	7.32
2025	116	1,355	8.56

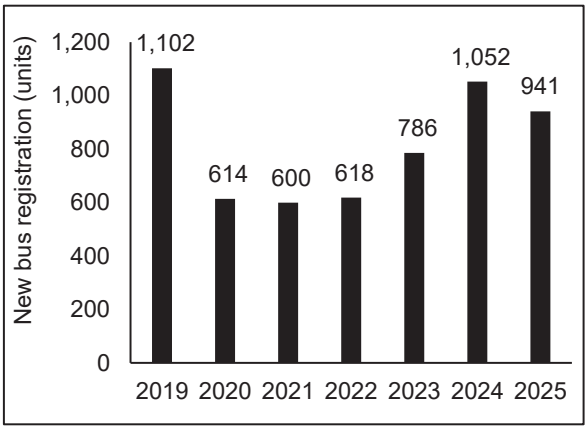
Sources: Bus Cap Group, JPJ

4 THE BUS BUILDING INDUSTRY IN SINGAPORE

In Singapore, permit registrations for new buses must be applied through the LTA. As such, the number of new buses registered under LTA for a given year reflects the demand for newly built buses in Singapore.

In 2019, the number of new bus registrations in Singapore was recorded at 1,102 units. However, following the COVID-19 pandemic in 2020, the number of new bus registrations was adversely affected, declining from 1,102 units in 2019 to 614 units in 2020, and remained subdued at 600 units and 618 units in 2021 and 2022 respectively. This significant decline was primarily due to Circuit Breaker measures imposed by the Government of Singapore ("**Singapore Government**"), which led to operational restrictions, labour shortages, supply chain disruptions and a drop in demand for bus services. Subsequently, in 2023, number of new bus registrations in Singapore recovered to 786 units, and this upward trend continued in 2024 whereby new bus registrations returned to near pre-pandemic levels at 1,052 units.

Number of new bus registrations (Singapore), 2019 - 2025

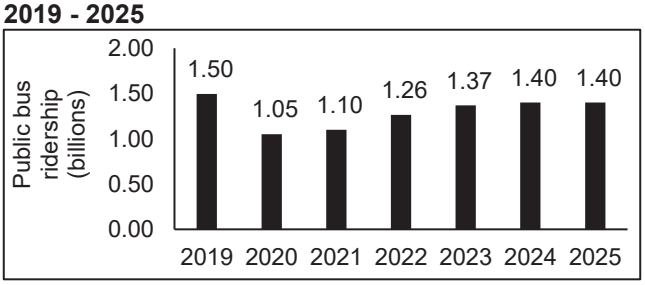


Sources: LTA, SMITH ZANDER

In 2025, the number of new bus registrations in Singapore declined to 941 units, partially due to a delay in registration by electric bus owners following the Heavy Vehicle Zero Emissions Scheme ("**HVZES**"). Under the HVZES, owners of electric buses registered between 1 January 2026 to 31 December 2028 are eligible for a grant of SGD40,000 (RM131,048)[3] per electric bus, disbursed over a three-year period. As such, while new bus registration declined in 2025, it is expected to recover in 2026 due to bus owners capitalising on the HVZES. Moving forward, demand for newly built buses in Singapore is expected to grow, driven by rising and sustained ridership, regulatory limits and continued investments from the Singapore Government, as detailed below.

The average annual bus ridership for public bus services in Singapore was recorded at 1.50 billion passengers in 2019. However, following the COVID-19 pandemic in 2020, the annual bus ridership fell to 1.05 billion passengers in 2020. Subsequently, the annual bus ridership was on an upward trend, increasing from 1.10 billion passengers in 2021 to 1.40 billion passengers in 2025, at a CAGR of 6.21%, thus illustrating the normalised and sustained demand for bus services upon the subsidence of the COVID-19 pandemic.

Average annual public bus ridership (Singapore), 2019 - 2025



Sources: LTA, SMITH ZANDER

To ensure public safely, the LTA has imposed a statutory lifespan of 17 years for omnibuses (i.e. public buses), and 20 years for excursion, private, private hire as well as school buses. As such, once the respective bus reaches its statutory lifespan, operators are no longer able to renew the certificate of entitlement (a certificate that grants the right to own and use a vehicle in Singapore) and the respective bus must be deregistered and disposed of. As a result of this statutory limit, there is a consistent and recurring demand for new buses, thus driving the demand for newly built buses.

In July 2024, the Singapore Government launched the Bus Connectivity Enhancement Programme, where SGD900 million (RM3.08 billion)[4] has been allocated for investment purposes over the next eight years (up to 2032) to improve bus services. Since then, the LTA has introduced 27 new and extended bus services (i.e.

[3] *The exchange rate from SGD to RM for 2025 was converted based on the average annual exchange rate in 2025 of SGD1=RM3.2762, where this exchange rate was extracted from published information from BNM.*

[4] *The exchange rate from SGD to RM for 2024 was converted based on the average annual exchange rate in 2024 of SGD1=RM3.4212, where this exchange rate was extracted from published information from BNM.*

bus lines) across Singapore in locations such as Woodlands, Punggol, Tengah, Jurong East and Jurong West, as well as enhanced 62 existing bus services with additional capacity or expanded coverage, thus further improving bus transport connectivity within Singapore.

5 PROSPECTS AND OUTLOOK OF THE BUS BUILDING INDUSTRY IN MALAYSIA AND SINGAPORE

The bus building industry in Malaysia, as represented by the number of new bus registrations, has been recovering following the COVID-19 pandemic**.** The number of new bus registrations in Malaysia grew at a CAGR of 48.85% from 276 units in 2021 to 1,355 units in 2025, exceeding the pre-pandemic level of 1,144 units in 2019. Moving forward, the bus building industry and the demand for newly built buses in Malaysia are expected to be driven by:

- **Government regulations on the limited lifespan of buses**, where stage buses must be replaced after 15 years, while express buses have a shorter limit of 10 years. School buses, on the other hand, may operate for up to 30 years and excursion buses are limited to 12 years.
- **Government initiatives promoting the use of public transportation**, where such government initiatives include the ISBSF, SBST, travel passes programmes and fare-free bus services programmes. These government initiatives increase travel frequencies and improve the efficiency of Malaysia's public transport systems, thus making public transport a more viable and accessible option for the public.
- **The continued need for intercity, interstate and cross-border bus services** will increase the demand for express bus services for routes between towns, cities, states and neighbouring countries. This is supported by the availability of private express bus operators that contribute to a wider variety of options in terms of departure and arrival times, destinations and stops, comfort levels and price points, enabling passengers to select their journeys based on their respective budget and preferences.
- **The growing tourism industry in Malaysia,** where following the global easing of lockdowns as the COVID-19 pandemic gradually subsided, the number of tourist arrivals and tourist expenditure on organised tours in Malaysia has recovered. Moving forward, people's general desire to travel and government initiatives on the tourism industry will continue to drive travel and tourism activities.

The bus building industry in Singapore, as represented by the number of new bus registrations, has also shown a similar trend to Malaysia, gradually recovering following the COVID-19 pandemic and nearly reaching pre-pandemic levels in 2024, at a CAGR of 20.58% from 600 units 2021 to 1,052 units in 2024. However, number of new bus registration in Singapore declined to 941 units in 2025 as detailed in Chapter 4 of this IMR Report. Nevertheless, moving forward, the bus building industry and the demand for newly built buses in Singapore are expected to be driven by the following factors, namely the statutory lifespan imposed by the LTA of 17 years for omnibuses (i.e. public buses), and 20 years for excursion, private, private hire as well as school buses; and the continued investments into the Bus Connectivity Enhancement Programme by the Singapore Government.

Premised on the above demand drivers of the bus building industry in both Malaysia and Singapore, industry players, including Bus Cap Group, are well positioned to benefit from the rising demand for newly built buses, supported by the regulatory lifespan limits imposed by the JPJ and LTA respectively, initiatives and investments undertaken by the Malaysian Government and the Singapore Government, as well as the increasing and sustained demand for bus services from the public.

9. RISK FACTORS

NOTWITHSTANDING THE PROSPECTS OF OUR GROUP AS OUTLINED IN THIS PROSPECTUS, YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS THAT MAY HAVE A SIGNIFICANT IMPACT ON OUR FUTURE PERFORMANCE, IN ADDITION TO ALL OTHER RELEVANT INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, BEFORE INVESTING IN OUR SHARES.

9.1 RISKS RELATING TO OUR BUSINESS AND OPERATIONS

9.1.1 Our business and financial performance may be affected if we are unable to fulfil our customers' requirements for specific chassis brands

Chassis represents a crucial component in a bus whereby a chassis serves as a structural framework for a bus and provides support to other components (e.g. the engine, wheels and bus body). We do not manufacture chassis in-house, whereby all chassis of our buses are sourced from chassis principals/dealers. In the FYE Under Review and up to the LPD, we use chassis of various brands in our buses, including 'SCANIA' sourced from Scania (M) Sdn Bhd, 'HINO' sourced from AWS Jaya Motors Sdn Bhd, 'VOLVO' sourced from Volvo Malaysia Sdn Bhd and 'YUTONG' sourced from Acacia Motor Services Sdn Bhd.

We do not enter into long-term contracts or agreements with chassis principals and dealers and all purchases of chassis are on a purchase order basis. In the event that any of our chassis principals and dealers cease to supply us with chassis due to factors beyond our control and we are unable to source from alternative dealers providing a similar brand of chassis in a timely manner and/or on commercially acceptable terms, we will need to propose using a different brand of chassis to our customers for their bus orders. If such alternate brand is not agreeable or accepted by our customers, we may lose the customers and may eventually impact our sales.

For the FYE Under Review and up to the LPD, we have not encountered any circumstances where our chassis principals and dealers decline selling chassis of any brands to our Group that led to loss of customers. However, there can be no assurance that such incidences will not occur in the future and that would not lead to adverse impact to our Group.

9.1.2 The absence of long-term contracts with customers may result in the fluctuation of our Group's financial performance

Our sales of buses are secured on per-order basis as we do not enter into any long-term contracts with our customers. This is due to the business nature of our customers, whereby the demand for buses by them is generally dependent on several factors, such as our customers' decisions on the replacement of existing fleets and their expectations of life expectancies of their existing fleets.

As such, it is unlikely for customers to enter into long-term contracts with us as there are no certainty and assurance that they will require new buses constantly at a pre-fixed quantity. Hence, while we do receive recurring orders from customers, it may not be annual recurring order as our customers may not require new buses every year for their business operations. As a result, our financial performance may fluctuate from year-to-year. In the event that we are unable to continuously secure orders from our existing or new customers, our Group's financial performance may be adversely affected.

9. RISK FACTORS (*Cont'd*)

9.1.3 We are dependent on our Managing Director, Executive Director and key senior management team for continued success and growth of our business

The continued success and growth of our Group are, to a significant extent, dependent on the abilities, skills, experience, competency and continuous efforts of our Managing Director (i.e. Ng Chai Sing), Executive Director (i.e. Bernard Ng Chong Yan) and key senior management (i.e. Khor Meng Chew, Tan Wai Yin and Choo Kok Siong). The presence of our Managing Director, Executive Director and key senior management is crucial to our business continuity and future growth as they play a pivotal role in our day-to-day operations as well as charting, formulating and/or implementing strategies to drive the growth of our Group.

Any significant or sudden loss of the services of our Managing Director, Executive Director and/or key senior management without suitable replacement in a timely manner, or our inability to attract and retain qualified and competent personnel, may have an adverse impact on our Group's business operations and may eventually affect our ability to maintain and/or improve our business performance. This may in turn adversely affect the financial performance and future growth of our Group.

9.1.4 We rely on manual labour, including foreign workers, for our bus building works

While machinery and equipment are used in metal fabrication works as part of our bus building process, we rely on manual labour, including foreign workers to operate these machinery and equipment as well as to carry out other labour-intensive works manually, such as panelling and pre-painting, painting, installation of fittings and accessories and implementation of QA/ QC procedures. The skillsets of these labours are critical in producing high quality works for our bus building process. As at the LPD, we have 56 employees under our production department to carry out bus building works, out of which 12 are local employees and 44 are foreign workers.

Any substantial loss of our employees under our production department could interrupt our bus building operations and lead to delay in the delivery of buses to customers. Further, it may take time to hire and train such workers and thus, those who have resigned may not be replaced immediately. Since the commencement of our business and up to LPD, our Group has not faced any significant difficulties in hiring workers (local and/or foreign) for bus building works which materially and adversely affected our business operations and financial performance.

In addition, any changes in the labour and immigration policies, regulations and/or quota restrictions for the hiring of foreign workers may cause difficulties in employing sufficient workers. In March 2023, the Government announced a freeze on quota applications to hire foreign workers. If such hiring freeze prolongs for a longer period and coupled with a substantial loss of existing workers, our bus building operations are expected to be disrupted, which may consequently result in delays in bus deliveries to customers. Further, any unfavourable changes in the policies regarding amongst others, minimum wages and mandatory pension fund contribution for foreign workers may have a material and adverse effect on our cost of labour, which may eventually affect our financial performance if we are unable to pass on any substantial increase in labour cost to our customers. Nevertheless, our Group was not adversely affected by the freeze on quota applications to hire foreign workers announced by the Government in March 2023.

9.1.5 We rely on third-party subcontractors for our bus building works

Some of our bus building works are carried out by our third-party subcontractors, whereby these subcontractors are responsible for providing assembly and fabrication services to our Group using their own labour. Please refer to Section 7.2.2 of this Prospectus for further details on our arrangement with our subcontractors.

Each engagement with our subcontractors is based on a per-job basis, whereby the extent of each job may vary depending on the resources required by our Group for each bus. In the event that our subcontractors do not have sufficient resources to perform bus building works assigned by our Group, our business operations and financial performance may be adversely affected, and we may not be able to deliver buses to our customers according to pre-agreed schedules.

We are also reliant on the quality of work of our subcontractors to maintain the quality of our buses. While we have QA/ QC processes in place that are executed by our in-house QA/ QC personnel, there can be no assurance that services and works rendered by our subcontractors will always be of the required quality. In the event that the services and works rendered by our subcontractors fail to adhere to the required quality, additional material costs and production lead time would be incurred, which may lead to increased cost of production and/or a delay in the delivery of our buses to our customers. Further, we are also reliant on timeliness of work completion by our subcontractors as any delays in work completion may lead to a delay in the delivery of buses to our customers. All of these may in turn adversely affect our reputation and hinder our ability to compete and grow in the bus building industry in the long term.

For the FYE Under Review and up to the LPD, we have not faced any resource issues with our subcontractors, poor quality of services and works as well as delays by subcontractors that led to major disruptions to our business operations. However, moving forward, there can be no assurance that our subcontractors will constantly be accessible and provide high quality works and timely services to accommodate our business operations and/or support the future growth and expansion of our Group.

9.1.6 We are subject to changes in the regulations relating to licences, certificates, permits and approvals in the bus building industry

We are dependent on various licences, certificates, permits and approvals issued by the relevant government authorities in Malaysia to conduct our business. We, as bus builders, are required to possess, a manufacturing licence for fabrication of commercial vehicle bodies by MITI, a business licence for automobiles and engine spare parts (car body manufacturing) by Ipoh City Council as well as a certificate of registration of engineering (category "A") by JPJ to carry out the work of new body construction, repair and technical modification for all types of buses, rigid trucks and vans. Please refer to Section 7.18 of this Prospectus for details of our major licences, certificates, permits and approvals, including the respective issuing authorities, expiration dates and status of compliance.

Our licences, certificates, permits and approvals are generally subject to a variety of conditions which are stipulated within the licences, permits and approvals themselves. Certain licences, certificates, permits and approvals need to be renewed or reassessed by the relevant authorities on a periodic basis. We must continue to comply with the restrictions and conditions imposed by the relevant authorities for us to maintain the validity of such licences, certificates, permits and approvals. Nevertheless, any unfavourable changes in the conditions and/or requirements stipulated within the licences, certificates, permits and approvals may affect our ability to renew and/or maintain the validity of our licences, certificates, permits and approvals. As at the LPD, we have obtained all licences, certificates, permits and approvals to operate our business.

While we have not encountered any issues in renewing or obtaining any of the required licences, certificates, permits and approvals to conduct our bus building operations during FYE Under Review and up to the LPD, there can be no assurance that we will be able to renew or obtain such licences, certificates, permits and approvals in the future or that we will not be subject to suspension, withdrawal or termination of our licences, certificates, permits and approvals. Any such failure to secure renewal or obtain the required licences, certificates, permits or approvals would adversely affect our financial performance, results of operations and prospects.

9. RISK FACTORS (*Cont'd*)

9.1.7 Our business is exposed to operational risks which may be beyond our control and may lead to interruptions in our business operations

We are exposed to various operational risks. Our Group's bus building activities involve the usage of various machinery and equipment, such as NC machines used in bending process as well as welding and cutting machines used in welding and cutting processes, to manufacture bus bodies. These machinery and equipment may, on occasion, be out of service due to unanticipated failures or damages sustained during operations. Our business is also subject to loss due to events that are beyond our control such as fire, which may cause damage or destruction of the whole or part of our Silibin Premises as well as machinery and equipment, resulting in interruptions to, or prolonged suspension of, our operations.

Further, our business operations may also be affected by the occurrence of unexpected and prolonged power outage and/or disruption of water supply, adverse weather conditions or natural disasters such as floods or storms, which may lead to interruptions to the operations at our Silibin Premises and/or damages to our machinery and equipment. The occurrence of these unexpected events may affect our ability to meet the agreed upon delivery schedule with our customers. This could adversely affect our relationship with our customers and our reputation in the industry as well as our business and financial performance.

For the FYE Under Review and up to the LPD, we have not experienced any incidences of unanticipated equipment failures, fires, unexpected and prolonged power outage and/or disruption of water supply and natural disasters, which led to major interruptions in our operations. However, there can be no assurance that such incidences will not happen in the future. In the event that any of these incidences occurs, it may result in interruptions to our operations and thus adversely affect our financial performance.

In the event that we have to halt our operations due to the abovementioned incidences, we will still be required to incur operating expenses such as employee salary costs and utility costs. Our Group's operations and financial performance may be adversely affected should the interruptions occur for a prolonged period of time.

9.1.8 Our insurance coverage may not be adequate to cover all losses or liabilities that may arise in connection with our operations

We maintain insurance at levels that are customary in our industry to protect against various losses and liabilities. As at the LPD, our Group has taken up several insurance policies which include:-

(i) fire;

(ii) burglary; and

(iii) machinery.

As these insurance coverages are subject to exclusions and limitations of liability both in amount and with respect to the insured events, our insurance may not be adequate to cover all losses or liabilities that might be incurred in our operations because of any unforeseen circumstances. If we were to incur a significant liability for which we were not fully insured, it could have a material adverse effect on our business operations and financial performance.

9. RISK FACTORS (*Cont'd*)

Moreover, we will be subject to the risk that, in the future, we may not be able to maintain or obtain insurance of the type and amount desired at reasonable rates as insurance policies are subject to periodic renewals, during which adjustments to premiums, coverage terms, and policy limits may occur. Should there be a substantial increase in insurance premiums, we will have to either resort to incurring increased expenditures to retain pre-existing insurance coverage or reduce the scope of insurance coverage. If we were to incur a significant loss or liability for which we were not fully insured, the additional cost incurred by our Group may adversely affect our financial performance. For the past 10 years and up to LPD, we have not experienced any claims arising from major mishaps or major incidents which are not sufficiently covered by insurance and having a material adverse impact on our business operations and financial performance.

9.1.9 We are exposed to order cancellations by customers

Due to the nature of our products, i.e. buses that require substantial financial commitment from our customers, our sales to customers are typically facilitated through hire purchase facilities offered by financial institutions or hire purchase facility providers. Once a bus order is placed by a customer, the customer will typically apply for a hire purchase facility from a financial institution or a hire purchase facility provider. We typically begin the sourcing of chassis and raw materials as well as production works upon approval of the customers' hire purchase facilities (as part of the order confirmation).

If our customers decide to cancel the orders prior to delivery of buses due to unexpected reasons (e.g. change in business and investment decisions or financial constraints) regardless the approval of hire purchase facilities, the financial institutions or the hire purchase facility providers will not release the payment to us and we will have the buses stored as inventory until it can be sold to other customers. This may adversely affect our cash flow and financial position, as well as our operational efficiency due to potential shortage in storage space if the buses are stored at our storage space for a prolonged period.

During the FYE Under Review and up to LPD, we have not encountered order cancellations by customers which materially and negatively impacted our operational efficiency and cash flows. Nonetheless, there can be no guarantee that such circumstances will not occur in the future.

9.1.10 We may face liabilities arising from product claims, public liability claims and other disputes

Our buses are vehicles that are widely used for transportation by the general public. As such, we are exposed to product/public liability claims in the event that our customers' bus drivers and/or general public sustain any injuries as a result of any defects or faults in our buses. Further, we may also receive claims from our customers (e.g. bus transport service operators and travel companies) if their reputations are damaged due to negative public perception or concerns towards the safety of their transportation services in relation to cases arising from defects or faults in our buses. If our Group is unable to resolve these claims with the respective counterparties, we may face litigations or dispute resolution processes arising from these claims, which may cause both operational inefficiencies and financial liabilities.

Moreover, due to the nature of uncertainty in the event of such litigations or disputes proceeding, there is no guarantee that the outcome of any such litigations or disputes will be in our favour. Should the result of the litigations or disputes be against us, we may be required to compensate the affected parties, and/or be exposed to the risk of administrative actions and/or penalties/fines by the relevant authorities, which may adversely impact to our business operations and financial performance.

As at the LPD, we have only procured insurance coverage for public liability claims. Therefore, we also cannot guarantee that we have sufficient funds to make provisions for such liabilities as our Group does not procure insurance coverage in relation to product liability claims and other disputes as at the LPD. However, we consider the likelihood of such liabilities arising to be remote, as the technical plans of all buses built by our Group have been approved by JPJ and our buses have undergone our Group's QA/ QC procedures, internal and external inspections, which include inspection by Puspakom and chassis principals/dealers, ensuring that all buses meet the required standards before being handed over to our customers.

For the past 10 years and up to the LPD, our Group has not received such claims and liabilities which resulted in a material adverse effect on our business operations and financial performance. However, there can be no assurance that there will be no occurrence of such liabilities moving forward.

9.1.11 We may not be able to successfully implement our business strategies

We plan to expand our Group's business through our business strategies as follows:

(i) to expand our bus building operations by constructing a New Factory on the New Land adjacent to our Silibin Premises;

(ii) to enhance our production efficiency by manufacturing standardised modular bus body parts using a new semi-automated bus body fabrication line; and

(iii) set up a dedicated showroom in the New Factory to showcase our buses.

Please refer to Section 7.8 of this Prospectus for further details of our business strategies.

The implementation of our business strategies is subject to additional expenditures including operational expenditures and other working capital requirements, which will increase our Group's overall operational cost, including overhead costs and cost of sales. This may result in an adverse impact to our profit margin if we are unable to gain sufficient revenue following the execution of our business strategies.

Further, while our Group's key senior management team have years of experience in our business operations and/or their respective field of expertise, there can be no assurance that the effort and expenditures spent on the execution of our business strategies will yield expected results in expanding our business. We are also not able to guarantee the successful implementation of our business strategies and in a sustainable manner, nor can we assure that we will be able to anticipate the business and operational risks arising from our business strategies. Such failure may lead to adverse effect on our business operations and financial performance.

9. RISK FACTORS (*Cont'd*)

9.1.12 We are required to comply with the OSHA and violations may lead to the suspension of our operations and/or imposition of penalties

We are required to comply with the OSHA guidelines which mandate employers to ensure the maintenance of safe work systems and facilities that do not pose health risks to employees. Furthermore, OSHA mandates principals to ensure the safety and health of any contractors, subcontractors or employees employed by such contractors or subcontractors. This is applicable to our bus production operations at our Silibin Premises.

Non-compliance with OSHA guidelines leading to injury or harm to our employees may result in the suspension of our operations and/or potentially imposition of penalties. These incidents could disrupt our daily business operations, causing delays or inability to meet customer orders promptly.

For the past 10 years and up to the LPD, no material injuries or harm amongst our employees or subcontractors, or violation of OSHA guidelines were reported which would adversely affect our business and financial performance. However, there is no guarantee that injuries or harm to our employees or subcontractors, and/or violation of the OSHA guidelines will not occur in the future.

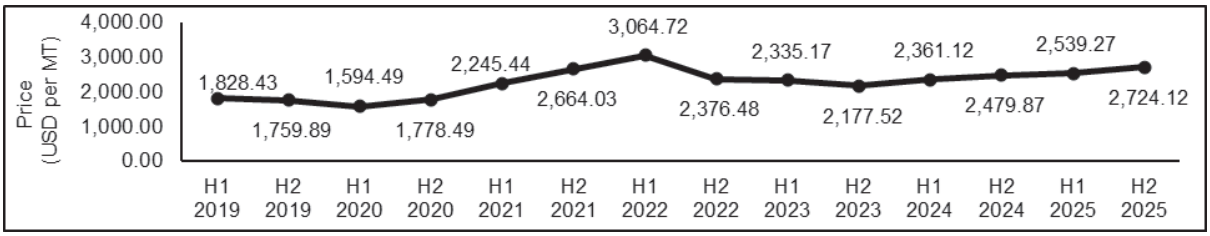
9.2 RISKS RELATING TO OUR INDUSTRY

9.2.1 We are subject to fluctuations in aluminium and steel prices which may affect our financial results

Our Group's raw materials consist of metal materials (i.e. aluminium and steel) which collectively contributed 6.3%, 6.4%, 7.0% and 4.0% of our total purchases in the FYE Under Review respectively. These metal materials are subject to price fluctuations due to supply and demand conditions of aluminium and steel globally, as well as prices of raw materials for the production of aluminium and steel such as coal and iron.

For illustration purposes, the 6-month price trends of aluminium and steel since 2019 are as depicted in the charts below. For further details on the price trends of aluminium and steel, please refer to Section 8 of this Prospectus.

Aluminium prices (Global), 2019 - H2 2025

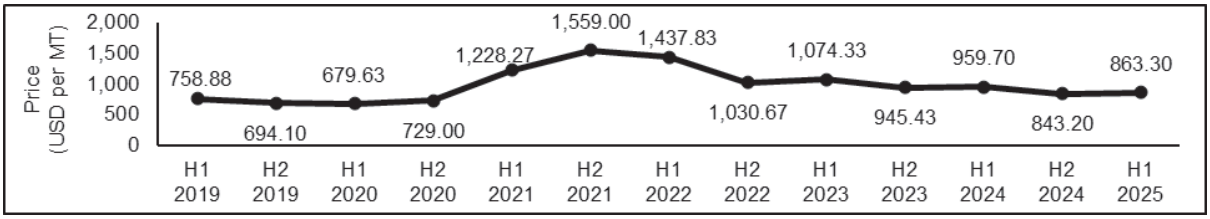


Note: H1 and H2 refer to first half and second half respectively

Sources: World Bank, SMITH ZANDER

9. RISK FACTORS (*Cont'd*)

Steel prices (Global), 2019 - H1 2025



Note: H1 and H2 refer to first half and second half respectively

Sources: MEPS International Ltd, SMITH ZANDER

Any material increases in global aluminium and/or steel prices would likely lead to an increase in our raw material prices and potentially adversely affect our GP margin if we are unable to pass on the increase in costs to our customers. In the FYE Under Review, our GP margin was not materially impacted by the fluctuation of aluminium and/or steel prices as the fluctuation in the price of aluminium and steel were not material. Nevertheless, there is no assurance that we will be able to continue to pass on any future increases in cost to our customers.

The recent war and conflicts in the Middle East since February 2026, which were triggered by joint military strikes by the United States and Israel against Iran, have heightened regional instability and raised concerns over the security of key oil supply routes, particularly the Strait of Hormuz. As a result, global oil prices have experienced upward pressure due to potential supply disruptions and market uncertainty, which have led to an increase in shipping costs. Further, the war has adversely affected global supply chains, with temporary airspace closure, shipping rerouting and/or logistical disruptions potentially leading to delays and a further increase in shipping costs. These may consequently lead to a surge in commodity prices, including the prices of aluminium and steel. Any significant increase in the costs of sourcing aluminium and steel materials may impact our margin and financial performance, if we are unable to pass on such increase in cost to our customers. Nevertheless, as at the LPD, we have not experienced any significant surge in the costs of raw materials that negatively impacted our financial performance.

9.2.2 We are exposed to risks relating to the economic, political, legal, regulatory and social environments in Malaysia and Singapore

Our Group was incorporated in Malaysia and we conduct our operations in Malaysia. Therefore, any adverse change in the economic conditions, political environments as well as legal and regulatory requirements in Malaysia could have an adverse impact on our business operations, financial performance and prospects. In addition, our Group commenced the sale of our buses to customers in Singapore since 2023. As such, our Group is affected by the economic conditions, political environment, inflation rates, expropriations, interest rates, import restrictions, duties and tariffs, civil unrests, methods of taxation, inflation and foreign exchange controls in Singapore.

9. RISK FACTORS (*Cont'd*)

In addition to the above, the occurrence of force majeure events, such as terrorism acts, war, riots, epidemics and pandemics (such as COVID-19 pandemic) in Malaysia and Singapore are beyond our control and may have a material adverse effect on our business, prospects and financial performance and condition. Further, any adverse development that impact the business operations and financial performance of our customers may affect their decisions in investing in new buses, thus potentially declining the demand for our buses. For instance, recent heightened diesel prices as a result of geopolitical tensions in the Middle East may lead to increased operational costs for travel companies as they may not be entitled for diesel subsidies provided by the Government. If our customers, particularly travel companies, decide to slow down their expansion plan in purchasing additional buses, the demand for our buses may decline and our financial performance may be negatively affected, if such impact persists for a prolonged period.

9.2.3 We are exposed to the risk of competition from other industry players

According to the IMR Report, the bus building industry in Malaysia is moderately competitive. We generally compete with other bus building industry players in terms of, amongst others, pricing, quality of products and services and/or delivery timing.

The barriers to entry for new entrants are moderately high as it involves high capital expenditure at the primary stage, whereby substantial upfront capital is required for the setup of a production plant as well as purchase of machinery and equipment. Additionally, in order to remain competitive and keep abreast with market trends, ongoing funds will also be required for research, design and development activities, as industry players continuously introduce facelifts of existing bus models or develop new bus models.

Despite our efforts to remain competitive in the market, there is no assurance that our products will continue to be in demand by customers, and we will be able to continue growing our sales. If any existing competitors or new entrants are able to implement measures and strategies such as providing wide range of quality products at competitive prices, employing effective branding and marketing strategies, as well as continuously innovating and offering buses with new and/or enhanced features to cater to changing market trends and customer needs, we may lose our competitive edge and resulting in reduced sales volume and profitability, thus posing challenges to our Group's growth and business prospects.

9.3 RISKS RELATING TO THE INVESTMENT IN OUR SHARES

9.3.1 There is no prior market for our Shares

Prior to our IPO, there has been no public market for our Shares. Accordingly, there can be no assurance that an active market for our Shares will develop upon our Listing or, if developed, that such market will be sustained.

Furthermore, notwithstanding that our IPO Price was determined after taking into consideration a number of factors including but not limited to our historical earnings, prospects and future plans and our financial and operating history, we cannot assure you that our IPO Price will correspond to the price at which our Shares will be traded on the ACE Market upon or subsequent to our Listing and that the market price of our Shares will not decline below the IPO Price.

9. RISK FACTORS (*Cont'd*)

9.3.2 Our Share price and trading volume may be volatile

The market price and trading volume of our Shares may be highly volatile and could be subject to wide fluctuations in response to, among others, the following factors, some of which are beyond our control:

(i) variation in our operating results;

(ii) success or failure of our management in implementing future plans, business and growth strategies;

(iii) changes in securities analysts' recommendations, perceptions or estimates of our financial performance;

(iv) changes in conditions affecting our industry, general economic conditions or stock market sentiments or other events or factors;

(v) changes in market valuations and share prices of companies with similar businesses to our Company that may be listed in Malaysia or anywhere else in the world;

(vi) additions or departures of our Executive Directors and/or key senior management;

(vii) fluctuations in stock market prices and volume;

(viii) involvement in claims, litigation, arbitration or other form of dispute resolution; or

(ix) changes in government policy, legislation or regulation.

The performance of Bursa Securities is also affected by external factors such as the performance of the regional and global stock exchanges, inflow or outflow of foreign funds. Investors' sentiment is also largely driven by internal factors such as economic and political conditions of the country as well as the growth potential of the various sectors of the economy. These factors invariably contribute to the volatility of trading volumes on Bursa Securities, thus adding risks to the market price of our Shares.

9.3.3 Our Listing is exposed to risk that it may be aborted or delayed

Our Listing may be aborted or delayed due to possible occurrences of certain events, which include the following:

(i) the Selected Investors fail to subscribe for their portion of our IPO Shares;

(ii) our Underwriter exercising its rights under the Underwriting Agreement to discharge itself of its obligations under such agreement;

(iii) we are unable to meet the minimum public shareholding spread requirement under the Listing Requirements of having at least 25.00% of the total number of our Shares for which our Listing is sought being in the hands of a minimum number of 200 public shareholders holding not less than 100 Shares each at the point of our Listing; and/ or

(iv) the revocation of the approvals from the relevant authorities for our Listing for whatever reason.

9. RISK FACTORS (*Cont'd*)

Although we endeavour to comply with the various regulatory requirements, in any event these events as mentioned above occurs, the investors will not receive any Shares and we will return in full without interest, all monies paid in respect of the application within 14 days, failing which the provisions of Section 243(2) of the CMSA shall apply. Our Company shall be liable to return such monies with interest at the rate of 10.00% per annum or at such other rate as may be specified by the SC upon expiration of that period until the full refund is made.

If our Listing is aborted/ terminated and our Shares have been allotted to the investors, all monies paid in respect of all applications for our IPO Shares will be refunded to the investors only by way of cancellation of share capital as provided under Sections 116 and 117 of the Act and its related rules.

Such cancellation requires the approval of the shareholders by special resolution in a general meeting, the consent of our creditors (if required), with the sanction of the High Court of Malaysia or with notice to be sent to the Director General of the Inland Revenue Board and Registrar of Companies within 7 days of the date of the special resolution and meeting the solvency requirements under Section 117(3) of the Act. There can be no assurance that such monies can be recovered within a short period of time in such circumstances.

Nonetheless, our Board will endeavour to comply with the various regulatory requirements, including, inter *alia*, public shareholding spread requirements for our Listing. However, there can be no assurance that the abovementioned factors/ events will not cause a delay in or non-implementation of our Listing.

9.3.4 Future sale or issuance of our Shares could adversely affect our Share price

Any future sale or issuance of our Shares can have an adverse effect on our Share price. The sale of a significant amount of our Shares in the public market after our IPO, or the perception that such sales may occur, could adversely affect the market price of our Shares. These factors also affect our ability to raise funds from the issue of additional equity securities.

If our Specified Shareholder and Promoters sell, or are perceived to sell, substantial amounts of Shares in the public market following the expiry of the moratorium period, this may result in a dampening effect on our Share price.

9.3.5 Our future fund-raising exercise may result in dilution of your shareholdings

Our capital requirements are dependent on, amongst others, our business, the availability of our resources for attracting, maintaining and enlarging our client base and the need to maintain and expand our service offering. Thus, we may need additional capital expenditure for future expansions and/ or investments. Issuance of new Shares or other securities to raise funds will dilute shareholders' equity interest and may, in case of a rights issue, require additional investments by shareholders.

9.3.6 Significant influence by our Promoters and Specified Shareholder

Our Promoters and Specified Shareholder will collectively hold an aggregate of at least 67.00% of our enlarged number of issued Shares upon Listing. As a result, they will be able to effectively control the business direction and management of our Group including the election of Directors, the timing and payment of dividends as well as having substantial voting control and as such, will likely influence the outcome of certain matters requiring the vote of our shareholders, unless they and persons connected with them are required to abstain from voting either by law, relevant guidelines or regulations. Therefore, there is a risk of non-alignment of interests by our Promoters and Specified Shareholder with those of our other shareholders.

9. RISK FACTORS (*Cont'd*)

9.3.7 Forward-looking/ prospective statements in this Prospectus may not be achievable

Certain statements in this Prospectus are based on historical data which may not be reflective of future results. Forward-looking statements in this Prospectus are based on assumptions and subject to uncertainties and contingencies which may or may not be achievable.

Whether such statements would ultimately prove to be accurate depends on variety of factors that may affect our businesses and operations, and such forward-looking statements also involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance and achievements, or industry results, to be materially different from any future results, plans, performances and achievements, expressed or implied, by such prospective statements.

Although we believe that the expectations reflected in such future statements are reasonable at this time, there can be no assurance that such prospective statements or expectations will materialise.

As such, such prospective statements or expectations should not be regarded as a representation and warranty by our Group, Principal Adviser and other advisers that the plans and objectives of our Group will be achieved.

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10. RELATED PARTY TRANSACTIONS

10.1 RELATED PARTY TRANSACTIONS

Pursuant to the Listing Requirements, subject to certain exemptions, a "related party transaction" is a transaction entered into by a listed issuer or its subsidiary, which involves the interest, direct or indirect, of a related party. A "related party" is defined as a director, major shareholder or person connected with such director or major shareholder (including a director or major shareholder within the preceding 6 months before the transaction was entered into). "Major shareholder" means a shareholder with a shareholding of 10% or more (or 5% or more where such person is the largest shareholder in the company) of all the voting shares in the company.

10.1.1 Material related party transactions entered into by our Group

Save for the Acquisition of Subsidiary and as disclosed below, there are no other material related party transactions, existing or proposed, entered or to be entered into by our Group which involve the interests, direct or indirect, of our Directors, major shareholders and/or persons connected with them for the FYE Under Review and up to the LPD:

No.	Transacting company in our Group	Related party/ Interested person/ Nature of relationship between our Group and the related party	Nature of transaction	Transaction value				
				FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FYE 2025 RM'000	1 January 2026 up to LPD RM'000[(1)]
1.	SHL	The K2 Agency Bernard Ng Chong Yan is our Promoter, substantial shareholder and Executive Director. Tan Wai Yin is our key senior management. Bernard Ng Chong Yan and Tan Wai Yin are the partners of The K2 Agency.	Insurance premiums paid to The K2 Agency in relation to insurance policies procured by our Group for operations and inventories	44 (7.94% of our Group's PBT)	47 (1.31% of our Group's PBT)	63 (0.72% of our Group's PBT)	60 (0.47% of our Group's PBT)	45

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Note:

(1) The percentage of the related party transaction is not able to be ascertained as our Group's audited financial statement for 1 January 2026 up to the LPD is not available.

The related party transaction above was carried out on an arm's length basis and on normal commercial terms which were not more favourable to the related party than those generally available to the public and were not detrimental to our Group as the transaction was determined after taking into consideration the quotation (being the market rate) received from a third-party insurance provider based on the coverage as per requested by our Group with no additional service fees imposed by The K2 Agency. This related party transaction is expected to subsist after our Listing.

Save as disclosed above, our Board has also confirmed that there are no other material related party transactions that we had entered into with related parties but not yet effected up to the date of this Prospectus.

After our Listing and in accordance with the Listing Requirements, our Company will be required to seek our shareholders' approval each time our Company enters into a related party transaction. However, if the related party transactions can be deemed as recurrent related party transactions, our Company may seek a general mandate from our shareholders to enter into these transactions without having to seek separate shareholders' approval each time it wishes to enter into such recurrent related party transactions during the validity period of the mandate.

Further, upon our Listing, our Group will put in place strict internal controls and compliance procedures, amongst others, our Directors through our Audit and Risk Management Committee will review the terms of all related party transactions before the transactions are entered into or any renewals relating to the same to ensure that all related party transactions are carried out on terms not more favourable to the related parties than those normally agreed terms with third parties and not detrimental to our non-interested shareholders, and in the best interest of our Group. The procedures for monitoring and oversight of related party transactions are set out in Section 10.3 of this Prospectus.

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10. RELATED PARTY TRANSACTIONS *(Cont'd)*

10.2 OTHER TRANSACTIONS

10.2.1 Transactions which are unusual in their nature or conditions

There were no transactions that are unusual in nature or conditions, involving goods, services, tangible or intangible assets, to which our Group was a party during the FYE Under Review and up to the LPD.

10.2.2 Outstanding loans and/ or financial assistance made to or for the benefit of related parties

There are no outstanding loans and/ or financial assistance (including guarantees of any kind) made by our Group to or for the benefit of the related parties for the FYE Under Review and up to the LPD.

10.2.3 Loans and/ or financial assistance from related parties to our Group

Save for the following, there are no outstanding loans and/ or financial assistance (including guarantees of any kind) received by our Group from any related parties during the FYE Under Review and up to the LPD:

Banks	Types of facility as set out in the letter of offer	Guarantor(s)	Guaranteed amount[4] (RM'000)	Outstanding amount as at the LPD (RM'000)
Public Bank Berhad	Banking facilities (comprising fixed loan, overdraft, letter of credit, trust receipt and banker acceptance)	Ng Chai Sing[1] He has given personal guarantee in favour of Public Bank Berhad for banking facilities granted to SHL.	2,435	834
	Banking facilities (comprising overdraft)	Ng Chai Sing[1] He has given personal guarantee in favour of Public Bank Berhad for the overdraft granted to SHL.	500	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Banks	Types of facility as set out in the letter of offer	Guarantor(s)	Guaranteed amount[4] (RM'000)	Outstanding amount as at the LPD (RM'000)
	Banking facilities (comprising overdraft, letter of credit, trust receipt, banker acceptance, shipping guarantee and bank guarantee)	Ng Chai Sing[1] He has given personal guarantee in favour of Public Bank Berhad for the banking facilities granted to SHL.	700	500
	Banking facilities (comprising letter of credit, trust receipt, banker acceptance, shipping guarantee and bank guarantee)	Ng Chai Sing[1] and Bernard Ng Chong Yan[2] They have given joint and several guarantees in favour of Public Bank Berhad for the banking facilities granted to SHL.	1,000	990
	Fixed loan	Ng Chai Sing[1] He has given personal guarantee in favour of Public Bank Berhad for the fixed loan granted to SHL.	534	307
	Banking facilities (comprising fixed loan, letter of credit, trust receipt, banker acceptance, shipping guarantee and bank guarantee)	Ng Chai Sing[1] and Bernard Ng Chong Yan[2] They have given joint and several guarantees in favour of Public Bank Berhad for the banking facilities granted to SHL.	1,214	474

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Banks	Types of facility as set out in the letter of offer	Guarantor(s)	Guaranteed amount[4] (RM'000)	Outstanding amount as at the LPD (RM'000)
	Banking facilities (comprising fixed loan and Public Bank visa business card facility)	Ng Chai Sing[1] and Bernard Ng Chong Yan[2] They have given joint and several guarantees in favour of Public Bank Berhad for the banking facilities granted to SHL.	1,726	1,525
Maybank Islamic Berhad	Commodity Murabahah term financing-i	Ng Chai Sing[1], Bernard Ng Chong Yan[2] and Yeow Lee Siah[3] They have given joint and several guarantees in favour of Maybank Islamic Berhad for the Commodity Murabahah term financing-i granted to SHL.	6,273	614
	Banking facilities (comprising cashline-i, letter of credit–i (sight /usance) (local/ foreign), trust receipt-i, and invoice financing-i)	Ng Chai Sing[1], Bernard Ng Chong Yan[2] and Yeow Lee Siah[3] They have given joint and several guarantees in favour of Maybank Islamic Berhad for the Commodity Murabahah term financing-i granted to SHL.	500	21

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Banks	Types of facility as set out in the letter of offer	Guarantor(s)	Guaranteed amount[4] (RM'000)	Outstanding amount as at the LPD (RM'000)
Public Bank Berhad	Hire purchase for 1 unit of Mercedes-Benz (Model: GLC 300 AMG) bearing registration no. UMS3363	Bernard Ng Chong Yan[2] He has given personal guarantee in favour of Public Bank Berhad for a vehicle hire purchase facility granted to SHL.	356	179
Public Bank Berhad	Hire purchase for 1 unit of Toyota Alphard 2.5 bearing registration no. CFA3363	Bernard Ng Chong Yan[2] He has given personal guarantee in favour of Public Bank Berhad for a vehicle hire purchase facility granted to SHL.	246	166
BMW Credit (Malaysia) Sdn Bhd	Hire purchase for 1 unit of BMW G60-520i M Sport (CKD) bearing registration no. ANU3363	Ng Chai Sing[1] He has given personal guarantee in favour of BMW Credit (Malaysia) Sdn Bhd for a vehicle hire purchase facility granted to SHL.	341	237
Total			**15,825**	**5,847**

Notes:

(1) Ng Chai Sing is our Promoter, substantial shareholder and Managing Director. He is also the spouse of Yeow Lee Siah, father of Bernard Ng Chong Yan and Benjamin Ng Chong Jin and father-in-law of Tan Wai Yin.

(2) Bernard Ng Chong Yan is our Promoter, substantial shareholder and Executive Director. He is also the son of Ng Chai Sing and Yeow Lee Siah, brother of Benjamin Ng Chong Jin and spouse of Tan Wai Yin.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

(3) Yeow Lee Siah is one of the shareholders of NCS, our Promoter and substantial shareholder. She is also the spouse of Ng Chai Sing and the mother of Bernard Ng Chong Yan and Benjamin Ng Chong Jin, and mother-in-law of Tan Wai Yin.

(4) The amount guaranteed represents the total banking facilities and/or hire purchase facilities.

In conjunction with our Listing, we have applied to the financiers to obtain a release and/or discharge of the guarantees by substituting the same with a corporate guarantee from our Company and/or other securities from our Group acceptable to the financiers.

As at the LPD, we have received conditional approvals from all financiers, namely Public Bank Berhad, Maybank Islamic Berhad, and BMW Credit (Malaysia) Sdn Bhd, to discharge the above guarantee upon the successful implementation of our Listing and substituting the guarantees with a corporate guarantee from our Company and/or other securities from our Group acceptable to the financial institutions.

Moving forward, we have put in place strict internal control and compliance procedures in relation to loans and/ or financial assistance to be provided to related parties and/ or third parties, and no further loans or financial assistance will be provided to any related parties by our Group unless such loans are permitted under the applicable laws and the Listing Requirements and brought to our Audit and Risk Management Committee and our Board for deliberation and approval.

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10. RELATED PARTY TRANSACTIONS *(Cont'd)*

10.3 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS

10.3.1 Audit and Risk Management Committee review

Our Audit and Risk Management Committee reviews related party transactions and conflict of interest situations that may arise within our Group. Our Audit and Risk Management Committee also reviews any transaction, procedures or course of conduct that raises questions of management integrity, including our related party transactions. In reviewing the related party transactions, the following, amongst other things will be considered:

(i) the rationale and the cost/ benefit to our Group are first considered;

(ii) where possible, comparative quotes will be taken into consideration;

(iii) that the transactions are based on normal commercial terms and not more favourable to the related parties than those generally available to third parties' dealings on an arm's length basis; and

(iv) that the transactions are not detrimental to our Company's non-interested shareholders.

All reviews by our Audit and Risk Management Committee are reported to our Board for its further action.

10.3.2 Our Group's policy on related party transactions

Related party transactions by their nature, involve conflict of interest between our Group and the related parties with whom our Group has entered into such transactions. Any such related party transactions may individually and in aggregate have conflicts of interest.

Any related party transactions shall be reviewed by our Audit and Risk Management Committee to ensure that they are carried out on normal commercial terms which are not more favourable to the related parties than those generally available to the public dealing at arm's length with our Group and are not detrimental to our minority shareholders.

In addition, we have adopted a comprehensive corporate governance framework that meets best practice principles to mitigate any potential conflict of interest situation, and intend for the framework to be guided by the Listing Requirements and MCCG upon our Listing. The procedures which may form part of the framework include, amongst other things, the following:

(i) our Board shall ensure that majority of our Board members are independent directors and will undertake an annual assessment on our independent directors;

(ii) our Directors will be required to immediately make full disclosure of any direct/ indirect interest that they may have in any business enterprise that is engaged in or proposed to be engaged in a transaction with our Group, whether or not they believe it is a material transaction. Upon such disclosure, the interested director shall be required to abstain from deliberation and voting on any resolution related to the related party transaction; and

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

(iii) all existing or potential related party transactions would have to be disclosed by the interested party for management reporting. Our management will propose the transaction to our Audit and Risk Management Committee for evaluation and assessment who would in turn, make a recommendation to our Board.

10.3.3 Our Group's policy on recurrent related party transactions

In order to ensure that recurrent related party transactions are undertaken on an arm's length basis and on normal commercial terms, we have established the following procedures:

(i) At least 2 other contemporaneous transactions carried out with third parties for similar products and/or quantities will be used as comparison wherever possible, to determine if the price and the terms as offered by the related parties are for the same or substantially similar type of products/services and/or quantities.

(ii) If we are unable to obtain or procure the quotation or comparative pricing from third parties, the transaction price will be determined by our Group based on those offered by other third parties for substantially the similar type of transactions to ensure that the recurrent related party transactions are not detrimental to us.

We will seek mandate from our shareholders to enter into any recurrent related party transactions at a general meeting. Due to the time-sensitive nature of such transactions, the shareholders' mandate will enable us to enter into such recurrent transactions which are transacted in our ordinary course of business without having to convene numerous general meetings to approve such recurrent transactions as and when they are entered into.

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11. CONFLICT OF INTEREST

11.1 INTEREST IN SIMILAR BUSINESS AND IN BUSINESSES OF OUR CUSTOMERS OR SUPPLIERS

Save for Bernard Ng Chong Yan's partnership role in The K2 Agency (our non-trade supplier) as set out in Section 10.1.1 of this Prospectus, as at the LPD, none of our Directors or substantial shareholders have a direct or indirect interest in any entity which is (i) carrying on a similar trade as our Group; or (ii) a customer or supplier of our Group.

The involvement of Bernard Ng Chong Yan's partnership role in The K2 Agency would not give rise to any conflict of interest situations as the principal activity of The K2 Agency is not similar to our Group's business and the transactions between The K2 Agency and our Group are carried out on an arm's length basis and on normal commercial terms which were not more favourable to The K2 Agency than those generally available to the public and was not detrimental to our Group.

In any event, our Group's Audit and Risk Management Committee will supervise any conflict of interest or potential conflict of interest situations, and our Board will disclose such conflict of interest, if any, for resolution as and when they arise.

11.2 DECLARATION BY THE ADVISERS

(i) TA Securities has given its confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as the Principal Adviser, Sponsor, Underwriter and Placement Agent in respect of our IPO;

(ii) Forvis Mazars PLT has given its confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as the Reporting Accountants in respect of our IPO;

(iii) Cheah Teh Su has given its confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as the Solicitors in respect of our IPO; and

(iv) SMITH ZANDER has given its confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as the Independent Market Researcher in respect of our IPO.

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12. FINANCIAL INFORMATION

12.1 HISTORICAL FINANCIAL INFORMATION

Our historical financial statements for FYE Under Review presented below have been extracted from the Accountants' Report in Section 13 of this Prospectus.

Our historical financial statements have been prepared in accordance with the approved accounting standards in Malaysia, namely MFRS Accounting Standards and IFRS Accounting Standards. The audited financial statements of the companies within our Group for the FYE Under Review were not subject to any audit qualification, modification and disclaimer. The selected financial information included in this Prospectus is not intended to predict our Group's financial position, results or cash flows.

12.1.1 Historical statements of profit or loss and other comprehensive income

The summary of our statements of profit or loss and other comprehensive income for the FYE Under Review is as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	15,624	27,622	56,446	88,083
Cost of sales	(13,482)	(22,190)	(44,275)	(69,907)
GP	2,142	5,432	12,171	18,176
Other income and gains	19	59	36	57
Administrative and general expenses	(1,086)	(1,485)	(2,796)	(5,189)
Selling expenses	(161)	(79)	(108)	(145)
Reversal of loss allowance/ (Loss allowance) on trade receivables	(55)	(37)	(318)	265
Finance costs	(305)	(295)	(283)	(272)
PBT	554	3,595	8,702	12,892
Tax expense	(127)	(870)	(1,802)	(3,086)
PAT and total comprehensive income for the financial year	**427**	**2,725**	**6,900**	**9,806**
Supplementary financial information				
EBITDA[(1)]	1,183	4,216	9,523	13,781
GP margin[(2)] (%)	13.71	19.67	21.56	20.64
PBT margin[(3)] (%)	3.55	13.01	15.42	14.64
PAT margin[(4)] (%)	2.73	9.87	12.22	11.13
Basic/ diluted EPS[(5)] (sen)	0.11	0.71	1.80	2.56

12. FINANCIAL INFORMATION *(Cont'd)*

Notes:

(1) EBITDA for the FYE Under Review is calculated as follows:

	Audited			
	FYE 2022	***FYE 2023***	***FYE 2024***	***FYE 2025***
	RM'000	***RM'000***	***RM'000***	***RM'000***
PAT	*427*	*2,725*	*6,900*	*9,806*
Add/ (Less):				
Tax expense	*127*	*870*	*1,802*	*3,086*
Finance costs	*305*	*295*	*283*	*272*
Interest income	*(8)*	*(22)*	*(26)*	*(24)*
Depreciation	*332*	*348*	*564*	*641*
EBITDA	***1,183***	***4,216***	***9,523***	***13,781***

(2) Calculated as GP divided by revenue.

(3) Calculated as PBT divided by revenue.

(4) Calculated as PAT divided by revenue.

(5) For comparative purposes, the basic EPS is calculated based on the PAT divided by the total enlarged number of 383,383,000 Shares after our Public Issue.

12.1.2 Selected financial information from the historical statements of financial position

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Non-current assets				
Property, plant and equipment	4,835	5,866	7,424	7,327
Deferred tax asset	109	370	670	760
Total non-current assets	**4,944**	**6,236**	**8,094**	**8,087**
Current assets				
Inventories	9,459	15,041	24,119	30,227
Trade and other receivables(1)	1,148	2,023	8,749	6,767
Current tax asset	14	-	-	-
Fixed deposits	792	348	2,115	3,577
Cash and bank balances	1,601	1,802	1,635	4,096
Total current assets	**13,014**	**19,214**	**36,618**	**44,667**
Total assets	**17,958**	**25,450**	**44,712**	**52,754**
Equity				
Share capital	460	460	840	13,802
Merger reserve(2)	-	-	-	(12,962)
Retained earnings	3,336	6,061	12,961	22,767
Total equity	**3,796**	**6,521**	**13,801**	**23,607**

12. FINANCIAL INFORMATION *(Cont'd)*

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
Non-current liabilities				
Borrowings	4,446	3,967	3,420	2,494
Lease liabilities	4	286	1,068[4]	467[4]
Total non-current liabilities	**4,450**	**4,253**	**4,488**	**2,961**
Current liabilities				
Trade and other payables[3]	8,073	12,161	22,048	19,423
Borrowings	1,555	1,506	1,978	3,521
Lease liabilities	84	48	326[4]	181[4]
Current tax liability	-	961	2,071	3,061
Total current liabilities	**9,712**	**14,676**	**26,423**	**26,186**
Total liabilities	**14,162**	**18,929**	**30,911**	**29,147**
Total equity and liabilities	**17,958**	**25,450**	**44,712**	**52,754**

Notes:

(1) Trade and other receivables comprise the following:

	Audited			
	FYE 2022	***FYE 2023***	***FYE 2024***	***FYE 2025***
	RM'000	***RM'000***	***RM'000***	***RM'000***
Trade receivables	*1,074*	*1,785*	*8,043[i]*	*4,658[i]*
Other receivables	*18*	*3*	*1*	*10*
Prepayments	*33*	*147*	*599[ii]*	*2,024[ii]*
Deposits	*23*	*88*	*106*	*75*
Total	***1,148***	***2,023***	***8,749***	***6,767***

(i) The increase in our trade receivables from FYE 2023 to FYE 2024 was mainly due to higher billings to customers towards the end of FYE 2024. The decrease in our trade receivables from FYE 2024 to FYE 2025 was mainly due to prompt collection of outstanding receivables from customers.

(ii) The increase in our prepayments from FYE 2023 to FYE 2025 was mainly due to higher advances paid to our third-party subcontractors towards the end of FYE 2024 and FYE 2025 as we increased our production volume to cater for future sales order in FYE 2025 and FYE 2026, respectively. Such advances are paid upfront to secure and facilitate the mobilisation of our third-party subcontractors' services prior to formalising the relevant agreements. Upon execution of the relevant agreements with our third-party contractors, such prepayments will be reclassified from prepayments to deposits to reflect their contractual nature and such deposits will be offset against the settlement amount payable to the respective third-party subcontractors.

In addition, the increase in our prepayments from FYE 2024 to FYE 2025 was also due to the recognition of deferred listing expenses (which are directly attributable to the issuance of new Shares) amounting to RM0.89 million in FYE 2025, pending completion of our Listing. Such amount will eventually be reversed out from prepayments and set off against our share capital upon completion of our Listing, in accordance with MFRS 132.

12. FINANCIAL INFORMATION *(Cont'd)*

(2) The merger reserve arises as and when the common control business combination takes place. As at 31 December 2025, it comprises the difference between the total consideration paid by our Company pursuant to the Acquisition of Subsidiary and carrying amount of our Subsidiary's issued share capital.

(3) Trade and other payables comprise the following:

	Audited			
	FYE 2022	FYE 2023	FYE 2024	FYE 2025
	RM'000	RM'000	RM'000	RM'000
Trade payables	5,663	8,580	18,945[(i)]	15,910[(i)]
Other payables	214	599	544	563
Amount owing to a shareholder	487	487	-	-
Accruals	506	924	311	385
Contract liabilities	1,203	1,571	2,248[(ii)]	2,565[(ii)]
Total	**8,073**	**12,161**	**22,048**	**19,423**

(i) The increase in our trade payables from FYE 2023 to FYE 2024 was mainly due to higher purchases of raw materials from suppliers towards the end of FYE 2024. The decrease in our trade payables from FYE 2024 to FYE 2025 was mainly due to prompt payment to our suppliers as a result of improved working capital management.

(ii) The increase in contract liabilities from FYE 2023 to FYE 2025 was mainly due to higher deposits received from customers arising from the increase in sales orders received towards the end of FYE 2024 and FYE 2025.

(4) The increase in lease liabilities in FYE 2024 was mainly due to the increase of RM0.56 million for right-of-use assets (i.e. office equipment, warehouse and staff hostel) and the increase of RM0.50 million for the hire purchase of motor vehicles. The decrease in lease liabilities in FYE 2025 was mainly due to the decrease of RM0.59 million for right-of-use assets arising from lease terminations of warehouse and staff hostel and the decrease of RM0.15 million for the hire purchase of motor vehicles.

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12. FINANCIAL INFORMATION *(Cont'd)*

12.2 CAPITALISATION AND INDEBTEDNESS

The following table sets out our Group's capitalisation and indebtedness:

(i) based on the latest unaudited financial information as at 9 March 2026; and

(ii) after adjusting for our Public Issue and use of proceeds arising from the Public Issue.

	As at 9 March 2026	After our Public Issue and use of proceeds
	RM'000	**RM'000**
Indebtedness		
Current		
Secured and guaranteed:		
- Term loans	865	865
- Lease liabilities	180	180
Unsecured and guaranteed:		
- Banker's acceptances	2,600	2,600
Non-current		
Secured and guaranteed		
- Term loans	2,431	2,431
- Lease liabilities	434	434
Total indebtedness	**6,510**	**6,510**
Capitalisation		
Equity	24,492	47,351
Total capitalisation	**24,492**	**47,351**
Total capitalisation and indebtedness	31,002	53,861
Gearing ratio (times)[(1)]	0.27	0.14

Note:

(1) Gearing ratio is computed based on total indebtedness over the total capitalisation.

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

12. FINANCIAL INFORMATION *(Cont'd)*

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

The following management's discussion and analysis of our financial condition and results of operations for the FYE Under Review has been derived from the Accountants' Report as set out in Section 13 of this Prospectus.

The management's discussion and analysis contain data derived from our audited financial statements as well as forward-looking statements that involve risks and uncertainties. The results may differ significantly from those projected in the forward-looking statements. Factors that may cause future results to differ significantly from those projected in the forward-looking statements include, but are not limited to, those discussed below or elsewhere in this Prospectus, particularly the risk factors as set out in Section 9 of this Prospectus.

There are no accounting policies which are peculiar to our Group because of the nature of the business or industry which we are involved in. For further details on the material accounting policies of our Group, see Note 3 of the Accountants' Report as set out in Section 13 of this Prospectus.

12.3.1 Overview of our business

As a bus builder, our Group is principally involved in the design and manufacturing of bus bodies, assembly of bus bodies with chassis sourced from chassis principals/dealers, as well as the sourcing and installation of fittings and accessories to form CBU buses. Further, we also provide bus repair and maintenance services.

Our Group sells our buses to local customers in Malaysia, which include bus transport service operators, travel companies and government agencies. Our Group also sells our buses to end-customers in Singapore such as bus transport service operators and travel companies, primarily through a vehicle dealer in Singapore.

Our Group's bus building activities cover the fabrication of bus body, assembly of bus body onto chassis sourced from chassis principals/dealers, as well as sourcing and installation of fittings and accessories, to form CBU buses.

Apart from the bus building works, our Group is also involved in the provision of repair and maintenance services for buses. Customers who purchased buses from our Group may continue to engage us for bus repairs and maintenance services at their own cost after the expiry of the warranty period, which forms a revenue stream for our Group under the 'repair and maintenance' segment. We also provide repair and maintenance services for buses that are not built by us. Bus repair and maintenance are either carried out by our Group's in-house employees or third-party subcontractors, depending on the availability of resources and scope of works required. Examples of repair and maintenance services provided by our Group include troubleshooting of electrical and wiring systems, repair of door systems and other accessories, waterproofing of bus body as well as bodywork repairs and repaints.

12. FINANCIAL INFORMATION *(Cont'd)*

12.3.2 Significant factors affecting our financial condition and results of operations

Our Group's financial condition and results of operations have been and will continue to be affected by, amongst others, the following key factors:

(i) Our business and financial performance may be affected if we are unable to fulfil our customers' requirements for specific chassis brands

Chassis represents a crucial component in a bus whereby a chassis serves as a structural framework for a bus and provides support to other components (e.g. the engine, wheels and bus body). We do not manufacture chassis in-house, whereby all chassis of our buses are sourced from chassis principals/dealers. In the FYE Under Review and up to the LPD, we use chassis of various brands in our buses, including 'SCANIA' sourced from Scania (M) Sdn Bhd, 'HINO' sourced from AWS Jaya Motors Sdn Bhd, 'VOLVO' sourced from Volvo Malaysia Sdn Bhd and 'YUTONG' sourced from Acacia Motor Services Sdn Bhd.

We do not enter into long-term contracts or agreements with chassis principals and dealers and all purchases of chassis are on a purchase order basis. In the event that any of our chassis principals and dealers cease to supply us with chassis due to factors beyond our control and we are unable to source from alternative dealers providing a similar brand of chassis in a timely manner and/or on commercially acceptable terms, we will need to propose using a different brand of chassis to our customers for their bus orders. If such alternate brand is not agreeable or accepted by our customers, we may lose the customers and may eventually impact our sales.

For the FYE Under Review and up to the LPD, we have not encountered any circumstances where our chassis principals and dealers decline selling chassis of any brands to our Group that led to loss of customers. However, there can be no assurance that such incidences will not occur in the future and that would not lead to adverse impact to our Group.

(ii) We are subject to fluctuations in aluminium and steel prices which may affect our financial results

Our Group's raw materials consist of metal materials (i.e. aluminium and steel) which collectively contributed 6.3%, 6.4% 7.0% and 4.0% of our total purchases in the FYE Under Review respectively. These metal materials are subject to price fluctuations due to supply and demand conditions of aluminium and steel globally, as well as prices of raw materials for the production of aluminium and steel such as coal and iron.

Any material increases in global aluminium and/or steel prices would likely lead to an increase in our raw material prices and potentially adversely affect our GP margin if we are unable to pass on the increase in costs to our customers. In the FYE Under Review, our GP margin was not materially impacted by the fluctuation of aluminium and/or steel prices as the fluctuation in the price of aluminium and steel were not material. Nevertheless, there is no assurance that we will be able to continue to pass on any future increases in cost to our customers.

12. FINANCIAL INFORMATION *(Cont'd)*

The recent war and conflicts in the Middle East have since February 2026, which were triggered by joint military strikes by the United States and Israel against Iran, have heightened regional instability and raised concerns over the security of key oil supply routes, particularly the Strait of Hormuz. As a result, global oil prices have experienced upward pressure due to potential supply disruptions and market uncertainty, which have led to an increase in shipping costs. Further, the war has adversely affected global supply chains, with temporary airspace closure, shipping rerouting and/or logistical disruptions potentially leading to delays and a further increase in shipping costs. These may consequently lead to a surge in commodity prices, including the prices of aluminium and steel. Any significant increase in the costs of sourcing aluminium and steel materials may impact our margin and financial performance, if we are unable to pass on such increase in cost to our customers. Nevertheless, as at the LPD, we have not experienced any significant surge in the costs of raw materials that negatively impacted our financial performance.

(iii) We are exposed to risks relating to the economic, political, legal, regulatory and social environments in Malaysia and Singapore

Our Group was incorporated in Malaysia and we conduct our operations in Malaysia. Therefore, any adverse change in the economic conditions, political environments as well as legal and regulatory requirements in Malaysia could have an adverse impact on our business operations, financial performance and prospects.

In addition, our Group commenced the sale of our buses to customers in Singapore since 2023. As such, our Group is affected by the economic conditions, political environment, inflation rates, expropriations, interest rates, import restrictions, duties and tariffs, civil unrests, methods of taxation, inflation and foreign exchange controls in Singapore.

In addition to the above, the occurrence of force majeure events, such as terrorism acts, war, riots, epidemics and pandemics (such as COVID-19 pandemic) in Malaysia and Singapore are beyond our control and may have a material adverse effect on our business, prospects and financial performance and condition. Further, any adverse development that impact the business operations and financial performance of our customers may affect their decisions in investing in new buses, thus potentially declining the demand for our buses. For instance, recent heightened diesel prices as a result of geopolitical tensions in the Middle East may lead to increased operational costs for travel companies as they may not be entitled for diesel subsidies provided by the Government. If our customers, particularly travel companies, decide to slow down their expansion plan in purchasing additional buses, the demand for our buses may decline and our financial performance may be negatively affected, if such impact persists for a prolonged period.

(iv) The absence of long-term contracts with customers may result in the fluctuation of our Group's financial performance

Our sales of buses are secured on per-order basis as we do not enter into any long-term contracts with our customers. This is due to the business nature of our customers, whereby the demand for buses by them is generally dependent on several factors, such as our customers' decisions on the replacement of existing fleets and their expectations of life expectancies of their existing fleets.

12. FINANCIAL INFORMATION *(Cont'd)*

As such, it is unlikely for customers to enter into long-term contracts with us as there are no certainty and assurance that they will require new buses constantly at a pre-fixed quantity. Hence, while we do receive recurring orders from customers, it may not be annual recurring order as our customers may not require new buses every year for their business operations. As a result, our financial performance may fluctuate from year-to-year. In the event that we are unable to continuously secure orders from our existing or new customers, our Group's financial performance may be adversely affected.

Please refer to Section 9 of this Prospectus for further details of risk factors relating to our business and the industry in which we operate in.

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12. FINANCIAL INFORMATION *(Cont'd)*

12.3.3 Results of operations

(A) Revenue

Revenue contribution by business segments

	Audited											
	FYE 2022			FYE 2023			FYE 2024			FYE 2025		
	RM'000	%	Units sold	RM'000	%	Units sold	RM'000	%	Units sold	RM'000	%	Units sold
Sales of buses[1]												
- Semi-high deck bus	4,488	28.7	8	6,395	23.2	11	41,645	73.8	69	68,598	77.9	105
- Single deck bus	6,557	42.0	13	16,155	58.5	36	8,714	15.5	23	3,245	3.7	5
- High deck bus	3,955	25.3	5	1,804	6.5	2	2,733	4.8	3	-	-	-
- Double deck bus	-	-	-	2,536	9.2	6	2,110	3.7	2	14,977	17.0	21
Subtotal	**15,000**	**96.0**	**26**	**26,890**	**97.4**	**55**	**55,202**	**97.8**	**97**	**86,820**	**98.6**	**131**
Repair and maintenance[2]	624	4.0	-	732	2.6	-	1,244	2.2	-	1,263	1.4	-
Total	**15,624**	**100.0**	**26**	**27,622**	**100.0**	**55**	**56,446**	**100.0**	**97**	**88,083**	**100.0**	**131**

Notes:

(1) The customers who purchased its own chassis for the buses sold by our Group during the FYE Under Review are as follows:

	FYE 2022		*FYE 2023*		*FYE 2024*		*FYE 2025*	
	Chassis sourced by our customers	***Chassis sourced by our Group***	***Chassis sourced by our customers***	***Chassis sourced by our Group***	***Chassis sourced by our customers***	***Chassis sourced by our Group***	***Chassis sourced by our customers***	***Chassis sourced by our Group***
Semi-high deck bus	*-*	*8*	*-*	*11*	*10*	*59*	*22*	*83*
Single deck bus	*-*	*13*	*8*	*28*	*13*	*10*	*-*	*5*
High deck bus	*-*	*5*	*-*	*2*	*-*	*3*	*-*	*-*
Double deck bus	*-*	*-*	*6*	*-*	*-*	*2*	*9*	*12*
Total	***-***	***26***	***14***	***41***	***23***	***74***	***31***	***100***

(2) Comprise the revenue generated from the provision of bus repair and maintenance services.

12. FINANCIAL INFORMATION *(Cont'd)*

Revenue contribution by geographical markets

	Audited											
	FYE 2022			FYE 2023			FYE 2024			FYE 2025		
	RM'000	%	Units sold	RM'000	%	Units sold	RM'000	%	Units sold	RM'000	%	Units sold
Malaysia	15,624	100.0	26	25,583	92.6	48	50,136	88.8	76	83,388	94.7	116
Singapore	-	-	-	2,039	7.4	7	6,310	11.2	21	4,695	5.3	15
Total	**15,624**	**100.0**	**26**	**27,622**	**100.0**	**55**	**56,446**	**100.0**	**97**	**88,083**	**100.0**	**131**

Comparison between FYE 2022 and FYE 2023

Our Group's revenue increased by RM12.00 million or 76.8% to RM27.62 million in FYE 2023 (FYE 2022: RM15.62 million), which was mainly attributed to the increase in revenue from the sales of buses segment.

Our Group's revenue for the sales of buses segment increased by RM11.89 million or 79.3% to RM26.89 million in FYE 2023 (FYE 2022: RM15.00 million), which was mainly attributed to the following:

(a) increase in the sales of the single deck buses by RM9.60 million or 146.4% to RM16.16 million in FYE 2023 (FYE 2022: RM6.56 million) in tandem with higher volume of single deck buses sold in FYE 2023 of 36 units (FYE 2022: 13 units). The increase of units sold was mainly due to our Group's expansion into the oversea market and securing the orders of 7 units from Almighty Auto Pte Ltd, our new customer from Singapore for FYE 2023, as well as 5 units and 4 units to Hin Huat Services Sdn Bhd and MBC Marine & Services (M) Sdn Bhd respectively, our major customers for FYE 2023;

(b) the introduction of new product i.e. double deck buses to our existing customers in FYE 2023 which contributed sales amounting to RM2.54 million (FYE 2022: RM nil); and

(c) increase in the sales of the semi-high deck buses by RM1.91 million or 42.5% to RM6.40 million in FYE 2023 (FYE 2022: RM4.49 million) in tandem with higher volume of semi-high deck buses sold in FYE 2023 of 11 units (FYE 2022: 8 units), to both our existing customers and new customers in FYE 2023.

Our Group's revenue for the repair and maintenance segment increased by RM0.11 million or 17.7% to RM0.73 million in FYE 2023 (FYE 2022: RM0.62 million), due to the increase in number of buses being sent to us for repair and maintenance.

12. FINANCIAL INFORMATION *(Cont'd)*

Comparison between FYE 2023 and FYE 2024

Our Group's revenue increased by RM28.83 million or 104.4% to RM56.45 million in FYE 2024 (FYE 2023: RM27.62 million), which was mainly attributed to the increase in revenue from the sales of buses segment.

Our Group's revenue for the sales of buses segment increased by RM28.31 million or 105.3% to RM55.20 million in FYE 2024 (FYE 2023: RM26.89 million), which was mainly attributed to the increase in the sales of the semi-high deck buses by RM35.25 million or 550.8% to RM41.65 million in FYE 2024 (FYE 2023: RM6.40 million) in tandem with the higher volume of semi-high deck buses sold in FYE 2024 of 69 units (FYE 2023: 11 units) as well as the increase in average selling price of the semi-high deck buses by approximately RM0.02 million or 3.8%. The increase in sales volume of semi-high deck buses was mainly due to the shift in customers' demand for more passenger seats and larger luggage compartment within a bus as they switched to semi-high deck buses from single deck buses.

The increase in revenue was partially offset by the following:

(a) decrease in sales of single deck buses by RM7.44 million or 46.1% to RM8.71 million in FYE 2024 (FYE 2023: RM16.15 million) in tandem with the lower volume of single deck buses sold in FYE 2024 of 23 units (FYE 2023: 36 units). The decrease was mainly due to the shift in customers' demand from single deck buses to semi-high deck buses as mentioned above; and

(b) decrease in sales of the double deck buses by RM0.43 million or 16.8% to RM2.11 million in FYE 2024 (FYE 2023: RM2.54 million) in tandem with the lower volume of double deck buses sold in FYE 2024 of 2 units (FYE 2023: 6 units).

Our Group's revenue for the repair and maintenance segment increased by RM0.51 million or 69.9% to RM1.24 million in FYE 2024 (FYE 2023: RM0.73 million), due to the increase in number of buses being sent to us for repair and maintenance.

Comparison between FYE 2024 and FYE 2025

Our Group's revenue increased by RM31.63 million or 56.0% to RM88.08 million in FYE 2025 (FYE 2024: RM56.45 million), which was mainly attributed to the increase in revenue from the sales of buses segment.

Our Group's revenue for the sales of buses segment increased by RM31.62 million or 57.3% to RM86.82 million in FYE 2025 (FYE 2024: RM55.20 million), which was mainly attributed to the following:

(a) increase in the sales of the semi-high deck buses by RM26.95 million or 64.7% to RM68.60 million in FYE 2025 (FYE 2024: RM41.65 million) in tandem with the higher volume of semi-high deck buses sold in FYE 2025 of 105 units (FYE 2024: 69 units) as well as the increase in average selling price of the semi-high deck buses by approximately RM0.05 million or 8.2%. The increase of units sold was mainly due to our Group securing the orders of 44 units from 28 new customers in FYE 2025; and

12. FINANCIAL INFORMATION *(Cont'd)*

(b) increase in the sales of the double deck buses by RM12.87 million or 609.9% to RM14.98 million in FYE 2025 (FYE 2024: RM2.11 million) in tandem with the higher volume of double deck buses sold in FYE 2025 of 21 units (FYE 2024: 2 units). The increase in sales volume of double deck buses was mainly due to securing the orders of 8 units from Silmatra Jaya Sdn Bhd, one of our top 5 major customer for FYE 2025.

The increase in revenue was partially offset by the decrease in sales of single deck buses by RM5.46 million or 62.7% to RM3.25 million in FYE 2025 (FYE 2024: RM8.71 million) in tandem with the lower volume of single deck buses sold in FYE 2025 of 5 units (FYE 2024: 23 units).

Our Group's revenue for the repair and maintenance segment for the FYE 2024 and FYE 2025 remained relatively constant at RM1.24 million to RM1.26 million, respectively.

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12. FINANCIAL INFORMATION *(Cont'd)*

(B) Cost of sales

Our cost of sales comprised the following:

Type of costs	Description
Purchase of raw materials	The raw materials comprise, among others, chassis, metal, fiberglass, fittings and accessories (e.g. seats, electrical systems, headlights, tail and brake lights, interior lighting, windscreen, windows, mirrors, door mechanism, handles, stereo systems, air conditioning and ventilation systems) and other related raw materials required for the building of buses as well as repair and maintenance works for buses.
Subcontractors' cost (for sales of buses)	Subcontractors' costs comprise our in-house contract staff cost and the cost of engagement of third-party contractors for some of our bus assembly and fabrication works such as fabrication, painting and/or installation works.
Direct labour costs	Direct labour costs comprise salaries, bonuses, statutory contribution and other related costs for our employees who are involved in the assembly and fabrication works as well as repair and maintenance works for buses.
Production overhead (for sales of buses)	Production overhead comprises depreciation charges, utility charges, upkeep of factory, machineries and equipment as well as other bus building operation related expenses.

Cost of sales by business segments

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Sales of buses								
- Semi-high deck bus	4,047	30.1	5,460	24.6	33,936	76.7	55,557	79.5
- Single deck bus	5,950	44.1	13,781	62.1	6,590	14.9	2,584	3.7
- High deck bus	3,306	24.5	1,226	5.5	1,821	4.1	-	-
- Double deck bus	-	-	1,512	6.8	1,613	3.6	11,489	16.4
Subtotal	**13,304**	**98.7**	**21,979**	**99.0**	**43,960**	**99.3**	**69,630**	**99.6**
Repair and maintenance	178	1.3	211	1.0	315	0.7	277	0.4
Total	**13,482**	**100.0**	**22,190**	**100.0**	**44,275**	**100.0**	**69,907**	**100.0**

12. FINANCIAL INFORMATION *(Cont'd)*

(i) Sales of buses

Semi-high deck bus

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Purchase of raw materials[(a)]	3,555	87.9	4,697	86.0	29,686	87.5	47,389	85.3
Subcontractors' cost:								
- in-house contract staff	99	2.4	200	3.7	1,146	3.4	1,642	3.0
- third-party subcontractor	68	1.7	207	3.7	1,625	4.8	4,477	8.1
Direct labour costs	86	2.1	113	2.1	486	1.4	250	0.4
Production overhead	239	5.9	243	4.5	993	2.9	1,799	3.2
Total	**4,047**	**100.0**	**5,460**	**100.0**	**33,936**	**100.0**	**55,557**	**100.0**

Single deck bus

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Purchase of raw materials[(a)]	5,167	86.9	11,467	83.2	5,275	80.0	2,188	84.7
Subcontractors' cost:								
- in-house contract staff	149	2.5	559	4.0	342	5.2	80	3.1
- third-party subcontractor	102	1.7	579	4.2	485	7.4	219	8.5
Direct labour costs	143	2.4	380	2.8	157	2.4	11	0.4
Production overhead	389	6.5	796	5.8	331	5.0	86	3.3
Total	**5,950**	**100.0**	**13,781**	**100.0**	**6,590**	**100.0**	**2,584**	**100.0**

12. FINANCIAL INFORMATION *(Cont'd)*

High deck bus

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Purchase of raw materials[(a)]	2,964	89.7	1,097	89.5	1,627	89.3	-	-
Subcontractors' cost:								
- in-house contract staff	83	2.5	33	2.7	55	3.1	-	-
- third-party subcontractor	57	1.7	34	2.8	77	4.2	-	-
Direct labour costs	53	1.6	18	1.4	18	1.0	-	-
Production overhead	149	4.5	44	3.6	43	2.4	-	-
Total	**3,306**	**100.0**	**1,226**	**100.0**	**1,821**	**100.0**	**-**	**-**

Double deck bus

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Purchase of raw materials[(a)]	-	-	1,077	71.2	1,474	91.4	9,771	85.0
Subcontractors' cost:								
- in-house contract staff	-	-	119	7.9	41	2.5	341	3.0
- third-party subcontractor	-	-	123	8.1	58	3.6	931	8.1
Direct labour costs	-	-	60	4.0	11	0.7	83	0.7
Production overhead	-	-	133	8.8	29	1.8	363	3.2
Total	**-**	**-**	**1,512**	**100.0**	**1,613**	**100.0**	**11,489**	**100.0**

12. FINANCIAL INFORMATION *(Cont'd)*

Note:

(a) For information purposes, chassis represents the highest cost component within a bus and the total cost of chassis in our cost of sales for the FYE Under Review are as follows:

	Audited			
	FYE 2022	***FYE 2023***	***FYE 2024***	***FYE 2025***
Total cost of chassis (RM'000)	*7,691*	*11,149*	*24,778*	*40,671*
% of the total cost of chassis to the total cost of sales (%)	*57.1*	*50.2*	*56.0*	*58.2*

(ii) Repair and maintenance

	Audited							
	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Purchase of raw materials	166	93.3	196	92.9	300	94.9	272	98.2
Direct labour costs	12	6.7	15	7.1	15	5.1	5	1.8
Total	**178**	**100.0**	**211**	**100.0**	**315**	**100.0**	**277**	**100.0**

Cost of sales by geographical markets

	Audited							
	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Malaysia	13,482	100.0	20,842	93.9	40,066	90.5	66,120	94.6
Singapore	-	-	1,348	6.1	4,209	9.5	3,787	5.4
Total	**13,482**	**100.0**	**22,190**	**100.0**	**44,275**	**100.0**	**69,907**	**100.0**

12. FINANCIAL INFORMATION *(Cont'd)*

Comparison between FYE 2022 and FYE 2023

Our Group's cost of sales increased by RM8.71 million or 64.6% to RM22.19 million in FYE 2023 (FYE 2022: RM13.48 million), which was mainly attributed to the following:

(a) increase in cost of sales of the single deck buses by RM7.83 million or 131.6% to RM13.78 million in FYE 2023 (FYE 2022: RM5.95 million), in tandem with the higher volume of single deck buses sold in FYE 2023 of 36 units (FYE 2022: 13 units);

(b) cost of sales of the double deck buses of RM1.51 million in FYE 2023, which was not incurred in FYE 2022, as the sale of double deck buses only commenced in FYE 2023; and

(c) increase in cost of sales of the semi-high deck buses by RM1.41 million or 34.9% to RM5.46 million in FYE 2023 (FYE 2022: RM4.05 million), in tandem with the higher volume of semi-high deck buses sold in FYE 2023 of 11 units (FYE 2022: 8 units).

However, the increase is partially offset by a decrease in cost of sales of the high deck buses by RM2.08 million or 62.9% to RM1.23 million in FYE 2023 (FYE 2022: RM3.31 million), in tandem with the lower volume of high deck buses sold in FYE 2023 of 2 units (FYE 2022: 5 units).

Comparison between FYE 2023 and FYE 2024

Our Group's cost of sales increased by RM22.09 million or 99.5% to RM44.28 million in FYE 2024 (FYE 2023: RM22.19 million), which was mainly attributed to the increase in cost of sales of the semi-high deck buses by RM28.48 million or 521.4% to RM33.94 million in FYE 2024 (FYE 2023: RM5.46 million), in tandem with the higher volume of semi-high deck buses sold in FYE 2024 of 69 units (FYE 2023: 11 units).

However, the increase is partially offset by a decrease in cost of sales of the single deck buses by RM7.19 million or 52.2% to RM6.59 million in FYE 2024 (FYE 2023: RM13.78 million), in tandem with the lower volume of single deck buses sold in FYE 2024 of 23 units (FYE 2023: 36 units).

Comparison between FYE 2024 and FYE 2025

Our Group's cost of sales increased by RM25.63 million or 57.9% to RM69.91 million in FYE 2025 (FYE 2024: RM44.28 million), which was mainly attributed to the following:

(a) increase in cost of sales of the semi-high deck buses by RM21.62 million or 63.7% to RM55.56 million in FYE 2025 (FYE 2024: RM33.94 million), in tandem with the higher volume of semi-high deck buses sold in FYE 2025 of 105 units (FYE 2024: 69 units); and

(b) increase in cost of sales of the double deck buses by RM9.88 million or 613.7% to RM11.49 million in FYE 2025 (FYE 2024: RM1.61 million), in tandem with the higher volume of double deck buses sold in FYE 2025 of 21 units (FYE 2024: 2 units).

12. FINANCIAL INFORMATION *(Cont'd)*

(C) GP

GP analysis by business segments

	Audited											
	FYE 2022			FYE 2023			FYE 2024			FYE 2025		
	RM'000	%	GP margin %	RM'000	%	GP margin %	RM'000	%	GP margin %	RM'000	%	GP margin %
Sales of buses												
- Semi-high deck bus	441	20.6	9.8	935	17.2	14.6	7,709	63.3	18.5	13,041	71.7	19.0
- Single deck bus	607	28.3	9.3	2,374	43.7	14.7	2,123	17.4	24.4	661	3.6	20.4
- High deck bus	648	30.3	16.4	578	10.6	32.1	912	7.5	33.4	-	-	-
- Double deck bus	-	-	-	1,024	18.9	40.4	497	4.1	23.6	3,487	19.2	23.3
Subtotal	**1,696**	**79.2**	**11.3**	**4,911**	**90.4**	**18.3**	**11,241**	**92.4**	**20.4**	**17,189**	**94.5**	**19.8**
Repair and maintenance	446	20.8	71.5	521	9.6	71.1	930	7.6	74.7	987	5.5	78.1
Total	**2,142**	**100.0**	**13.7**	**5,432**	**100.0**	**19.7**	**12,171**	**100.0**	**21.6**	**18,176**	**100.0**	**20.6**

GP analysis by geographical market

	Audited											
	FYE 2022			FYE 2023			FYE 2024			FYE 2025		
	RM'000	%	GP margin %	RM'000	%	GP margin %	RM'000	%	GP margin %	RM'000	%	GP margin %
Malaysia	2,142	100.0	13.7	4,741	87.3	18.5	10,070	82.7	20.1	17,269	95.0	20.7
Singapore	-	-	-	691	12.7	33.9	2,101	17.3	33.3	907	5.0	19.3
Total	**2,142**	**100.0**	**13.7**	**5,432**	**100.0**	**19.7**	**12,171**	**100.0**	**21.6**	**18,176**	**100.0**	**20.6**

Comparison between FYE 2022 and FYE 2023

Our Group's GP increased by RM3.29 million or 153.6% to RM5.43 million in FYE 2023 (FYE 2022: RM2.14 million), mainly due to the following:

(a) increase in GP contributed by both the single deck and semi-high deck buses which is in line with the increase in revenue generated from the sale of single deck and semi-high deck buses respectively, as detailed in Section 12.3.3(A) of this Prospectus; and

(b) introduction of new product i.e. double deck buses as detailed in Section 12.3.3(A) of this Prospectus.

Our Group's GP margin also increased from 13.7% in FYE 2022 to 19.7% in FYE 2023, mainly attributable to:

(a) improved GP margin for the single deck buses from 9.3% in FYE 2022 to 14.7% in FYE 2023 mainly due to lower costs of raw materials as certain customers purchased its own chassis for our building of the single deck buses; and

(b) GP margin of 40.4% recorded for the newly introduced double deck buses during FYE 2023 due to lower costs of raw materials as our customers purchased its own chassis for the building of the double deck buses.

In cases where customers opt to purchase its own chassis, it would substantially lower the overall cost as the cost of chassis is a substantial cost for raw materials. Although the revenue recorded for such cases would also be lower as the cost of chassis is not included in the selling price, the proportion of GP (being the fees charged for the assembly and fabrication works) relative to revenue is higher, resulting in an improved GP margin.

Comparison between FYE 2023 and FYE 2024

Our Group's GP increased by RM6.74 million or 124.1% to RM12.17 million in FYE 2024 (FYE 2023: RM5.43 million), mainly due to the increase in GP for the semi-high deck buses which is in line with the increase in revenue generated from the sale of the semi-high deck buses as detailed in Section 12.3.3(A) of this Prospectus.

However, the increase in GP is partially offset by the decrease in GP for the double deck buses which is in line with lower sales of the double deck buses as detailed in Section 12.3.3(A) of this Prospectus. In addition, the decrease in GP for the double deck buses in FYE 2024 was also due to higher average purchase price for raw materials for the double deck buses which include cost of chassis (customer purchased its own chassis in FYE 2023).

Our Group's GP margin also increased from 19.7% in FYE 2023 to 21.6% in FYE 2024, mainly attributable to:

(a) improved GP margin for the semi-high deck buses from 14.6% in FYE 2023 to 18.5% in FYE 2024 mainly due to improvement in cost efficiency resulting in lower production overhead costs per unit in tandem with higher volume of semi-high deck buses sold in FYE 2024 as well as lower cost of chassis as certain customers purchased its own chassis for our building of the semi-high deck buses; and

(b) improved GP margin for the single deck buses from 14.7% in FYE 2023 to 24.4% in FYE 2024 due to lower average purchase price for raw materials as one of our customers purchased its own chassis for 13 units of single deck buses in FYE 2024.

However, this increase in the overall GP margin is partially offset by the decrease in GP margin for the double deck buses from 40.4% in FYE 2023 to 23.6% in FYE 2024 as a result of higher average purchase price for raw materials as explained above.

Comparison between FYE 2024 and FYE 2025

Our Group's GP increased by RM6.01 million or 49.4% to RM18.18 million in FYE 2025 (FYE 2024: RM12.17 million), mainly due to the increase in GP contributed by both the semi-high deck and double deck buses which is in line with the increase in revenue generated from the sale of semi-high and double deck buses respectively, as detailed in Section 12.3.3(A) of this Prospectus.

However, the increase in GP is partially offset by the decrease in GP for the single deck buses which is in line with lower sales of the single deck buses as detailed in Section 12.3.3(A) of this Prospectus.

Our Group's GP margin decreased slightly from 21.6% in FYE 2024 to 20.6% in FYE 2025, mainly attributable to:

(a) the decrease in GP margin for the single deck buses from 24.4% in FYE 2024 to 20.4% in FYE 2025 due to higher average purchase price for raw materials for the single deck buses as the chassis for all the single deck buses are sourced by our Group in FYE 2025; and

(b) the absence of sales of the high deck buses in FYE 2025, which typically has a relatively higher GP margin among our buses for FYE 2024.

In addition, our GP margin for the Singapore market has also decreased from 33.3% in FYE 2024 to 19.3% in FYE 2025, mainly due to higher costs incurred for the purchase of raw materials and subcontractor costs. The higher costs for the purchase of raw materials was mainly due to the sale of more semi-high deck buses in FYE 2025 and the increase in subcontractor costs was mainly attributed to the increase in minimum wage from RM1,500 to RM1,700 which took effect on 1 February 2025.

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12. FINANCIAL INFORMATION *(Cont'd)*

(D) Other income and gains

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Interest income from fixed deposits	8	42.1	22	37.3	26	72.2	24	42.1
Net gain on lease terminations	-	-	-	-	-	-	25	43.9
Net unrealised gain on foreign exchange	-	-	30	50.8	-	-	-	-
Others:								
- Handling fees for hire purchase loans and insurance compensation	-	-	7	11.9	10	27.8	8	14.0
- Human Resources Development Fund claim	11	57.9	-	-	-	-	-	-
Total	**19**	**100.0**	**59**	**100.0**	**36**	**100.0**	**57**	**100.0**

Comparison between FYE 2022 and FYE 2023

Other income and gains increased by RM0.04 million or 200.0% to RM0.06 million in FYE 2023 (FYE 2022: RM0.02 million). The increase was mainly due to the recognition of net unrealised gain on foreign exchange of RM0.03 million arising from the strengthening of SGD against the MYR as we maintain foreign currency accounts in SGD as well as the increase in interest income from fixed deposit by RM0.01 million.

Comparison between FYE 2023 and FYE 2024

Other income and gains decreased by RM0.02 million or 39.0% to RM0.04 million in FYE 2024 (FYE 2023: RM0.06 million). The decrease was mainly due to absence of the net unrealised gain on foreign exchange of RM0.03 million in FYE 2023.

Comparison between FYE 2024 and FYE 2025

Other income and gains increased by RM0.02 million or 58.3% to RM0.06 million in FYE 2025 (FYE 2024: RM0.04 million). The increase was mainly due to the recognition of net gain on lease terminations of RM0.03 million arising from termination of leases for warehouse and staff hostel in FYE 2025.

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12. FINANCIAL INFORMATION *(Cont'd)*

(E) Administrative and general expenses

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Staff cost and related expenses[(1)]	470	43.3	575	38.7	676	24.2	1,183	22.8
Professional fees	31	2.9	105	7.1	637	22.8	1,664	32.1
Directors' remuneration[(2)]	254	23.4	407	27.4	524	18.8	828	16.0
Depreciation	102	9.4	103	7.0	276	9.9	337	6.5
Bank charges	31	2.9	25	1.7	125	4.5	83	1.6
Net realised loss on foreign exchange	-	-	25	1.7	99	3.5	24	2.0
Subscription fees[(3)]	25	2.3	43	2.9	75	2.7	120	2.3
Office expenses	43	3.9	59	4.0	61	2.2	82	1.6
Service tax[(4)]	17	1.5	21	1.4	53	1.9	243	4.7
Service charge[(5)]	18	1.6	7	0.4	52	1.8	36	0.7
Upkeep of motor vehicles	23	2.2	28	1.9	44	1.5	25	0.5
Net unrealised loss on foreign exchange	-	-	-	-	44	1.6	104	0.4
Donation, gifts and sponsorship	11	1.0	17	1.1	34	1.2	15	0.3
Insurance	9	0.8	36	2.4	12	0.4	16	0.3
Bad debt written off	21	1.9	-	-	-	-	-	-
Compound[(6)]	-	-	-	-	-	-	108	2.1
Others[(7)]	31	2.9	34	2.3	84	3.0	321	6.1
Total	**1,086**	**100.0**	**1,485**	**100.0**	**2,796**	**100.0**	**5,189**	**100.0**

Notes:

(1) Comprises, among others, salary, staff training costs, EPF contributions, SOCSO contributions and staff medical expenses.

(2) Comprises Directors' salaries, fees, bonuses, statutory contributions, benefits-in-kinds and allowances.

(3) Comprises software subscription fees for among others, remote desktop services and ERP software.

(4) Service tax for the expenses incurred for among others, professional fees, subscription fees and office expenses.

(5) Comprises the payment made to third-party individuals for handling administrative tasks in relation to the renewal of leasehold property as well as permits and licenses relevant to our business.

(6) Comprises mainly the penalty of RM0.11 million due to the past non-compliance with Street, Drainage and Building Act 1974 as we renovated our Silibin Premises without obtaining prior approval from the local authority. Further details are set out in Section 7.22(i) of this Prospectus.

(7) Comprises, among others, costs for our Group's courier services, attestation fees for audited financial statements, advertisement fee for recruitment of staff, registration and license fee.

Comparison between FYE 2022 and FYE 2023

Our Group's administrative and general expenses increased by RM0.40 million or 36.7% to RM1.49 million in FYE 2023 (FYE 2022: RM1.09 million). The increase was mainly due to the following:

(a) increase in directors' remuneration by RM0.15 million, primarily due to higher bonuses as rewards to our directors who contributed to our Group's business growth;

(b) increase in staff cost and related expenses by RM0.09 million mainly due to salary increment for our staff of RM0.06 million; and

(c) increase in professional fees by RM0.07 million mainly due to higher audit fees of RM0.05 million and consultation fees for the implementation of ERP software of RM0.02 million.

Comparison between FYE 2023 and FYE 2024

Our Group's administrative and general expenses increased by RM1.31 million or 87.9% to RM2.80 million in FYE 2024 (FYE 2023: RM1.49 million). The increase was mainly due to the following:

(a) increase in professional fees by RM0.53 million mainly due to the implementation of our ERP software of RM0.20 million as well as professional fees incurred for the Listing of RM0.28 million;

(b) increase in directors' remuneration by RM0.20 million, primarily due to higher bonuses as rewards to our directors who contributed to our Group's business growth;

(c) increase in depreciation by RM0.17 million following the acquisition of the New Land; and

12. FINANCIAL INFORMATION *(Cont'd)*

(d) increase in net realised loss on foreign exchange by RM0.07 million mainly due to the weakening of the SGD against the MYR during the second half of 2024.

Comparison between FYE 2024 and FYE 2025

Our Group's administrative and general expenses increased by RM2.39 million or 85.4% to RM5.19 million in FYE 2025 (FYE 2024: RM2.80 million). The increase was mainly due to the following:

(a) increase in professional fees by RM1.03 million mainly due to the professional fees incurred for the Listing of RM0.67 million and higher audit fees of RM0.20 million;

(b) increase in staff cost and related expenses by RM0.50 million mainly due to bonuses, salary increment for our staff and changes in headcount from 15 employees to 20 employees within our administration and human resources department, production department, business services department as well as business development department; and

(c) increase in directors' remuneration by RM0.31 million, mainly due to the adjustment of the remuneration package for our directors.

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12. FINANCIAL INFORMATION *(Cont'd)*

(F) Selling expenses

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Transportation and distribution costs[(1)]	7	4.3	30	38.0	73	67.6	71	49.0
Commission[(2)]	116	72.1	29	36.7	27	25.0	42	29.0
Marketing and other expenses[(3)]	38	23.6	20	25.3	8	7.4	32	22.0
Total	**161**	**100.00**	**79**	**100.00**	**108**	**100.0**	**145**	**100.0**

Notes:

(1) Refer to the handling charges for the delivery of buses to our customers.

(2) Refer to commission paid to third-parties for the introductory sales of our buses.

(3) Refer to expenses related to campaigns, events and bus handover ceremonies.

Comparison between FYE 2022 and FYE 2023

Our Group's selling expenses decreased by RM0.08 million or 50.9% to RM0.08 million in FYE 2023 (FYE 2022: RM0.16 million). The decrease was mainly due to the decrease in commission paid to third-parties by RM0.87 million as a result of lesser sales referred by the third-parties in FYE 2023.

Comparison between FYE 2023 and FYE 2024

Our Group's selling expenses increased by RM0.03 million or 36.7% to RM0.11 million in FYE 2024 (FYE 2023: RM0.08 million). The increase was mainly due to the increase in transportation and distribution costs by RM0.04 million, in tandem with the increase in our Group's revenue.

Comparison between FYE 2024 and FYE 2025

Our Group's selling expenses increased by RM0.04 million or 34.3% to RM0.15 million in FYE 2025 (FYE 2024: RM0.11 million). The increase was mainly due to the increase in marketing and other expenses by RM0.02 million incurred for events and bus handover ceremonies in tandem with the increase in sales of buses.

(G) Reversal of loss allowance/ (Loss allowance) on trade receivables

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Loss allowance	55	100.0	92	100.0	434	105.9	410	282.8
Reversal of loss allowance	-	-	-	-	(24)	(5.9)	(265)	(182.8)
Total[(1)]	**55**	**100.0**	**92**	**100.0**	**410**	**100.0**	**145**	**100.0**

12. FINANCIAL INFORMATION *(Cont'd)*

Note:

(1) For the avoidance of doubt, the reversal of loss allowance/ (loss allowance) on trade receivables presented in our statements of profit or loss and other comprehensive income for the FYE Under Review in Section 12.1.1 of this Prospectus represents the net remeasurement figures as follows:

	Audited			
	FYE 2022	*FYE 2023*	*FYE 2024*	*FYE 2025*
	RM'000	*RM'000*	*RM'000*	*RM'000*
At 1 January	*-*	*55*	*92*	*410*
Net remeasurement	*55*	*37*	*318*	*(265)*
At 31 December	*55*	*92*	*410*	*145*

Comparison between FYE 2022 and FYE 2023

Our Group recorded loss allowance (net of reversal of loss allowance) on trade receivables of RM0.09 million in FYE 2023 mainly due to the recognition of individual impairment losses on specific customers whose outstanding balances were aged more than 90 days past due and were assessed to represent heightened credit risk.

Comparison between FYE 2023 and FYE 2024

Our Group recorded loss allowance (net of reversal of loss allowance) on trade receivables of RM0.41 million in FYE 2024 mainly due to the recognition of individual impairment losses on higher number of customers (29 customers) whose outstanding balances were aged more than 90 days past due and were assessed to represent heightened credit risk as compared to FYE 2023 (19 customers). It was partially offset by the reversal of loss allowance on trade receivables of RM0.02 million where we reversed the impaired trade receivables due to subsequent collections in FYE 2024.

Comparison between FYE 2024 and FYE 2025

Our Group recorded a reversal of loss allowance on trade receivables of RM0.15 million in FYE 2025 mainly due to the subsequent collections of previously impaired trade receivables in FYE 2025.

(H) Finance costs

	Audited							
	FYE 2022		**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Term loans	139	45.6	216	73.2	198	70.0	170	62.5
Lease liabilities	8	2.6	3	1.0	33	11.7	46	16.9
Bank overdraft	30	9.8	3	1.0	21	7.4	4	1.5
Banker's acceptances	22	7.2	19	6.4	12	4.2	12	4.4
Others[(1)]	106	34.8	54	18.4	19	6.7	40	14.7
Total	**305**	**100.0**	**295**	**100.0**	**283**	**100.0**	**272**	**100.0**

12. FINANCIAL INFORMATION *(Cont'd)*

Note:

*(1) Comprise the interest on extended credit terms charged by Scania Credit (Malaysia) Sdn Bhd for the purchase of chassis. Depending on the type of chassis purchased, the extended credit term ranges from 120 days to 270 days ("**Grace Period**"). Upon expiration of the Grace Period, the outstanding amount shall be repaid in 4 equal monthly instalments, subject to the prescribed interest charges.*

Comparison between FYE 2022 and FYE 2023

Our Group's finance costs decreased by RM0.01 million or 3.6% to RM0.29 in FYE 2023 (FYE 2022: RM0.30 million). The decrease was mainly due to the following:

(a) decrease in finance costs incurred for bank overdraft by RM0.03 million due to lower utilisation of the bank overdraft facility as our Group has switched to a higher utilisation of the term loan facility for our working capital requirements; and

(b) decrease in interest expenses incurred for the purchase of chassis by RM0.05 million due to lesser interest charged by Scania Credit (Malaysia) Sdn Bhd on the extended credit terms as a result of prompt payment in FYE 2023.

However, the aforesaid impact was offset by the increase in finance costs on term loan of RM0.08 million mainly due to the higher utilisation of the term loan facility for our working capital requirements as mentioned above.

Comparison between FYE 2023 and FYE 2024

Our Group's finance costs decreased by RM0.01 million or 3.4% to RM0.28 million in FYE 2024 (FYE 2023: RM0.29 million). The decrease was mainly due to the decrease in interest expenses incurred for the purchase of chassis by RM0.03 million due to lesser interest charged by Scania Credit (Malaysia) Sdn Bhd on the extended credit terms as a result of prompt payment in FYE 2024.

However, the aforesaid impact was offset by the increase in finance costs incurred for lease liabilities by RM0.03 million in tandem with the increase in lease liabilities for our right-of-use assets as well as purchase of motor vehicles.

Comparison between FYE 2024 and FYE 2025

Our Group's finance costs decreased by RM0.01 million or 3.6% to RM0.27 million in FYE 2025 (FYE 2024: RM0.28 million). The decrease was mainly due to the decrease in finance costs on term loan of RM0.03 million mainly due to the lower range of interest rates of the term loan facility ranging from 3.50% to 5.13% in FYE 2025 (FYE 2024: 3.50% to 5.65%) for our working capital requirements.

However, the aforesaid impact was offset by the increase in interest expenses incurred for the purchase of chassis by RM0.02 million due to higher utilisation of the financing arrangement with Scania Credit (Malaysia) Sdn Bhd on the extended credit terms for the purchase of chassis.

12. FINANCIAL INFORMATION *(Cont'd)*

(I) PBT, PAT, PBT margin and PAT margin

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
PBT (RM'000)	554	3,595	8,702	12,892
PBT margin (%)	3.6	13.0	15.4	14.6
Tax expense (RM'000)	127	870	1,802	3,086
Effective tax rate[(1)] (%)	22.9	24.2	20.7	23.9
Statutory tax rate[(2)] (%)	17.0	24.0	24.0	24.0
PAT (RM'000)	427	2,725	6,900	9,806
PAT margin (%)	2.7	9.9	12.2	11.1

Notes:

(1) Computed based on the tax expense over PBT.

*(2) The statutory corporate tax rate in Malaysia is 24.0%. Companies deemed as qualified micro, small and medium enterprises ("**Qualified Enterprises**") will be entitled to lower tax rates. Our Group is classified as Qualified Enterprises and was hence entitled to lower tax rates for the FYE 2022, FYE 2023 and FYE 2024. For the year of assessment 2022, the Qualified Enterprises are subject to tax rate of 17.0% on the first chargeable income up to RM600,000 whilst for the year of assessment 2023 and 2024, the Qualified Enterprises are subject to tax rate of 15.0% on first chargeable income up to RM150,000 and 17.0% on chargeable income above RM150,000 up to RM600,000. For chargeable income in excess of RM600,000 for the year of assessment of 2023 and 2024, the statutory corporate tax rate of 24.0% remains applicable.*

Comparison between FYE 2022 and FYE 2023

Our Group's PBT increased by RM3.04 million or 548.9% in FYE 2023 (FYE 2022: RM0.55 million), which was mainly due to the increase in our GP for the FYE 2023 as detailed in Section 12.3.3(C) of this Prospectus.

Our Group's PBT margin increased from 3.6% in FYE 2022 to 13.0% in FYE 2023 mainly attributable to the increase in our GP margin from 13.7% in FYE 2022 to 19.7% in FYE 2023 as detailed in Section 12.3.3(C) of this Prospectus.

For the FYE 2022, our Group has incurred income tax expense of RM0.13 million with an effective tax rate of 22.9% which was higher than the statutory tax rate of 17.0%. This was mainly due to non-deductible expenses incurred by our Group such as depreciation and professional fees.

For the FYE 2023, our Group has incurred income tax expense of RM0.87 million with an effective tax rate of 24.2% which was slightly higher than the statutory tax rate of 24.0%.

In view of the foregoing, our Group's PAT increased by RM2.30 million or 538.2% in FYE 2023 (FYE 2022: RM0.43 million).

Comparison between FYE 2023 and FYE 2024

Our Group's PBT increased by RM5.11 million or 142.1% in FYE 2024 (FYE 2023: RM3.60 million), which was mainly due to the increase in our GP for the FYE 2024 as detailed in Section 12.3.3(C) of this Prospectus.

Our Group's PBT margin increased from 13.0% in FYE 2023 to 15.4% in FYE 2024 mainly attributable to the increase in our GP margin from 19.7% in FYE 2023 to 21.6% in FYE 2024 as detailed in Section 12.3.3(C) of this Prospectus.

For the FYE 2024, our Group has incurred income tax expense of RM1.80 million with an effective tax rate of 20.7% which was lower than the statutory tax rate of 24.0%. This was mainly due to higher deductible expenses incurred by our Group which are wholly and exclusively incurred in the production of gross income, such as business travel expenses, staff salaries, utilities, repair and maintenance.

In view of the foregoing, our Group's PAT increased by RM4.18 million or 153.2% in FYE 2024 (FYE 2023: RM2.73 million).

Comparison between FYE 2024 and FYE 2025

Our Group's PBT increased by RM4.19 million or 48.2% in FYE 2025 (FYE 2024: RM8.70 million), which was mainly due to the increase in our GP for the FYE 2025 as detailed in Section 12.3.3(C) of this Prospectus.

Our Group's PBT margin decreased from 15.4% in FYE 2024 to 14.6% in FYE 2025 mainly attributable to the decrease in our GP margin from 21.6% in FYE 2024 to 20.6% in FYE 2025 as detailed in Section 12.3.3(C) of this Prospectus.

For the FYE 2025, our Group has incurred income tax expense of RM3.09 million with an effective tax rate of 23.9% which was slightly lower than the statutory tax rate of 24.0%.

In view of the foregoing, our Group's PAT increased by RM2.91 million or 42.2% in FYE 2025 (FYE 2024: RM6.90 million).

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12. FINANCIAL INFORMATION *(Cont'd)*

12.4 LIQUIDITY AND CAPITAL RESOURCES

12.4.1 Working capital

Our business has been financed from a combination of internal and external sources of funds comprising existing cash and bank balance, cash generated from our operations and borrowings.

Based on our audited consolidated statement of financial position as at 31 December 2025, our Group has cash and bank balances of RM4.10 million. As at 31 December 2025, our Group's gearing ratio was 0.28 times and current ratio was 1.71 times.

As at the LPD, our Group recorded cash and bank balances of approximately RM0.97 million.

Our Board is of the view that we will have sufficient working capital to meet our present and foreseeable requirements for at least a period of 12 months from the date of this Prospectus after taking into consideration the following:

(i) our cash and bank balances and available credit facilities extended to us by financial institutions;

(ii) our expected future cash flows from operations; and

(iii) proceeds expected to be raised from our Public Issue.

12.4.2 Cash flows

The table below sets out the summary of our Group's cash flow for the FYE Under Review:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Net cash from operating activities	457	1,469	3,266	4,884
Net cash used in investing activities	(62)	(446)	(2,814)	(2,556)
Net cash from/ (used in) financing activities	1,021	(932)	(518)	144
Net changes in cash and cash equivalents	1,416	91	(66)	2,472
Effect of foreign exchange translation	-	33	(24)	(11)
Cash and cash equivalents at the beginning of the financial year	185	1,601	1,725	1,635
Cash and cash equivalents at the end of the financial year[(1)]	**1,601**	**1,725**	**1,635**	**4,096**

12. FINANCIAL INFORMATION *(Cont'd)*

Note:

(1) Cash and cash equivalents comprise the following:

	Audited			
	FYE 2022	***FYE 2023***	***FYE 2024***	***FYE 2025***
	RM'000	***RM'000***	***RM'000***	***RM'000***
Fixed deposits	*792*	*348*	*2,115*	*3,577*
Cash and bank balances	*1,601*	*1,802*	*1,635*	*4,096*
Bank overdraft	*-*	*(77)*	*-*	*-*
	2,393	*2,073*	*3,750*	*7,673*
Less: Fixed deposits pledged to licensed banks	*(792)*	*(348)*	*(2,115)*	*(3,577)*
Total	***1,601***	***1,725***	***1,635***	***4,096***

(A) Net cash from operating activities

(i) FYE 2022

For the FYE 2022, our Group recorded net cash from operating activities of RM0.46 million after accounting for the key items set out below:

(a) increase in inventories of RM1.64 million mainly due to the higher purchases of raw materials as well as our holding of higher quantity of inventories to cater for future sales order in FYE 2023;

(b) increase in trade and other receivables of RM0.44 million which was in line with the increase in our Group's revenue; and

(c) increase in trade and other payables of RM1.52 million mainly due to higher purchases of raw materials to cater for future sales order in FYE 2023.

(ii) FYE 2023

For the FYE 2023, our Group recorded net cash from operating activities of RM1.47 million after accounting for key items set out below:

(a) increase in inventories of RM5.67 million mainly due to higher purchases of raw materials as well as our holding of higher quantity of inventories to cater for future sales order in FYE 2024;

(b) increase in trade and other receivables of RM0.91 million which was in line with the increase in our Group's revenue; and

(c) increase in trade and other payables of RM3.95 million mainly due to higher purchases of raw materials to cater for future sales order in FYE 2024.

12. FINANCIAL INFORMATION *(Cont'd)*

(iii) FYE 2024

For the FYE 2024, our Group recorded net cash from operating activities of RM3.27 million after accounting for key items set out below:

(a) increase in inventories of RM9.08 million mainly due to higher purchases of raw materials as well as our holding of higher quantity of inventories to cater for future sales order in FYE 2025 and higher work-in-progress as a result of the increase in production capacity;

(b) increase in trade and other receivables of RM7.07 million which was in line with the increase in our Group's revenue; and

(c) increase in trade and other payables of RM10.51 million due to higher purchases of raw materials to cater for future sales order in FYE 2025.

(iv) FYE 2025

For the FYE 2025, our Group recorded net cash from operating activities of RM4.88 million after accounting for key items set out below:

(a) increase in inventories of RM6.11 million mainly due to higher purchases of raw materials as well as our holding of higher quantity of inventories to cater for future sales order in FYE 2026 and higher work-in-progress as a result of the increase in production capacity;

(b) decrease in trade and other receivables of RM2.15 million mainly due to prompt collection of outstanding receivables from customers; and

(c) decrease in trade and other payables of RM2.63 million due to prompt payment to our suppliers as a result of improved working capital management.

(B) Net cash for investing activities

(i) FYE 2022

For the FYE 2022, our Group recorded net cash used in investing activities of RM0.06 million mainly due to the purchase of property, plant and equipment of RM0.42 million. The purchase of property, plant and equipment in FYE 2022 mainly comprises leasehold land and buildings, furniture and fittings and office equipment, motor vehicles as well as plant and machinery and factory equipment.

The net cash used in investing activities was partially offset by the withdrawal of fixed deposits pledged to licensed banks of RM0.35 million.

12. FINANCIAL INFORMATION *(Cont'd)*

(ii) FYE 2023

For the FYE 2023, our Group recorded net cash used in investing activities of RM0.44 million mainly due to the purchase of property, plant and equipment of RM0.98 million. The purchase of property, plant and equipment in FYE 2023 mainly comprises leasehold land and buildings, furniture and fittings and office equipment, motor vehicles, plant and machinery and factory equipment as well as renovation.

The net cash used in investing activities was partially offset by the withdrawal of fixed deposits pledged to licensed banks of RM0.44 million.

(iii) FYE 2024

For the FYE 2024, our Group recorded net cash used in investing activities of RM2.81 million mainly due to the following:

(a) the placement of fixed deposits pledged to licensed banks of RM1.77 million; and

(b) the purchase of property, plant and equipment of RM1.15 million. The purchase of property, plant and equipment in FYE 2024 mainly comprises furniture and fittings and office equipment, plant and machinery and factory equipment as well as renovation.

(iv) FYE 2025

For the FYE 2025, our Group recorded net cash used in investing activities of RM2.56 million mainly due to the following:

(a) the placement of fixed deposits pledged to licensed banks of RM1.46 million; and

(b) the purchase of property, plant and equipment of RM1.12 million mainly comprised capital expenditures and renovation costs incurred for the enhancement of business operations, such as the concrete works in our Silibin Premises and the New Land.

(C) Net cash from financing activities

(i) FYE 2022

For the FYE 2022, our Group recorded net cash from financing activities of RM1.02 mainly due to drawdown of borrowings of RM1.7 million for our working capital requirements.

The net cash from financing activities was partially offset by the following:

(a) repayment of bank borrowings of RM0.42 million;

(b) interest payment of RM0.17 million, relating to banker's acceptances, lease liabilities and term loans; and

(c) repayment of lease liabilities of RM0.09 million.

12. FINANCIAL INFORMATION *(Cont'd)*

(ii) FYE 2023

For the FYE 2023, our Group recorded net cash used in financing activities of RM0.93 million after taking into consideration the following:

(a) repayment of bank borrowings of RM0.63 million;

(b) interest payment of RM0.24 million, relating to banker's acceptances, lease liabilities and term loans; and

(c) repayment of lease liabilities of RM0.09 million.

(iii) FYE 2024

For the FYE 2024, our Group recorded net cash used in financing activities of RM0.52 million after taking into consideration the following:

(a) repayment of bank borrowings of RM0.70 million;

(b) interest payment of RM0.22 million, relating to banker's acceptances, lease liabilities and term loans;

(c) repayment of lease liabilities of RM0.19 million; and

(d) repayment of advances from a shareholder, namely Ng Chai Sing, of RM0.11 million.

The net cash used in financing activities was partially offset by the drawdown of borrowings of RM0.70 million for our working capital requirements.

(iv) FYE 2025

For the FYE 2025, our Group recorded net cash from financing activities of RM0.14 million mainly due to drawdown of borrowings of RM1.63 million for our working capital requirements.

The net cash from financing activities was partially offset by the following:

(a) repayment of bank borrowings of RM1.01 million;

(b) repayment of lease liabilities of RM0.26 million; and

(c) interest payment of RM0.21 million, relating to banker's acceptances, lease liabilities and term loans.

12. FINANCIAL INFORMATION *(Cont'd)*

12.4.3 Borrowings

As at 31 December 2025, our Group's total outstanding borrowings was RM6.65 million, all of which were interest-bearing. The details of our bank borrowings are set out below:

	As at 31 December 2025		
	Repayable within 12 months	**Repayable after 12 months**	**Total**
	RM'000	**RM'000**	**RM'000**
Borrowings[(1)]	3,521	2,494	6,015
Lease liabilities[(2)]	166	464	630
Total	**3,687**	**2,958**	**6,645**
Gearing ratio (times)			**0.28**

Notes:

(1) Comprise term loans and banker's acceptances which were mainly to finance working capital requirements and the purchase of the New Land.

(2) Include lease liabilities which were mainly for the hire purchase of motor vehicles and excluding lease liabilities for right-of-use assets.

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12. FINANCIAL INFORMATION *(Cont'd)*

The details of the types of credit facilities that our Group uses and its unutilised balances as at the LPD are as follows:

Types of credit facilities	Tenure	Interest rate	Credit limit (RM'000)	Balance unutilised as at the LPD (RM'000)
Term loans				
- Term loan A	20 years	5.13%	1,350	-
- Term loan B	10 years	4.92%	534	-
- Term loan C	15 years	4.92%	614	-
- Term loan D	6 years	4.29%	6,273	5,120
- Term loan E	20 years	4.69%	1,726	-
Banker's acceptances				
- Banker's acceptances A	3 – 4 months	3.80% - 4.00%	2,600	610
- Banker's acceptances B	3 – 4 months	Base Financing Rate ("**BFR**")(1)	300	300
Bank overdrafts				
- Bank overdraft A	Repayable on demand	2.75%	340	223
- Bank overdraft B	Repayable on demand	2.75%	1,285	1,285
- Bank overdraft C	Repayable on demand	2.75%	200	179
Hire purchase				
- Hire purchase A	5 years	1.98%	341	-
- Hire purchase B	5 years	2.25%	356	-
- Hire purchase C	5 years	2.37%	246	-
Total			**16,165**	**7,717**

Note:

(1) Based on the BFR as stipulated by our financial institution that may change from time to time. As at the LPD, the BFR is 6.40%.

The above facilities are all secured by legal charges, joint and several guarantees by our Directors and/or fixed deposits pledged for banking facilities. Nonetheless, we have received conditional approvals from all financiers to discharge the personal guarantees provided by our Directors, namely Ng Chai Sing and Bernard Ng Chong Yan upon the successful implementation of our Listing and substituting the guarantees with a corporate guarantee from our Company and/or securities from our Group acceptable to the financial institutions.

As at the LPD, all of our Group's borrowings were interest bearing borrowings. Our Group has not defaulted on any payment on either principal sums and/or interest in relation to the borrowings for the FYE Under Review and up to the LPD.

12. FINANCIAL INFORMATION *(Cont'd)*

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

The maturity profile of our borrowings and lease liabilities as at 31 December 2025 is set out below:

	Borrowings[(1)]	Lease liabilities[(2)]	Total
	RM'000	**RM'000**	**RM'000**
Within 1 year	3,521	166	3,687
More than 1 year but not more than 2 years	458	173	631
More than 2 years but not more than 5 years	2,036	291	2,327
Total	**6,015**	**630**	**6,645**

Notes:

(1) Comprise term loans and banker's acceptances which were mainly to finance working capital requirements and the purchase of the New Land.

(2) Include lease liabilities which were mainly for the hire purchase of motor vehicles and excluding lease liabilities for right-of-use assets (i.e. office equipment) amounting to RM0.02 million.

12.4.4 Types of financial instruments used, treasury policies and objectives

Save for our borrowings as disclosed in Section 12.4.3 of this Prospectus, our Group does not utilise any other financial instruments.

The primary objective of our financial instruments is to be used in the ordinary course of business of our Group. From an accounting perspective, financial instruments may include financial assets such as trade and other receivables, cash and bank balances as well as financial liabilities such as borrowings and trade and other payables. As at the LPD, we do not use any financial instrument for hedging purposes.

We finance our operations mainly through internally generated as well as external sources of funds, such as shareholders' equity, cash generated from our operations and credit facilities offered by the financial institutions. The main objective of our treasury policies and capital management is to ensure sustainable shareholders' equity and our ability to support and grow our business in order to maximise shareholders' value.

We seek to ensure all business units always maintain optimum levels of liquidity, sufficient for their operating, investing and financing activities. We expect to meet our obligations, as and when they fall due, from operating cash flows, from cash and cash equivalents deemed adequate by our Group as well as seeking to maintain sufficient credit facilities available.

12.4.5 Material capital commitment

As at the LPD, our Group has no material capital commitments for capital expenditure.

12. FINANCIAL INFORMATION *(Cont'd)*

12.4.6 Material litigation, claims or arbitration

As at the LPD, our Group is not engaged in any material litigation, claim or arbitration either as plaintiff or defendant, which might and adversely affect our business or financial position, and our Directors confirm that there is no legal proceedings, pending or threatened, or of any fact to give rise to any legal proceeding which may materially and adversely affect our business or financial position, in the 12 months immediately preceding the date of this Prospectus.

12.4.7 Contingent liabilities

As at the LPD, our Directors confirm that there are no material contingent liabilities incurred by our Group, which upon becoming enforceable, may have a material effect on our Group's business or financial position.

12.5 KEY FINANCIAL RATIOS

The key financial ratios of our Group for the FYE Under Review is as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Average trade receivables turnover period[(1)] (days)	20	19	32	26
Average trade payables turnover period[(2)] (days)	149	117	113	91
Average inventory turnover period[(3)] (days)	246	201	161	142
Current ratio[(4)] (times)	1.34	1.31	1.38	1.71
Gearing ratio[(5)] (times)	1.59	0.88	0.45	0.28

Notes:

(1) Computed based on average net trade receivables (after deducting loss allowance) as at the beginning and end of the respective financial year divided by the total revenue of the respective financial year and multiplied by the number of days in the respective financial year.

(2) Computed based on average trade payables as at the beginning and end of the respective financial year divided by the total costs of sales of the respective financial year and multiplied by the number of days in the respective financial year.

(3) Computed based on average inventories as at the beginning and end of the respective financial year over total cost of sales of the respective financial year and multiplied by number of days in the respective financial year.

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

(5) Computed based on total borrowings and lease liabilities (for hire purchase) over total equity as at the respective financial year.

12. FINANCIAL INFORMATION *(Cont'd)*

(A) Trade receivables turnover period

A summary of our Group's trade receivables turnover period for the FYE Under Review is as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Opening net trade receivables	651	1,074	1,785	8,043
Closing net trade receivables	1,074	1,785	8,043	4,658
Average net trade receivables	863	1,430	4,914	6,351
Revenue	15,624	27,622	56,446	88,083
Average trade receivables turnover period (days)	20	19	32	26

All of our Group's trade receivables are classified as current assets. The normal credit period granted to our customers ranges from 30 days to 90 days commencing from the date of issuance of invoices. Other credit terms are assessed and approved on a case-by-case basis after taking into consideration various factors such as our business relationship with the customers, customers' creditworthiness and financial strength.

Our Group's average trade receivables turnover period has slightly decreased from 20 days for FYE 2022 to 19 days for FYE 2023, increased to 32 days for FYE 2024 and subsequently decreased to 26 days for FYE 2025, all of which are within the credit period granted to our customers. The increase in our average trade receivables turnover period and closing net trade receivables from FYE 2023 to FYE 2024 was mainly due to higher billings to customers towards the end of FYE 2024. The decrease in our average trade receivables turnover period and closing net trade receivables from FYE 2024 to FYE 2025 was mainly due to prompt collection of outstanding receivables from customers.

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12. FINANCIAL INFORMATION *(Cont'd)*

Our Group's trade receivable aging analysis as at 31 December 2025 is as follows:

		Within credit period	Exceeding credit period				Total
			1 – 30 days	31 – 60 days	61 – 90 days	> 90 days	
		RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Trade receivables	(A)	85	1,666	1,644	260	1,148	4,803
Less: loss allowance	(B)	-	-	-	-	145	145
Net trade receivables	**(C) = (A) – (B)**	**85**	**1,666**	**1,644**	**260**	**1,003**	**4,658**
% of total net trade receivables		1.8	35.8	35.3	5.6	21.5	100.0
Subsequent collections up to the LPD	(D)	6	1,359	1,644	260	1,003	4,272
Outstanding net trade receivables	**(E) = (C) – (D)**	**79**	**307**	**-**	**-**	**-**	**386**

Our Group's total trade receivables past due as at 31 December 2025 is approximately RM4.57 million, representing 98.2% of our total trade receivables as at 31 December 2025. As at the LPD, we have collected RM4.27 million, representing 93.3% of the total trade receivables past due as at 31 December 2025. Out of the total RM0.39 million outstanding trade receivables as at the LPD, RM0.31 million which is past due relates to outstanding payments due from our Singapore customer (a vehicle dealer). Such extended credit term was requested as the Singapore vehicle dealer's end-customer encountered some administrative delays in the loan disbursement for the bus. Nonetheless, our Singapore customer is proactively managing the overdue settlement and our Group has maintained regular communication with the customer as well as continues to actively follow up and monitor the recoverability of the outstanding payment. Our management is of the view that the remaining trade receivables are recoverable after taking into consideration among others, the customer's payment track record with our Group. We have not encountered any major disputes with our customers. With respect to our overdue trade receivables, we have generally been able to collect payments eventually as evidenced by our subsequent collections of past due trade receivables as at 31 December 2025.

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12. FINANCIAL INFORMATION *(Cont'd)*

(B) Trade payables turnover period

A summary of our Group's trade payable turnover period for the FYE Under Review is as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Opening trade payables	5,322	5,663	8,580	18,945
Closing trade payables	5,663	8,580	18,945	15,910
Average trade payables	5,493	7,122	13,762	17,428
Cost of sales	13,482	22,190	44,275	69,907
Average trade payables turnover period (days)	149	117	113	91

All of our Group's trade payables are classified as current liabilities. The normal credit term granted by our suppliers ranges from 30 days to 120 days for the FYE Under Review.

Our Group's average trade payables turnover period of 149 days for FYE 2022, exceeded the normal credit terms granted by our suppliers. As the purchase of chassis make up a large portion of our purchases in FYE 2022, we have mutually agreed with one of our chassis suppliers for an extended credit term. This arrangement with the said chassis suppliers is mainly to manage our working capital and reserve our cash flow. The increase in our closing net payables from FYE 2023 to FYE 2024 was mainly due to higher purchases of raw materials from suppliers towards the end of FYE 2024.

Despite the low average trade receivables turnover period of 19-32 days for the FYE Under Review (as set out in Section 12.5(A) of this Prospectus), our average trade payables turnover period remains relatively high as it is our Group's cash flow management strategy to preserve liquidity for our working capital requirements. Nonetheless, as our financial results improved in the subsequent financial years coupled with improved working capital management, our Group's average trade payables turnover period improved from 149 days for FYE 2022 to 117 days, 113 days and 91 days for FYE 2023, FYE 2024 and FYE 2025 respectively, which is within the normal credit terms granted by our suppliers.

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12. FINANCIAL INFORMATION *(Cont'd)*

Our Group's trade payable aging analysis as at 31 December 2025 is as follows:

			Exceeding credit period				
		Within credit period	1 – 30 days	31 – 60 days	61 – 90 days	> 90 days	Total
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Trade payables	(A)	10,552	3,212	274	230	1,642	15,910
% of total trade payables		66.3	20.2	1.7	1.5	10.3	100.0
Subsequent payment up to the LPD	(B)	6,304	972	274	230	560	8,340
Outstanding trade payables	**(C) = (A) – (B)**	**4,248**	**2,240**	**-**	**-**	**1,082**	**7,570**

Our Group's total trade payables past due as at 31 December 2025 is approximately RM5.36 million, representing 33.7% of total trade payables. As at the LPD, we have settled RM2.04 million, representing 38.0% of the total trade payables past due as at 31 December 2025. Out of the total RM7.57 million outstanding trade payables as at the LPD, RM3.32 million has exceeded the credit period granted by our supplier. Such outstanding balance was mainly due to our Group's utilisation of the financing arrangement with Scania Credit (Malaysia) Sdn Bhd on the extended credit terms for the purchase of chassis as part our Group's cash flow management strategy to preserve liquidity for our working capital requirements.

During the FYE Under Review and up to the LPD, there are no disputes with our suppliers in respect of our Group's trade payables and no legal action has been initiated by our suppliers to demand for payment.

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12. FINANCIAL INFORMATION *(Cont'd)*

(C) Inventory turnover period

A summary of our Group's inventory turnover period for the FYE Under Review is as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Opening inventories	8,706	9,459	15,041	24,119
Closing inventories	9,459	15,041	24,119	30,227
Average inventories	9,082	12,250	19,580	27,173
Cost of sales	13,482	22,190	44,275	69,907
Average inventory turnover period (days)	246	201	161	142

Our Group's inventories for the FYE Under Review comprise the following:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Raw materials	5,199	7,898	11,968	14,486
Work-in-progress	4,260	7,143	12,151	15,741
Total	**9,459**	**15,041**	**24,119**	**30,227**

Our inventories consist of the following:

(i) raw materials comprising, among others, chassis, metal, fiberglass, fittings and accessories (e.g. seats, electrical systems, headlights, tail and brake lights, interior lighting, windscreen, windows, mirrors, door mechanism, handles, stereo systems, air conditioning and ventilation systems) and other related raw materials required for the building of buses as well as repair and maintenance works for buses; and

(ii) work-in-progress refers to the products that are partially or substantially finished before undergoing further processing into finished goods.

We typically source for the necessary chassis and raw materials once we received confirmed orders from our customers due to the long lead time for the delivery of chassis and to lock in the prices of raw materials. To ensure we have sufficient metal materials to meet our customers' orders, we provide a forecast of required metal materials to our suppliers based on our upcoming customers' orders, which assist our suppliers to plan their production and allocate materials in advance, thereby ensuring a steady and timely supply of metal materials to us. Subsequently, we generally place monthly orders with our suppliers and adopt a just-in-time inventory management system to minimise the storage costs of our metal materials, whereby the metal materials ordered are generally delivered to our Silibin Premises no earlier than 1 month prior to the scheduled production. As for certain raw materials such as fittings and accessories, we generally maintain a 1 to 3 months of inventory levels aligned with our building requirements to reduce the risk of disruption to our building operations.

12. FINANCIAL INFORMATION *(Cont'd)*

Our Group's average inventory turnover period of 246 days in the FYE 2022 was higher due to holding of higher inventories to cater for future sales order in the FYE 2023. It subsequently decreased from 246 days in the FYE 2022 to 201 days in the FYE 2023, mainly due to improved procurement management with our suppliers as part of a more efficient production planning by our Group. Our Group's average inventory turnover period further decreased from 201 days in the FYE 2023 to 161 days and 142 days in the FYE 2024 and FYE 2025, respectively, mainly due to higher production capacity as our Group has commissioned 2 new production lines in July 2024 which is dedicated to the building of single deck and semi-high deck buses as well as the higher number of semi-high deck buses sold in FYE 2024 and FYE 2025.

We perform annual review on our inventories to assess the impairment of slow-moving inventories. Inventories are written down when events or changes in circumstances indicate that such inventories may not be recoverable at the carrying amounts, such as when our inventories are damaged, not usable in the building of buses or not saleable.

Our inventories written down for the FYE Under Review are as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Inventories written down[(1)]	-	91	-	-

Note:

(1) Inventories written down was mainly due to obsolete raw materials.

(D) Current ratio

A summary of our Group's current ratio for the FYE Under Review is as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current assets	13,014	19,214	36,618	44,667
Current liabilities	9,712	14,676	26,423	26,186
Current ratio (times)[(1)]	1.34	1.31	1.38	1.71

Note:

(1) Current ratio is computed based on current assets over current liabilities as at the respective financial year.

Our Group has maintained a relatively constant current ratio for the FYE 2022 to FYE 2024 ranging from 1.31 times to 1.38 times. Our Group's current ratio increased from 1.38 times in the FYE 2024 to 1.71 times in the FYE 2025 mainly due to the increase in our inventories by RM6.11 million, which was mainly attributable to higher purchases of raw materials as well as our holding of higher quantity of inventories to cater for future sales order in FYE 2026 and higher work-in-progress as a result of the increase in production capacity.

This indicates that our Group is able to meet our short-term obligations as our current assets such as inventories and trade receivables, which can be readily converted into cash, together with our fixed deposits as well as cash and bank balances, are sufficient to meet our current liabilities.

12. FINANCIAL INFORMATION *(Cont'd)*

(E) Gearing ratio

A summary of our Group's gearing ratio for the FYE Under Review is as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Total borrowings[(1)]	6,055	5,757	6,181	6,645
Total equity	3,796	6,521	13,801	23,607
Gearing ratio (times)[(2)]	1.59	0.88	0.45	0.28

Notes:

(1) Total borrowings are computed as follows:

	Audited			
	FYE 2022	***FYE 2023***	***FYE 2024***	***FYE 2025***
	RM'000	***RM'000***	***RM'000***	***RM'000***
Term loans	*4,886*	*4,446*	*3,944*	*3,415*
Bank overdraft	*-*	*77*	*-*	*-*
Banker's acceptances	*1,115*	*950*	*1,454*	*2,600*
*Lease liabilities**	*54*	*284*	*783*	*630*
Total	***6,055***	***5,757***	***6,181***	***6,645***

* *Include lease liabilities which were mainly for the hire purchase of motor vehicles and excluding lease liabilities for right-of-use assets.*

(2) Gearing ratio is computed based on total borrowings over total equity as at the respective financial year.

Our Group has recorded an overall decreasing trend in the gearing ratio during the FYE Under Review. From a gearing ratio of 1.59 times in the FYE 2022 mainly due to higher drawdown of term loans for working capital purposes, our gearing ratio has decreased to 0.88 times, 0.45 times and 0.28 times in the FYE 2023, FYE 2024 and FYE 2025, respectively. The decrease in our Group's gearing ratio is mainly due to the increase in our total equity contributed by the increase in retained earnings. Our Group's total equity increased from RM3.80 million in the FYE 2022 to RM6.52 million in the FYE 2023 and subsequently to RM13.80 million and RM23.61 million in the FYE 2024 and FYE 2025, respectively.

12.6 ORDER BOOK

Due to the nature of our business, our Group does not enter into long-term contracts with our customers. Sales are derived based on confirmed orders from our customers on an ad-hoc basis. As such, we do not generally maintain an order book.

12.7 SIGNIFICANT CHANGES

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

12. FINANCIAL INFORMATION *(Cont'd)*

12.8 TREND INFORMATION

Save as disclosed in Sections 7, 8, 9 and 12 of this Prospectus, to the best of our Board's knowledge and belief, there are no other known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on our Group's financial condition and results of operations.

12.9 DIVIDEND POLICY

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

Our Board will consider various factors (which may not be exhaustive) when recommending dividends for approval by our shareholders or when declaring any interim dividends:

(i) the level of cash and level of indebtedness vis-à-vis working capital requirements;

(ii) required and expected interest expense, cash flows, profits, return on equity and retained earnings;

(iii) our projected levels of capital expenditure and other investment plans;

(iv) our expected results of operations and future level of operations;

(v) any restrictive covenants contained in our current and future financing arrangements; and

(vi) any material impact of tax laws and other regulatory requirements.

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

Our Board may from time to time approve or recommend a dividend or other distribution. However, no dividend or distribution shall be declared in excess of the amount recommended by our Board. Further, under the Act, our Company may not declare or pay dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that:

(i) our Company is, or would after the payment, be unable to pay our liabilities as they become due; or

(ii) the realisable value of our Company's assets would thereby be less than our liabilities.

There were no dividends declared and paid by our Group during the FYE Under Review and up to the LPD. Furthermore, our Group does not intend to declare or pay any dividends prior to, and until, the completion of our Listing.

13. ACCOUNTANTS' REPORT

BUS CAP BERHAD
Registration No.: 202501009731 (1611145-W)
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2022,
31 DECEMBER 2023, 31 DECEMBER 2024
AND 31 DECEMBER 2025

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10 April 2026

The Board of Directors
Bus Cap Berhad
E-10-4, Megan Avenue 1
189, Jalan Tun Razak
50400 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Malaysia

Dear Sirs,

REPORTING ACCOUNTANT'S OPINION ON THE FINANCIAL STATEMENTS CONTAINED IN THE ACCOUNTANTS' REPORT OF BUS CAP BERHAD

Opinion

We have audited the accompanying financial statements of Bus Cap Berhad (the "Company") and its subsidiary (collectively, the "Group") which comprise the statements of financial position as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for each of the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025, and notes to the financial statements, including material accounting policy information, as set out in pages 4 to 48.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 respectively, and of their financial performance and their cash flows for each of the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 in accordance with MFRS Accounting Standards and IFRS Accounting Standards.

Basis for Opinion

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

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Accountants' Report
Bus Cap Berhad
Registration No.: 202501009731 (1611145-W)

Independence and Other Ethical Responsibilities

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

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements of the Group that give a true and fair view in accordance with MFRS Accounting Standards and IFRS Accounting Standards. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of the financial statements of the Group that are free from material misstatement, whether due to fraud or error.

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

Reporting Accountant's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group's financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Other Matter

The accompanying financial statements have been prepared by the directors of the Company solely for inclusion in the prospectus of the Company in connection with the listing of and quotation for its entire enlarged issued share capital on the ACE Market of Bursa Malaysia Securities Berhad (the "Prospectus"). This report is required by the Prospectus Guidelines issued by the Securities Commission Malaysia and is given solely for the purpose of complying with the Prospectus Guidelines and for no other purposes.

Restriction on Distribution and Use

This report is made solely to the board of directors of the Company, as a body, and solely for inclusion in the Prospectus and for no other purposes. We do not assume responsibility to any other person for the content of this report.

Forvis Mazars PLT
201706000496 (LLP0010622-LCA)
AF 001954
Chartered Accountants

Lee Soo Eng
03230/02/2028 J
Chartered Accountant

ID_7990

BUS CAP BERHAD
Registration No.: 202501009731 (1611145-W)
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024
AND 31 DECEMBER 2025

	Note	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	4	7,327	7,424	5,866	4,835
Deferred tax asset	5	760	670	370	109
		8,087	8,094	6,236	4,944
CURRENT ASSETS					
Inventories	6	30,227	24,119	15,041	9,459
Trade and other receivables	7	6,767	8,749	2,023	1,148
Current tax asset		-	-	-	14
Fixed deposits	8	3,577	2,115	348	792
Cash and bank balances		4,096	1,635	1,802	1,601
		44,667	36,618	19,214	13,014
TOTAL ASSETS		52,754	44,712	25,450	17,958
EQUITY AND LIABILITIES					
EQUITY					
Share capital	9	13,802	840	460	460
Merger reserve	10	(12,962)	-	-	-
Retained earnings	10	22,767	12,961	6,061	3,336
		23,607	13,801	6,521	3,796
NON-CURRENT LIABILITIES					
Borrowings	11	2,494	3,420	3,967	4,446
Lease liabilities	12	467	1,068	286	4
		2,961	4,488	4,253	4,450

	Note	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000
CURRENT LIABILITIES					
Trade and other payables	13	19,423	22,048	12,161	8,073
Borrowings	11	3,521	1,978	1,506	1,555
Lease liabilities	12	181	326	48	84
Current tax liability		3,061	2,071	961	-
		26,186	26,423	14,676	9,712
TOTAL LIABILITIES		29,147	30,911	18,929	14,162
TOTAL EQUITY AND LIABILITIES		52,754	44,712	25,450	17,958

The accompanying notes form an integral part of the financial statements

BUS CAP BERHAD
Registration No.: 202501009731 (1611145-W)
(Incorporated in Malaysia)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2022, 31 DECEMBER 2023,
31 DECEMBER 2024 AND 31 DECEMBER 2025

	Note	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000
Revenue	14	88,083	56,446	27,622	15,624
Cost of sales		(69,907)	(44,275)	(22,190)	(13,482)
Gross profit		18,176	12,171	5,432	2,142
Other income and gains	15	57	36	59	19
Administrative and general expenses		(5,189)	(2,796)	(1,485)	(1,086)
Selling expenses		(145)	(108)	(79)	(161)
Reversal of loss allowance/(Loss allowance) on trade receivables	7	265	(318)	(37)	(55)
Finance costs	16	(272)	(283)	(295)	(305)
Profit before tax	17	12,892	8,702	3,595	554
Tax expense	18	(3,086)	(1,802)	(870)	(127)
Profit and total comprehensive income for the financial year		9,806	6,900	2,725	427
Earnings per share - basic and diluted (sen)	19	168.20	1,500.00	592.39	92.83

The accompanying notes form an integral part of the financial statements

BUS CAP BERHAD
Registration No.: 202501009731 (1611145-W)
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2022, 31 DECEMBER 2023,
31 DECEMBER 2024 AND 31 DECEMBER 2025

	Note	Share capital RM'000	Merger reserve RM'000	Retained earnings RM'000	Total equity RM'000
At 1 January 2022		460	-	2,909	3,369
Profit and total comprehensive income for the financial year		-	-	427	427
At 31 December 2022		460	-	3,336	3,796
Profit and total comprehensive income for the financial year		-	-	2,725	2,725
At 31 December 2023		460	-	6,061	6,521
Issuance of a share	9	380	-	-	380
Profit and total comprehensive income for the financial year		-	-	6,900	6,900
At 31 December 2024		840	-	12,961	13,801
Transfer to merger reserve	9	(840)	840	-	-
Issuance of shares pursuant to the Internal Reorganisation	9	13,802	(13,802)	-	-
		12,962	(12,962)	-	-
Profit and total comprehensive income for the financial year		-	-	9,806	9,806
At 31 December 2025		13,802	(12,962)	22,767	23,607

The accompanying notes form an integral part of the financial statements

BUS CAP BERHAD
Registration No.: 202501009731 (1611145-W)
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2022, 31 DECEMBER 2023,
31 DECEMBER 2024 AND 31 DECEMBER 2025

	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000
OPERATING ACTIVITIES				
Profit before tax	12,892	8,702	3,595	554
Adjustments for:				
Bad debts written off	-	-	-	21
Depreciation of property, plant and equipment	641	564	348	332
Finance costs	272	283	295	305
Interest income	(24)	(26)	(22)	(8)
Inventories written down	-	-	91	-
Loss on disposal of property, plant and equipment	-	47	2	-
Net gain on lease terminations	(25)	-	-	-
Net unrealised loss/(gain) on foreign exchange	104	44	(30)	-
Property, plant and equipment written off	98	-	-	-
(Reversal of loss allowance)/Loss allowance on trade receivables	(265)	318	37	55
Operating profit before working capital changes	13,693	9,932	4,316	1,259
Changes in inventories	(6,108)	(9,078)	(5,673)	(1,640)
Changes in receivables	2,154	(7,064)	(912)	(439)
Changes in payables	(2,625)	10,508	3,951	1,519
Cash from operations	7,114	4,298	1,682	699
Finance costs paid	(44)	(40)	(57)	(136)
Tax paid	(2,186)	(992)	(156)	(106)
Net cash from operating activities	4,884	3,266	1,469	457

	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000
INVESTING ACTIVITIES				
Acquisition of property, plant and equipment	(1,118)	(1,149)	(984)	(419)
Interest received	24	26	22	8
(Placement)/Withdrawal of fixed deposits pledged	(1,462)	(1,767)	444	349
Proceeds from disposal of property, plant and equipment	-	76	72	-
Net cash used in investing activities	(2,556)	(2,814)	(446)	(62)
FINANCING ACTIVITIES				
Drawdown of borrowings	1,625	701	21	1,700
Finance costs paid	(211)	(223)	(238)	(169)
Repayment of borrowings	(1,008)	(699)	(626)	(417)
Repayment of lease liabilities	(262)	(190)	(89)	(93)
Repayment to a shareholder	-	(107)	-	-
Net cash from/(used in) financing activities	144	(518)	(932)	1,021
Net changes in cash and cash equivalents	2,472	(66)	91	1,416
Effect of exchange rate fluctuation	(11)	(24)	33	-
Cash and cash equivalents brought forward	1,635	1,725	1,601	185
Cash and cash equivalents carried forward	4,096	1,635	1,725	1,601
Cash and cash equivalents comprise of:				
Fixed deposits	3,577	2,115	348	792
Cash and bank balances	4,096	1,635	1,802	1,601
Bank overdraft	-	-	(77)	-
	7,673	3,750	2,073	2,393
Fixed deposits pledged to licensed banks	(3,577)	(2,115)	(348)	(792)
	4,096	1,635	1,725	1,601

The accompanying notes form an integral part of the financial statements

BUS CAP BERHAD
Registration No.: 202501009731 (1611145-W)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2022, 31 DECEMBER 2023,
31 DECEMBER 2024 AND 31 DECEMBER 2025

1. GENERAL INFORMATION

Bus Cap Sdn Bhd (the "Company"), which is domiciled in Malaysia, was incorporated in Malaysia under the Companies Act 2016 as a private limited liability company on 10 March 2025. The Company was converted into a public limited liability company under its current name, i.e. Bus Cap Berhad, on 18 September 2025.

The addresses of the registered office and principal place of business of the Company are E-10-4, Megan Avenue 1, 189, Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia and No. 8-10, Solok Rishah 3, Kawasan Perindustrian Silibin, 30100 Ipoh, Perak, respectively.

The Company is an investment holding company. The details of its subsidiary are as follows:

Name of entity	Equity interest	Principal place of business and place of incorporation	Principal activities
Sin Hock Leong Coach Works Sdn Bhd ("SHL")	100.00%	Malaysia	Bus building covering the design and manufacturing of bus bodies, assembly of bus bodies with chassis, sourcing and installation of fittings and accessories to form completely built-up buses as well as provision of bus repair and maintenance services

The Company and its subsidiary are collectively referred to as the "Group".