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The Board of Directors
Liftech Group Berhad
No.10 & 12, Jalan TPP5/8,
Taman Perindustrian Puchong,
47100 Puchong,
Selangor, Malaysia.

Date: 15 MAY 2026

Our ref: BDO/ANSK/LCL/kyz

Dear Sirs,

Reporting Accountants' Opinion on the Financial Information Contained in the Accountants' Report ("this Report") of Liftech Group Berhad ("Liftech" or "the Company")

Opinion

We have audited the financial information of Liftech Group Berhad and its combining entities/subsidiaries ("the Group"). The financial information comprises:

(a) The combined statements of financial position as at 31 December 2022 and 31 December 2023 of Liftech Group Berhad, Liftech Engineering (K.L) Sdn. Bhd., Liftech Engineering (PG) Sdn. Bhd., Liftech Engineering (Ipoh) Sdn. Bhd., Liftech Engineering Sdn. Bhd., Liftech Engineering (Borneo) Sdn. Bhd. and Liftech Crane & Safety Academy Sdn. Bhd. (formerly known as SK Crane Engineering Sdn. Bhd.) and combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows of Liftech Group Berhad, Liftech Engineering (K.L) Sdn. Bhd., Liftech Engineering (PG) Sdn. Bhd., Liftech Engineering (Ipoh) Sdn. Bhd., Liftech Engineering Sdn. Bhd., Liftech Engineering (Borneo) Sdn. Bhd. and Liftech Crane & Safety Academy Sdn. Bhd. (formerly known as SK Crane Engineering Sdn. Bhd.) for the financial years ended 31 December 2022 and 31 December 2023;

(b) The consolidated statements of financial position as at 31 December 2024 and 31 December 2025 of the Group and consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows of the Group for the financial years ended 31 December 2024 and 31 December 2025; and

(c) Material accounting policies and other explanatory information, as set out in this report.

This financial information has been prepared for inclusion in the prospectus of the Company ("Prospectus") in connection with the admission of Liftech to the official List of Bursa Malaysia Securities Berhad ("Bursa Securities") and listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Securities ("the Listing"). This report is given for the purposes of complying with the ACE Market Listing Requirements of Bursa Securities ("Listing Requirements"), the Prospectus Guidelines issued by the Securities Commission Malaysia and for no other purpose.

In our opinion, the financial information gives a true and fair view of the financial position of the Group as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 and of their financial performance and cash flows for the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 in accordance with the Malaysian Financial Reporting Standards ("MFRSs") and IFRS Accounting Standards.

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Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Directors' Responsibility for the Financial Information

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

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

Reporting Accountants' Responsibilities for the Audit of the Financial Information

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

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

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

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Reporting Accountants' Responsibilities for the Audit of the Financial Information (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (continued)

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group;

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;

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

(e) Evaluate the overall presentation, structure and content of the financial information, including the disclosures, and whether the financial information represent the underlying transactions and events in a manner that achieves fair presentation; and

(f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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Other Matter

This report has been prepared solely to comply with Appendix 3B, Part A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and Chapter 10, Part II Division 1: Equity of the Prospectus Guidelines issued by the Securities Commission Malaysia and for inclusion in the Prospectus in connection with the Listing and for no other purposes. As such, this report should not be used for any other purpose without our prior written consent. We do not assume responsibility to any other person for the content of this report.

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Ng Soe Kei
02982/08/2027 J
Chartered Accountant

Penang
Dated: 15 MAY 2026

STATEMENTS OF FINANCIAL POSITION

The combined statements of financial position as at 31 December 2022 and 31 December 2023 and consolidated statements of financial position as at 31 December 2024 and 31 December 2025 are set out below:

	Note	2022 RM	2023 RM	2024 RM	2025 RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	7,815,620	15,546,382	17,476,194	25,093,370
Right-of-use assets	6	3,801,505	4,141,386	5,399,027	8,740,122
Investment properties	7	447,624	438,666	429,708	420,751
Deferred tax assets	8	163,220	187,761	845,055	769,489
		12,227,969	20,314,195	24,149,984	35,023,732
Current assets					
Inventories	9	6,759,423	6,717,283	7,304,968	9,339,330
Trade and other receivables	10	9,328,091	9,514,266	12,569,078	14,616,911
Other investments	11	250,000	-	-	-
Contract assets	12	1,643,883	1,781,168	2,492,182	5,090,472
Current tax assets		153,332	40,292	120,367	589,432
Cash and bank balances	13	3,517,227	7,585,056	11,070,046	7,773,031
		21,651,956	25,638,065	33,556,641	37,409,176
TOTAL ASSETS		33,879,925	45,952,260	57,706,625	72,432,908
EQUITY AND LIABILITIES					
Equity attributable to common controlling shareholders of the combining entities/equity holders of the Company					
Invested equity*	14(a)	4,570,010	4,570,010	-	-
Share capital	14(b)	-	2	20,237,802	22,923,802
Reserves	15	15,783,827	22,201,907	12,776,695	17,140,023
TOTAL EQUITY		20,353,837	26,771,919	33,014,497	40,063,825

*Number of ordinary shares on combined basis.

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15 MAY 2026

STATEMENTS OF FINANCIAL POSITION (continued)

The combined statements of financial position as at 31 December 2022 and 31 December 2023 and consolidated statements of financial position as at 31 December 2024 and 31 December 2025 are set out below: (continued)

	Note	2022 RM	2023 RM	2024 RM	2025 RM
LIABILITIES					
Non-current liabilities					
Borrowings	16	1,501,470	6,135,934	5,456,859	14,471,080
Lease liabilities	17	540,258	606,876	1,206,106	995,619
Deferred tax liabilities	8	67,801	142,855	12,119	-
		2,109,529	6,885,665	6,675,084	15,466,699
Current liabilities					
Borrowings	16	852,545	1,198,290	522,515	2,864,345
Lease liabilities	17	321,220	299,101	522,496	489,852
Trade and other payables	18	8,450,324	8,453,080	11,315,442	7,411,998
Contract liabilities	12	1,260,510	1,657,593	4,964,408	5,749,593
Current tax liabilities		531,960	686,612	692,183	386,596
		11,416,559	12,294,676	18,017,044	16,902,384
TOTAL LIABILITIES		13,526,088	19,180,341	24,692,128	32,369,083
TOTAL EQUITY AND LIABILITIES		33,879,925	45,952,260	57,706,625	72,432,908

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STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The combined statements of profit or loss and other comprehensive income as at 31 December 2022 and 31 December 2023 and consolidated statements of profit or loss and other comprehensive income as at 31 December 2024 and 31 December 2025 are set out below:

	Note	2022 RM	2023 RM	2024 RM	2025 RM
Revenue	19	52,586,280	49,100,368	57,655,316	57,858,500
Cost of sales		(38,129,922)	(30,031,826)	(34,432,772)	(34,024,129)
Gross profit		14,456,358	19,068,542	23,222,544	23,834,371
Other operating income	20	846,071	838,121	714,356	941,094
Administrative and distribution expenses		(8,399,671)	(9,433,698)	(12,542,369)	(13,453,871)
Finance costs	21	(125,573)	(133,642)	(246,611)	(449,394)
Net gains/(losses) on impairment of financial assets		100,499	(1,259,526)	(2,092,979)	(943,314)
Profit before tax		6,877,684	9,079,797	9,054,941	9,928,886
Tax expense	23	(1,448,403)	(2,361,717)	(2,472,353)	(3,065,558)
Profit for the financial years		5,429,281	6,718,080	6,582,588	6,863,328
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the financial years		5,429,281	6,718,080	6,582,588	6,863,328
Profit attributable to common controlling shareholders of the combining entities/ equity holders of the Company		5,429,281	6,718,080	6,582,588	6,863,328
Total comprehensive income, attributable to common controlling shareholders of the combining entities/ equity holders of the Company		5,429,281	6,718,080	6,582,588	6,863,328
Earnings per ordinary share attributable to common controlling shareholders of the combining entities/equity holders of the Company:					
Basic and diluted (sen)	24	1.72	2.13	2.09	2.18

STATEMENTS OF CHANGES IN EQUITY

The combined statements of changes in equity for the financial years ended 31 December 2022 and 31 December 2023 and consolidated statements of changes in equity for the financial years ended 31 December 2024 and 31 December 2025 are set out below:

	Note	Invested equity RM	Share capital RM	Retained earnings RM	Total equity RM
Balance at 1 January 2022		4,070,010	-	10,654,546	14,724,556
Issuance of ordinary shares	14	500,000	-	-	500,000
Profit for the financial year		-	-	5,429,281	5,429,281
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income		-	-	5,429,281	5,429,281
Transaction with common controlling shareholders of the combining entities:					
Dividends paid	25	-	-	(300,000)	(300,000)
Total transaction with common controlling shareholders of the combining entities		-	-	(300,000)	(300,000)
Balance as at 31 December 2022		4,570,010	-	15,783,827	20,353,837
Balance at 1 January 2023		4,570,010	-	15,783,827	20,353,837
Issuance of ordinary shares	14	-	2	-	2
Profit for the financial year		-	-	6,718,080	6,718,080
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income		-	-	6,718,080	6,718,080
Transaction with common controlling shareholders of combining entities:					
Dividends paid	25	-	-	(300,000)	(300,000)
Total transaction with common controlling shareholders of the combining entities		-	-	(300,000)	(300,000)
Balance as at 31 December 2023		4,570,010	2	22,201,907	26,771,919

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STATEMENTS OF CHANGES IN EQUITY (continued)

The combined statements of changes in equity for the financial years ended 31 December 2022 and 31 December 2023 and consolidated statements of changes in equity for the financial years ended 31 December 2024 and 31 December 2025 are set out below: (continued)

	Note	Invested equity RM	Share capital RM	Merger reserve RM	Retained earnings RM	Total equity RM
Balance at 1 January 2024		4,570,010	2	-	22,201,907	26,771,919
Profit for the financial year		-	-	-	6,582,588	6,582,588
Other comprehensive income, net of tax		-	-	-	-	-
Total comprehensive income		-	-	-	6,582,588	6,582,588
Transactions with equity holders of the Company:						
Issuance of ordinary shares for cash	14(b)	-	10,000	-	-	10,000
Effects of acquisition of subsidiaries in business combinations under common control		(4,570,000)	20,227,800	(15,657,800)	-	-
Elimination of issued share capital of the subsidiary acquired via cash consideration	4(b)(vi)	(10)	-	-	-	(10)
Dividends paid by subsidiary prior business combinations	25	-	-	-	(350,000)	(350,000)
Total transactions with equity holders of the Company		(4,570,010)	20,237,800	(15,657,800)	(350,000)	(340,010)
Balance as at 31 December 2024		-	20,237,802	(15,657,800)	28,434,495	33,014,497

STATEMENTS OF CHANGES IN EQUITY (continued)

The combined statements of changes in equity for the financial years ended 31 December 2022 and 31 December 2023 and consolidated statements of changes in equity for the financial years ended 31 December 2024 and 31 December 2025 are set out below: (continued)

	Note	Share capital RM	Merger reserve RM	Retained earnings RM	Total equity RM
Balance at 1 January 2025		20,237,802	(15,657,800)	28,434,495	33,014,497
Profit for the financial year		-	-	6,863,328	6,863,328
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income		-	-	6,863,328	6,863,328
Transactions with equity holders of the Company:					
Issuance of ordinary shares					
- for cash	14(c)(i)	686,000	-	-	686,000
- by way of capitalisation of amounts owing to Directors	14(c)(ii)	2,000,000	-	-	2,000,000
Dividends paid	25	-	-	(2,500,000)	(2,500,000)
Total transactions with equity holders of the Company		2,686,000	-	(2,500,000)	186,000
Balance as at 31 December 2025		22,923,802	(15,657,800)	32,797,823	40,063,825

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15 MAY 2026

STATEMENTS OF CASH FLOWS

The combined statements of cash flows for the financial years ended 31 December 2022 and 31 December 2023 and consolidated statements of cash flows for the financial years ended 31 December 2024 and 31 December 2025 are set out below:

	Note	2022 RM	2023 RM	2024 RM	2025 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		6,877,684	9,079,797	9,054,941	9,928,886
Adjustments for:					
Amortisation of right-of-use assets	6	472,587	343,041	613,106	735,310
Bad debts recovered	20	-	(5,070)	-	-
Bad debts written off		147,221	-	-	1,600
Depreciation of:					
- property, plant and equipment	5	513,868	489,487	610,298	932,878
- investment properties	7	8,958	8,958	8,958	8,957
Gain on disposal of:					
- property, plant and equipment	20	(66,898)	(234,999)	(113,196)	(76,999)
- other investments	20	-	(3,839)	-	-
Gain on early lease termination	17(c)	-	(26)	(1,247)	(318)
Net (gains)/losses on impairment of trade receivables		(100,499)	1,259,526	2,092,979	943,314
Property, plant and equipment written off		-	13,022	5,695	17,582
Interest expense		123,756	132,416	244,642	449,394
Interest income	20	(14,966)	(76,209)	(114,504)	(165,538)
Impairment loss in right-of-use assets	6	-	-	54,462	-
Unrealised (gain)/loss on foreign exchange		(2,830)	43,575	15,455	(62,209)
Operating profit before changes in working capital		7,958,881	11,049,679	12,471,589	12,712,857
Changes in working capital:					
Inventories		(1,780,462)	42,140	(587,685)	(2,034,362)
Trade and other receivables		(4,203,036)	(1,433,465)	(5,157,098)	(2,996,517)
Trade and other payables		1,635,299	(47,011)	2,876,508	(1,842,201)
Contract assets		(647,945)	(137,285)	(711,014)	(2,598,290)
Contract liabilities		(228,636)	397,083	3,306,815	785,185
Cash generated from operations		2,734,101	9,871,141	12,199,115	4,026,672
Interest received		14,966	76,209	114,504	165,538
Tax refunded		-	23,573	-	159,818
Tax paid		(1,665,183)	(2,067,085)	(3,355,181)	(3,936,581)
Net cash from operating activities		1,083,884	7,903,838	8,958,438	415,447

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15 MAY 2026
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Chartered Accountants
Penang

STATEMENTS OF CASH FLOWS (continued)

The combined statements of cash flows for the financial years ended 31 December 2022 and 31 December 2023 and consolidated statements of cash flows for the financial years ended 31 December 2024 and 31 December 2025 are set out below: (continued)

	Note	2022 RM	2023 RM	2024 RM	2025 RM
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from disposal of:					
- property, plant and equipment		69,000	235,000	113,200	77,000
- other investments		-	253,839	-	-
Purchase of:					
- property, plant and equipment	5	(728,090)	(8,233,263)	(2,545,805)	(8,230,571)
- right-of-use assets	6(e)	(95,202)	(289,582)	(689,140)	(3,970,114)
Purchase of other investments		(50,000)	-	-	-
Net changes in deposits with maturity period more than three (3) months		-	(2,307,107)	(1,934,021)	1,420,556
Net cash used in investing activities		(804,292)	(10,341,113)	(5,055,766)	(10,703,129)
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid	25	(300,000)	(300,000)	(350,000)	(2,500,000)
Interest paid		(15,726)	(33,640)	(11,604)	(30,807)
Drawndown of term loans		-	5,510,677	21,554	9,758,865
Repayment of:					
- term loans		(309,711)	(657,313)	(797,482)	(834,235)
- lease liabilities	17	(536,330)	(382,747)	(481,287)	(780,740)
Acquisition of subsidiary satisfied via cash consideration	4(b)(vi)	-	-	(10)	-
Proceeds from issuance of ordinary shares	14	500,000	2	10,000	686,000
Net cash (used in)/from financing activities		(661,767)	4,136,979	(1,608,829)	6,299,083
Net (decrease)/increase in cash and cash equivalents		(382,175)	1,699,704	2,293,843	(3,988,599)
Effects of exchange rate changes on cash and cash equivalents		11,279	(974)	-	4,736
Cash and cash equivalents at beginning of financial years		3,207,241	2,836,345	4,535,075	6,828,918
Cash and cash equivalents at end of financial years	13(c)	2,836,345	4,535,075	6,828,918	2,845,055

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STATEMENTS OF CASH FLOWS (continued)

Reconciliation of Liabilities Arising from Financing Activities

	Lease liabilities (Note 17) RM	Term loans (Note 16) RM
Audited		
Balance as at 1 January 2022	1,158,877	1,918,745
Cash flows	(536,330)	(309,711)
Non-cash flows:		
- Additions	195,000	-
- Unwinding of interest	43,931	64,099
Balance as at 31 December 2022	861,478	1,673,133
Balance as at 1 January 2023	861,478	1,673,133
Cash flows		
- Drawdown	-	5,510,677
- Repayment	(382,747)	(657,313)
Non-cash flows:		
- Additions	394,023	-
- Early termination	(700)	-
- Unwinding of interest	33,923	64,853
Balance as at 31 December 2023	905,977	6,591,350
Balance as at 1 January 2024	905,977	6,591,350
Cash flows		
- Drawdown	-	21,554
- Repayment	(481,287)	(797,482)
Non-cash flows:		
- Additions	1,249,628	-
- Early termination	(15,838)	-
- Lease modification	1,036	-
- Unwinding of interest	69,086	163,952
Balance as at 31 December 2024	1,728,602	5,979,374
Balance as at 1 January 2025	1,728,602	5,979,374
Cash flows		
- Drawdown	-	9,758,865
- Repayment	(780,740)	(834,235)
Non-cash flows:		
- Additions of right-of-use assets	467,194	-
- Early termination	(24,155)	-
- Unwinding of interest	94,570	324,017
Balance as at 31 December 2025	1,485,471	15,228,021

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15 MAY 2026
BDO PLT
201906000013 (LLP0018825-LCA) & AF0206
Chartered Accountants
Penang

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

1. CORPORATE INFORMATION

The Company was incorporated in Malaysia under the Companies Act 2016 on 27 January 2023 as a private limited liability company under the name Liftech Group Sdn. Bhd.. On 17 September 2025, the Company converted its legal form to a public limited liability company, and assumed its current name, Liftech Group Berhad.

The registered office of the Company is located at 12th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya Selangor.

The principal place of business of the Company is located at 10 & 12, Jalan TPP 5/8, Taman Perindustrian Puchong, Seksyen 5, 47100 Puchong, Selangor.

2. PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are mainly involved in design, manufacturing, installation, commissioning, maintenance, repair and other related services of industrial lifting and handling equipment, as well as trading of components, accessories and other industrial lifting and handling equipment. Further details of the subsidiaries are disclosed in Note 4 to the financial statements.

3. BASIS OF PREPARATION

The Accountants' Report comprises the combined financial statements for the financial years ended ("FYE(s)") 31 December 2022 and 31 December 2023 and consolidated financial statements for the financial years ended 31 December 2024 and 31 December 2025. The combined/consolidated financial statements are prepared solely for inclusion in the Prospectus of the Company in connection with the Listing.

The combined/consolidated financial statements of the Group are prepared using the audited financial statements of the respective companies within the Group for the relevant financial years are as follows:

Company	Relevant Financial Period/Years	Auditors
Liftech Group Berhad	For the financial period from 27 January 2023 (Date of Incorporation) to 31 December 2023	BDO PLT
	FYE 31 December 2024	BDO PLT
	FYE 31 December 2025	BDO PLT
Liftech Engineering (K.L) Sdn. Bhd. ("LTKL")	FYE 31 December 2022	BDO PLT
	FYE 31 December 2023	BDO PLT
	FYE 31 December 2024	BDO PLT
	FYE 31 December 2025	BDO PLT
Liftech Engineering Sdn. Bhd. ("LTJB")	FYE 31 December 2022	BDO PLT
	FYE 31 December 2023	BDO PLT
	FYE 31 December 2024	BDO PLT
	FYE 31 December 2025	BDO PLT
Liftech Engineering (PG) Sdn. Bhd. ("LTPG")	FYE 31 December 2022	BDO PLT
	FYE 31 December 2023	BDO PLT
	FYE 31 December 2024	BDO PLT
	FYE 31 December 2025	BDO PLT

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

3. BASIS OF PREPARATION (continued)

The combined/consolidated financial statements of the Group are prepared using the audited financial statements of the respective companies within the Group for the relevant financial years are as follows: (continued)

Company	Relevant Financial Period/Years	Auditors
Liftech Engineering (Ipoh) Sdn. Bhd. ("LTIP")	FYE 31 December 2022 FYE 31 December 2023 FYE 31 December 2024 FYE 31 December 2025	BDO PLT BDO PLT BDO PLT BDO PLT
Liftech Crane & Safety Academy Sdn. Bhd. ("LT Crane"), (formerly known as SK Crane Engineering Sdn. Bhd.)	FYE 31 December 2022 FYE 31 December 2023 FYE 31 December 2024 FYE 31 December 2025	BDO PLT BDO PLT BDO PLT BDO PLT
Liftech Engineering (Borneo) Sdn. Bhd.	FYE 31 December 2022 FYE 31 December 2023 FYE 31 December 2024 FYE 31 December 2025	WTC & Associates BDO PLT BDO PLT BDO PLT

The audited financial statements of the respective companies within the Group for the Relevant Financial Years reported above were not subject to any qualification, modification or disclaimer.

The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and IFRS Accounting Standards.

The accounting policies adopted are consistent with those of the previous financial years except for the effects of adoption of new Amendments to MFRSs during the financial year. The new Amendments to MFRSs adopted during the financial year is disclosed in Note 33.1 to the consolidated financial statements.

All information, including the financial information, have been extracted from the audited financial statements of the Group during the relevant reporting periods.

3.1 Combined financial statements for the financial years ended 31 December 2022 and 31 December 2023

The combined financial statements for the financial years ended 31 December 2022 and 31 December 2023 consist of the financial statements of the combining entities as disclosed in Note 4 to the financial statements, which were under common control throughout the financial years under review by virtue of common controlling shareholder namely, Mr. Ng Sea Kai being the principal Director, principal shareholder and promoter of the combining entities.

The financial information to this Report is based on the respective audited financial statements of the combining entities with applicable appropriate adjustments and reclassifications made for the purpose of this Report.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

3. BASIS OF PREPARATION (continued)

3.1 Combined financial statements for the financial years ended 31 December 2022 and 31 December 2023 (continued)

The combined financial statements consist of the financial statements of combining entities, which are prepared in accordance with MFRSs, IFRS Accounting Standards and based on the Guidance Note on "Combined Financial Statements" issued by the Malaysian Institute of Accountants in relation to the Listing.

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

The financial information as presented in the combined financial statements for the financial years ended 31 December 2022 and 31 December 2023 may not correspond with the consolidated financial statements of the Group, after incorporating/effecting the relevant acquisitions as the combined financial statements reflect business combination under common control for the purpose of the Listing. Consequently, such financial information from the combined financial statements does not purport to predict the financial positions, results of operations and cash flows of the combining entities.

The combining entities has consistently applied the same accounting policies in its opening MFRS combined statements of financial position as at 1 January 2022 and throughout all financial years presented, as if these policies had always been in effect.

3.2 Consolidated financial statements for the financial years ended 31 December 2024 and 31 December 2025

The consolidated financial statements of the Group have been prepared in accordance with MFRSs and IFRS Accounting Standards.

During the financial year ended 31 December 2024, the Group applied merger method of accounting on a retrospective basis arising from the acquisition of the entire equity interest of LTKL, LTJB, LTPG, LTIP, LT Crane and LTBN by the Company in business combinations under common control.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

3. BASIS OF PREPARATION (continued)

3.2 Consolidated financial statements for the financial years ended 31 December 2024 and 31 December 2025 (continued)

The following accounting treatment had been applied in the consolidated financial statements arising from the business combinations under common control:

(a) Assets and liabilities of LTKL, LTJB, LTPG, LTIP, LT Crane and LTBN are recognised and measured at their pre-business combinations carrying amounts without restatement to fair value;

(b) Retained earnings of the Group as at 1 January 2024 are those of the Company, LTKL, LTJB, LTPG, LTIP, LT Crane and LTBN;

(c) Share capital as at 1 January 2024 reflects the share capital of the Company, LTKL, LTJB, LTPG, LTIP, LT Crane and LTBN; and

(d) The statements of financial position as at 31 December 2024 represent the financial position of the Group after reflecting the effects of the acquisitions during the financial year.

3.3 Basis of measurement

The combined/consolidated financial statements have been prepared under the historical cost basis unless otherwise stated in the financial statements.

3.4 Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's functional currency.

3.5 Use of estimates and judgements

The preparation of financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in Notes 10 for measurement of impairment losses of trade receivables.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

4. LIST OF COMBINING ENTITIES/SUBSIDIARIES

(a) Details of combining entities/subsidiaries are as follows:

Name of company	Principal place of business/ Country of incorporation	Effective interest in equity				Principal activities
		2022 %	2023 %	2024 %	2025 %	
Liftech Engineering (K.L) Sdn. Bhd. ("LTKL")	Malaysia	100	100	100	100	Design, manufacturing, installation and commissioning of industrial lifting and handling equipment; Maintenance, repair and other related services; and Trading of components, accessories and other industrial lifting and handling equipment
Liftech Engineering (PG) Sdn. Bhd. ("LTPG")	Malaysia	100	100	100	100	Maintenance, repair and other related services, as well as trading of components, accessories and other industrial lifting and handling equipment
Liftech Engineering (Ipoh) Sdn. Bhd. ("LTIP")	Malaysia	100	100	100	100	
Liftech Engineering Sdn. Bhd. ("LTJB")	Malaysia	100	100	100	100	
Liftech Engineering (Borneo) Sdn. Bhd. ("LTBN")	Malaysia	100	100	100	100	
Liftech Crane & Safety Academy Sdn. Bhd. ("LT Crane") (formerly known as SK Crane Engineering Sdn. Bhd.)	Malaysia	100	100	100	100	Dormant (previously involved in crane and mechanical engineering work)

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

4. LIST OF COMBINING ENTITIES/SUBSIDIARIES (continued)

(b) Changes in shareholdings in subsidiaries:

(i) As of 13 March 2025, the Company acquired additional 99,990 ordinary shares at an issue price of RM1 each in LTBN, for a total cash consideration of RM99,990.

As of 5 June 2025, the Company acquired additional 100,000 ordinary shares at an issue price of RM1 each in LTBN, for a total cash consideration of RM100,000.

As of 22 September 2025, the Company acquired additional 50,000 ordinary shares at an issue price of RM1 each in LTBN, for a total cash consideration of RM50,000.

There are no changes to the percentage of shareholding of the Group on the subsidiary arising from the additional investments.

(ii) As of 15 May 2024, the Company has entered into a share sale agreement to acquire entire issued share capital of LTKL, for a purchase consideration of RM10,974,000 which was satisfied via the issuance of 109,740,000 new ordinary shares in the capital of the Company at an issue price of RM0.10 per share. The acquisition was completed on 30 October 2024. Following this, the Company regards LTKL as its wholly owned subsidiary.

(iii) As of 15 May 2024, the Company has entered into a share sale agreement to acquire entire issued share capital of LTPG, for a purchase consideration of RM2,070,000 which was satisfied via the issuance of 20,700,000 new ordinary shares in the capital of the Company at an issue price of RM0.10 per share. The acquisition was completed on 30 October 2024. Following this, the Company regards LTPG as its wholly owned subsidiary.

(iv) As of 15 May 2024, the Company has entered into a share sale agreement to acquire entire issued share capital of LTIP, for a purchase consideration of RM4,155,000 which was satisfied via the issuance of 41,550,000 new ordinary shares in the capital of the Company at an issue price of RM0.10 per share. The acquisition was completed on 30 October 2024. Following this, the Company regards LTIP as its wholly owned subsidiary.

(v) As of 15 May 2024, the Company has entered into a share sale agreement to acquire entire issued share capital of LTJB, for a purchase consideration of RM2,850,000 which was satisfied via the issuance of 28,500,000 new ordinary shares in the capital of the Company at an issue price of RM0.10 per share. The acquisition was completed on 30 October 2024. Following this, the Company regards LTJB as its wholly owned subsidiary.

(vi) As of 5 June 2024, the Company has entered into a share sale agreement to acquire entire issued share capital of LTBN, for a purchase consideration of RM10 which was satisfied via cash consideration. The acquisition was completed on 25 November 2024. Following this, the Company regards LTBN as its wholly owned subsidiary.

(vii) As of 15 May 2024, the Company has entered into a share sale agreement to acquire 10% issued share capital of LT Crane, for a purchase consideration of RM178,800 which was satisfied via the issuance of 1,788,000 new ordinary shares in the capital of the Company at an issue price of RM0.10 per share.

As of 1 August 2024, the Company acquired 90% issued share capital of LT Crane from LTKL, LTIP and LTPG, for total purchase consideration of RM1,440,000 which was satisfied via the capitalisation of amounts owing by subsidiaries arising from dividends distribution. Upon completion of shares transfer, LT Crane became a 90% owned subsidiary of the Group on the same date.

Upon completion of the above share sale agreement, the Company regards LT Crane as wholly-owned subsidiary of the Group on 30 October 2024.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT

Cost	Balance as at 1.1.2022 RM	Additions RM	Transfer from right-of-use assets^ (Note 6) RM	Disposals RM	Balance as at 31.12.2022 RM
Freehold land	603,417	-	-	-	603,417
Buildings and renovation	8,313,365	194,716	-	-	8,508,081
Computer and printer	381,821	108,460	-	-	490,281
Furniture and fittings	303,302	640	-	-	303,942
Signboard	18,536	-	-	-	18,536
Office equipment	169,583	2,650	-	-	172,233
Motor vehicles	2,038,417	164,490	827,206	(182,636)	2,847,477
Machineries	1,046,247	8,120	-	-	1,054,367
Factory equipment	334,700	-	-	-	334,700
Tools and equipment	3,558	8,500	-	-	12,058
Fire extinguisher	390	-	-	-	390
Capital work-in-progress	-	240,514	-	-	240,514
	13,213,336	728,090	827,206	(182,636)	14,585,996

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Accumulated depreciation	Balance as at 1.1.2022 RM	Depreciation charge RM	Transfer from right-of-use assets^ (Note 6) RM	Disposals RM	Balance as at 31.12.2022 RM
Buildings and renovation	2,070,793	225,213	-	-	2,296,006
Computer and printer	289,762	41,826	-	-	331,588
Furniture and fittings	227,362	17,073	-	-	244,435
Signboard	11,823	1,438	-	-	13,261
Office equipment	116,235	10,557	-	-	126,792
Motor vehicles	1,818,441	108,227	827,202	(180,534)	2,573,336
Machineries	750,444	105,447	-	-	855,891
Factory equipment	321,034	3,450	-	-	324,484
Tools and equipment	3,558	637	-	-	4,195
Fire extinguisher	388	-	-	-	388
	5,609,840	513,868	827,202	(180,534)	6,770,376

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	[-------------- Balance as at 31.12.2022	--------------	---------------]
	Cost	Accumulated depreciation	Carrying amount
	RM	RM	RM
Freehold land	603,417	-	603,417
Buildings and renovation	8,508,081	(2,296,006)	6,212,075
Computer and printer	490,281	(331,588)	158,693
Furniture and fittings	303,942	(244,435)	59,507
Signboard	18,536	(13,261)	5,275
Office equipment	172,233	(126,792)	45,441
Motor vehicles	2,847,477	(2,573,336)	274,141
Machineries	1,054,367	(855,891)	198,476
Factory equipment	334,700	(324,484)	10,216
Tools and equipment	12,058	(4,195)	7,863
Fire extinguisher	390	(388)	2
Capital work-in-progress	240,514	-	240,514
	14,585,996	(6,770,376)	7,815,620

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Cost	Balance as at 1.1.2023 RM	Additions RM	Transfer from right-of-use assets^ (Note 6) RM	Written off RM	Disposals RM	Balance as at 31.12.2023 RM
Freehold land	603,417	-	-	-	-	603,417
Buildings and renovation	8,508,081	482,873	-	(29,358)	-	8,961,596
Computer and printer	490,281	108,206	-	(149,602)	-	448,885
Furniture and fittings	303,942	110,620	-	(178,286)	-	236,276
Signboard	18,536	-	-	(4,161)	-	14,375
Office equipment	172,233	1,520	-	(43,095)	-	130,658
Motor vehicles	2,847,477	52,000	1,345,848	-	(646,228)	3,599,097
Machineries	1,054,367	40,600	-	(96,884)	-	998,083
Factory equipment	334,700	38,000	-	-	-	372,700
Tools and equipment	12,058	-	-	(3,560)	-	8,498
Fire extinguisher	390	-	-	-	-	390
Capital work-in-progress	240,514	7,399,444	-	-	-	7,639,958
	14,585,996	8,233,263	1,345,848	(504,946)	(646,228)	23,013,933

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Accumulated depreciation	Balance as at 1.1.2023 RM	Depreciation charge RM	Transfer from right-of-use assets^ (Note 6) RM	Written off RM	Disposals RM	Balance as at 31.12.2023 RM
Buildings and renovation	2,296,006	258,612	-	(29,350)	-	2,525,268
Computer and printer	331,588	68,843	-	(144,970)	-	255,461
Furniture and fittings	244,435	16,969	-	(170,896)	-	90,508
Signboard	13,261	1,322	-	(4,160)	-	10,423
Office equipment	126,792	10,238	-	(42,720)	-	94,310
Motor vehicles	2,573,336	94,483	1,345,839	-	(646,227)	3,367,431
Machineries	855,891	34,570	-	(96,268)	-	794,193
Factory equipment	324,484	3,599	-	-	-	328,083
Tools and equipment	4,195	851	-	(3,560)	-	1,486
Fire extinguisher	388	-	-	-	-	388
	6,770,376	489,487	1,345,839	(491,924)	(646,227)	7,467,551

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	[-------------- Balance as at 31.12.2023	--------------	--------------]
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Freehold land	603,417	-	603,417
Buildings and renovation	8,961,596	(2,525,268)	6,436,328
Computer and printer	448,885	(255,461)	193,424
Furniture and fittings	236,276	(90,508)	145,768
Signboard	14,375	(10,423)	3,952
Office equipment	130,658	(94,310)	36,348
Motor vehicles	3,599,097	(3,367,431)	231,666
Machineries	998,083	(794,193)	203,890
Factory equipment	372,700	(328,083)	44,617
Tools and equipment	8,498	(1,486)	7,012
Fire extinguisher	390	(388)	2
Capital work-in-progress	7,639,958	-	7,639,958
	23,013,933	(7,467,551)	15,546,382

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Cost	Balance as at 1.1.2024 RM	Additions RM	Transfer from right-of-use assets^ (Note 6) RM	Reclassification RM	Written off RM	Disposals RM	Balance as at 31.12.2024 RM
Freehold land	603,417	-	-	-	-	-	603,417
Buildings and renovation	8,961,596	792,984	-	8,764,055	-	-	18,518,635
Computer and printer	448,885	122,091	-	-	(32,179)	-	538,797
Furniture and fittings	236,276	14,246	-	-	(20,657)	-	229,865
Signboard	14,375	-	-	-	-	-	14,375
Office equipment	130,658	15,287	-	-	(10,386)	-	135,559
Motor vehicles	3,599,097	373,100	330,586	-	-	(505,213)	3,797,570
Machineries	998,083	70,535	-	-	(63,181)	-	1,005,437
Factory equipment	372,700	33,465	-	-	-	-	406,165
Tools and equipment	8,498	-	-	-	-	-	8,498
Fire extinguisher	390	-	-	-	(390)	-	-
Capital work-in-progress	7,639,958	1,124,097	-	(8,764,055)	-	-	-
	23,013,933	2,545,805	330,586	-	(126,793)	(505,213)	25,258,318

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Accumulated depreciation	Balance as at 1.1.2024 RM	Depreciation charge RM	Transfer from right-of-use assets^ (Note 6) RM	Written off RM	Disposals RM	Balance as at 31.12.2024 RM
Buildings and renovation	2,525,268	361,627	-	-	-	2,886,895
Computer and printer	255,461	62,176	-	(31,261)	-	286,376
Furniture and fittings	90,508	19,895	-	(20,266)	-	90,137
Signboard	10,423	1,552	-	-	-	11,975
Office equipment	94,310	9,125	-	(10,379)	-	93,056
Motor vehicles	3,367,431	109,576	330,582	-	(505,209)	3,302,380
Machineries	794,193	38,506	-	(58,802)	-	773,897
Factory equipment	328,083	6,989	-	-	-	335,072
Tools and equipment	1,486	850	-	-	-	2,336
Fire extinguisher	388	2	-	(390)	-	-
	7,467,551	610,298	330,582	(121,098)	(505,209)	7,782,124

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	[---------------- Balance as at 31.12.2024		----------------]
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Freehold land	603,417	-	603,417
Buildings and renovation	18,518,635	(2,886,895)	15,631,740
Computer and printer	538,797	(286,376)	252,421
Furniture and fittings	229,865	(90,137)	139,728
Signboard	14,375	(11,975)	2,400
Office equipment	135,559	(93,056)	42,503
Motor vehicles	3,797,570	(3,302,380)	495,190
Machineries	1,005,437	(773,897)	231,540
Factory equipment	406,165	(335,072)	71,093
Tools and equipment	8,498	(2,336)	6,162
	25,258,318	(7,782,124)	17,476,194

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Cost	Balance as at 1.1.2025 RM	Additions RM	Transfer from right-of-use assets^ (Note 6) RM	Written off RM	Disposals RM	Balance as at 31.12.2025 RM
Freehold land	603,417	-	-	-	-	603,417
Buildings and renovation	18,518,635	7,617,439	-	(21,450)	-	26,114,624
Computer and printer	538,797	91,769	-	-	-	630,566
Furniture and fittings	229,865	17,665	-	-	-	247,530
Signboard	14,375	-	-	-	-	14,375
Office equipment	135,559	13,838	-	-	-	149,397
Motor vehicles	3,797,570	142,664	1,101,802	-	(461,160)	4,580,876
Machineries	1,005,437	238,024	-	-	-	1,243,461
Factory equipment	406,165	-	-	-	-	406,165
Tools and equipment	8,498	16,990	-	-	-	25,488
Capital work-in-progress	-	92,182	-	-	-	92,182
	25,258,318	8,230,571	1,101,802	(21,450)	(461,160)	34,108,081

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Accumulated depreciation	Balance as at 1.1.2025 RM	Depreciation charge RM	Transfer from right-of-use assets^ (Note 6) RM	Written off RM	Disposals RM	Balance as at 31.12.2025 RM
Buildings and renovation	2,886,895	551,457	-	(3,868)	-	3,434,484
Computer and printer	286,376	80,542	-	-	-	366,918
Furniture and fittings	90,137	20,814	-	-	-	110,951
Signboard	11,975	730	-	-	-	12,705
Office equipment	93,056	11,037	-	-	-	104,093
Motor vehicles	3,302,380	231,869	764,736	-	(461,159)	3,837,826
Machineries	773,897	21,627	-	-	-	795,524
Factory equipment	335,072	13,380	-	-	-	348,452
Tools and equipment	2,336	1,422	-	-	-	3,758
	7,782,124	932,878	764,736	(3,868)	(461,159)	9,014,711

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	[---------------- Balance as at 31.12.2025	----------------]	
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Freehold land	603,417	-	603,417
Buildings and renovation	26,114,624	(3,434,484)	22,680,140
Computer and printer	630,566	(366,918)	263,648
Furniture and fittings	247,530	(110,951)	136,579
Signboard	14,375	(12,705)	1,670
Office equipment	149,397	(104,093)	45,304
Motor vehicles	4,580,876	(3,837,826)	743,050
Machineries	1,243,461	(795,524)	447,937
Factory equipment	406,165	(348,452)	57,713
Tools and equipment	25,488	(3,758)	21,730
Capital work-in-progress	92,182	-	92,182
	34,108,081	(9,014,711)	25,093,370

^ The assets previously acquired under hire purchase arrangements were reclassified from right-of-use assets as the lease liabilities for those assets have been fully settled during the financial years.

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

(a) All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset. After initial recognition, property, plant and equipment except for freehold land and capital work-in-progress are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Land and buildings shall be accounted for separately, even when they are acquired together.

(b) Freehold land has unlimited useful life and is not depreciated.

Capital work-in-progress represents renovation in progress (2024, 2023 and 2022: building under construction). Capital work-in-progress is not depreciated until such time commences when the asset is available for use.

Depreciation on other property, plant and equipment is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The principal annual depreciation rates are as follows:

Buildings and renovation	2% - 20%
Computer and printer	10% - 20%
Furniture and fittings	8% - 10%
Signboard	10%
Office equipment	10% - 20%
Motor vehicles	12% - 20%
Machineries	10%
Factory equipment	10% - 20%
Tools and equipment	10%
Fire extinguisher	10%

Depreciation methods, useful lives and residual values are reviewed at end of the reporting period and adjusted as appropriate.

(c) At the end of each reporting period, the carrying amount of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount.

(d) The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amount is included in profit or loss.

(e) As at end of each reporting period, freehold land, certain buildings and capital work-in-progress of the Group with a total carrying amount of RM20,498,983 (2024: RM14,716,600; 2023: RM13,437,996; 2022: RM6,077,229) have been charged to financial institution for credit facilities to the Group as disclosed in Note 16(c) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

5. PROPERTY, PLANT AND EQUIPMENT (continued)

(f) Motor vehicle with carrying amount of RMNil (2024: RMNil; 2023: RM1; 2022: RM10,489) was registered under the name of Director.

(g) The Group leases out motor vehicles (2024, 2023 and 2022: part of a building and motor vehicles) to third parties. The motor vehicles were leased on a short-term basis while continuing to be used in the Group's business operation. These leases are classified as operating leases as there is no substantial transfer of risks and rewards incidental to ownership.

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

6. RIGHT-OF-USE ASSETS

The Group as lessee

Carrying amount	Balance as at 1.1.2022 RM	Additions RM	Transfer to property, plant and equipment ^ (Note 5) RM	Amortisation for the financial year RM	Balance as at 31.12.2022 RM
Leasehold lands	2,801,285	-	-	(32,564)	2,768,721
Motor vehicles	1,168,418	290,202	(4)	(431,914)	1,026,702
Hostels	14,191	-	-	(8,109)	6,082
	3,983,894	290,202	(4)	(472,587)	3,801,505

Carrying amount	Balance as at 1.1.2023 RM	Additions RM	Early termination RM	Transfer to property, plant and equipment ^ (Note 5) RM	Amortisation for the financial year RM	Balance as at 31.12.2023 RM
Leasehold lands	2,768,721	-	-	-	(34,351)	2,734,370
Motor vehicles	1,026,702	639,582	-	(9)	(294,219)	1,372,056
Hostels	6,082	44,023	(674)	-	(14,471)	34,960
	3,801,505	683,605	(674)	(9)	(343,041)	4,141,386

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

The Group as lessee (continued)

Carrying amount	Balance as at 1.1.2024 RM	Additions RM	Impairment loss for the financial year RM	Lease modification RM	Transfer to property plant and equipment ^ (Note 5) RM	Amortisation for the financial year RM	Early termination RM	Balance as at 31.12.2024 RM
Leasehold lands	2,734,370	133,320	-	-	-	(40,530)	-	2,827,160
Workshop	-	34,465	-	-	-	(8,616)	-	25,849
Machinery	-	560,000	-	-	-	(22,467)	-	537,533
Motor vehicles	1,372,056	1,160,820	(54,462)	1,036	(4)	(519,668)	-	1,959,778
Hostels	34,960	50,163	-	-	-	(21,825)	(14,591)	48,707
	4,141,386	1,938,768	(54,462)	1,036	(4)	(613,106)	(14,591)	5,399,027

Carrying amount	Balance as at 1.1.2025 RM	Additions RM	Transfer to property plant and equipment ^ (Note 5) RM	Amortisation for the financial year RM	Early termination RM	Balance as at 31.12.2025 RM
Leasehold lands	2,827,160	3,781,703	-	(49,148)	-	6,559,715
Workshop	25,849	-	-	(17,232)	-	8,617
Machinery	537,533	-	-	(56,000)	-	481,533
Motor vehicles	1,959,778	606,411	(337,066)	(582,032)	-	1,647,091
Hostels	48,707	49,194	-	(30,898)	(23,837)	43,166
	5,399,027	4,437,308	(337,066)	(735,310)	(23,837)	8,740,122

^ The assets previously acquired under hire purchase arrangements were reclassified to property, plant and equipment as the lease liabilities for those assets have been fully settled during the financial year.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

6. RIGHT-OF-USE ASSETS (continued)

(a) The Group leases lands, workshop, motor vehicles, machinery and hostels. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases. After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liabilities.

(b) Right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:

Leasehold lands	32 - 890 years
Workshop	2 years
Machinery	10 years
Motor vehicles	5 years
Hostels	2 years

(c) The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low-value assets of RM20,000 and below. Short-term leases are leases with a lease term of twelve (12) months or less. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(d) At the end of each reporting period, the carrying amount of an item of right-of-use assets is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount.

(e) During the financial year, the Group made the following cash payments to purchase right-of-use assets:

	2022 RM	2023 RM	2024 RM	2025 RM
Purchase of right-of-use assets	290,202	683,605	1,938,768	4,437,308
Financed by lease liabilities (Note 17)	(195,000)	(394,023)	(1,249,628)	(467,194)
Cash payment on purchase of right-of-use assets	95,202	289,582	689,140	3,970,114

(f) Certain leasehold lands of the Group with carrying amount of RM6,103,363 (2024: RM2,365,427; 2023: RM2,663,119; 2022: RM2,696,283) has been pledged to a licensed bank for banking facilities granted to the Group as disclosed in Note 16(c) to the financial statements.

(g) Motor vehicles with carrying amount of RMNil (2024: RM234,495; 2023: RM298,492; 2022: RM388,332) were registered under the name of Directors of the Company and of the Subsidiary.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

7. INVESTMENT PROPERTIES

	Shophouse RM	Shoplot factory RM	Total RM
At cost			
Balance as at 1January 2022/1 January 2023/1 January 2024/31 December 2025	272,826	399,020	671,846
Accumulated depreciation			
Balance as at 1 January 2022	98,218	117,046	215,264
Depreciation charge	3,638	5,320	8,958
Balance as at 31 December 2022	101,856	122,366	224,222
Depreciation charge	3,638	5,320	8,958
Balance as at 31 December 2023	105,494	127,686	233,180
Depreciation charge	3,638	5,320	8,958
Balance as at 31 December 2024	109,132	133,006	242,138
Depreciation charge	3,638	5,319	8,957
Balance as at 31 December 2025	112,770	138,325	251,095
Carrying amount 2022	170,970	276,654	447,624
Carrying amount 2023	167,332	271,334	438,666
Carrying amount 2024	163,694	266,014	429,708
Carrying amount 2025	160,056	260,695	420,751

(a) Investment properties are properties, which are held to earn rental yields or for capital appreciation or for both and are not occupied by the Group. Investment properties are initially measured at cost, including transaction costs and borrowing costs if the investment properties meet the definition of qualifying asset. After initial recognition, investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

(b) Depreciation is calculated to write off the cost of the investment property to its residual value on a straight line basis over its estimated useful live of 50 years.

(c) At the end of each reporting period, the carrying amount of an investment property is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount.

(d) Rental income generated from renting of investment properties of the Group during the financial year amounted to RM50,400 (2024: RM50,400; 2023: RM50,400; 2022: RM37,500).

(e) Direct operating expenses from investment properties which generated rental income to the Group during the financial year amounted to RM6,724 (2024: RM7,405; 2023: RM9,892; 2022: RM6,248).

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

7. INVESTMENT PROPERTIES (continued)

(f) As at the end of the reporting period, the investment properties have been charged to financial institution for credit facilities of the Group as disclosed in Note 16(c) to the financial statements.

(g) The fair value of the investment properties are categories as follows:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2025	-	-	1,462,000	1,462,000
2024	-	-	1,253,000	1,253,000
2023	-	-	1,253,000	1,253,000
2022	-	-	1,320,000	1,320,000

Investment properties at Level 3 fair value measurements were recommended by the Directors as at the end of the reporting period based on internal valuation performed by management (2022: external valuation performed by an independent valuer engaged by the management), using comparison approach, which made reference to observable market price from recent sales of comparable properties.

(h) Investment properties of the Group are mainly used to generate rental income. However the fair value of the investment properties reflects the highest and best use of the said properties should the investment properties be disposed. Currently management does not intend to dispose off the investment properties and the existing use of the investment properties remains for rental purposes.

8. DEFERRED TAXATION

Recognised deferred tax (assets) and liabilities are attributable to the following:

	2022 RM	2023 RM	2024 RM	2025 RM
Balance as at 1 January	66,917	(95,419)	(44,906)	(832,936)
Recognised in profit or loss (Note 23):				
- relating to origination and reversal of temporary differences	(60,197)	(21,916)	(311,034)	(10,694)
- (over)/under provision in prior years	(102,139)	72,429	(476,996)	74,141
Balance as at 31 December	(95,419)	(44,906)	(832,936)	(769,489)
Presented after appropriate offsetting:				
Deferred tax assets, net*	(163,220)	(187,761)	(845,055)	(769,489)
Deferred tax liabilities, net*	67,801	142,855	12,119	-
	(95,419)	(44,906)	(832,936)	(769,489)

* The amount of set-off between deferred tax assets and deferred tax liabilities was RM470,298 (2024: RM49,863; 2023: RM22,857; 2022: RM53,546) for the Group.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

8. DEFERRED TAXATION (continued)

Components and movements of deferred tax liabilities and assets of the Group during the financial years prior to offsetting are as follows:

Deferred tax assets of the Group	Property, plant and equipments RM	Other tempory differences RM	Total RM
Balance as at 1 January 2022	(12,877)	(64,103)	(76,980)
Recognised in profit or loss	8,442	(148,228)	(139,786)
Balance as at 31 December 2022/ 1 January 2023	(4,435)	(212,331)	(216,766)
Recognised in profit or loss	(8,183)	14,331	6,148
Balance as at 31 December 2023/ 1 January 2024	(12,618)	(198,000)	(210,618)
Recognised in profit or loss	(98,779)	(585,521)	(684,300)
Balance as at 31 December 2024/ 1 January 2025	(111,397)	(783,521)	(894,918)
Recognised in profit or loss	59,652	(404,521)	(344,869)
Balance as at 31 December 2025	(51,745)	(1,188,042)	(1,239,787)
Deferred tax liabilities of the Group			
Balance as at 1 January 2022	143,897	-	143,897
Recognised in profit or loss	(22,550)	-	(22,550)
Balance as at 31 December 2022/ 1 January 2023	121,347	-	121,347
Recognised in profit or loss	44,365	-	44,365
Balance as at 31 December 2023/ 1 January 2024	165,712	-	165,712
Recognised in profit or loss	(103,730)	-	(103,730)
Balance as at 31 December 2024/ 1 January 2025	61,982	-	61,982
Recognised in profit or loss	408,316	-	408,316
Balance as at 31 December 2025	470,298	-	470,298

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realised simultaneously.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

8. DEFERRED TAXATION (continued)

The amount of temporary differences for which no deferred tax assets have been recognised in the statement of financial position are as follows:

	2022 RM	2023 RM	2024 RM	2025 RM
Property, plant and equipment	(49,505)	-	-	-
Unutilised tax losses				
- expiring by 31 December 2034	-	-	67,374	95,194
Other temporary differences	174,905	63,100	71,401	-
	125,400	63,100	138,775	95,194

Deferred tax assets of subsdiaries have not been recognised in respect of these items as it is not probable that future taxable profits will be available against which the deductible temporary differences could be utilised.

The amount and availability of these items to carried forward up to the periods as disclosed above are subject to the agreement of the local tax authority.

Any unused tax losses shall be deductible for a maximum period of ten (10) consecutive years of assessment immediately following that year of assessemnt. Any amount which is not deducted at the end of the priod of ten (10) years of assessment shall be disregarded.

9. INVENTORIES

	2022 RM	2023 RM	2024 RM	2025 RM
At cost				
Raw materials	6,566,288	6,156,359	6,386,712	7,823,132
Work-in-progress	72,845	560,924	918,256	1,239,801
Finished goods	120,290	-	-	276,397
	6,759,423	6,717,283	7,304,968	9,339,330

During the financial year, the following are the amounts recognised as cost of sales:

	2022 RM	2023 RM	2024 RM	2025 RM
Inventories recognised as cost of sales	30,116,702	19,262,058	20,764,612	17,600,660

Inventories are stated at the lower of cost and net realisable value.

Cost is determined using the first-in, first-out method. Cost comprises all costs of purchase, cost of conversion plus other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work-in-progress included the cost of raw materials, direct labour, other direct cost and an appropriate portion of production overheads based on normal operating capacity of the production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

10. TRADE AND OTHER RECEIVABLES

	2022 RM	2023 RM	2024 RM	2025 RM
Trade receivables				
Third parties	8,838,819	10,385,880	13,071,114	18,421,541
Amounts owing by related parties	1,025,212	289,588	55,840	-
	9,864,031	10,675,468	13,126,954	18,421,541
Less: Impairment losses				
Third parties	(683,153)	(1,798,182)	(4,003,333)	(4,928,247)
Amounts owing by related parties	-	(142,578)	-	-
Total trade receivables	9,180,878	8,734,708	9,123,621	13,493,294
Other receivables				
Amounts owing by Directors	-	195,567	-	-
Amounts owing by related parties	-	1,734	-	-
Third parties	34,186	83,027	192,729	50,805
Deposits	71,959	111,038	947,670	244,772
Total other receivables	106,145	391,366	1,140,399	295,577
Prepayments	41,068	388,192	2,305,058	828,040
Total trade and other receivables	9,328,091	9,514,266	12,569,078	14,616,911

(a) Trade receivables of the Group are non-interest bearing and the normal trade credit terms granted by the Group range from 30 to 210 days (2024: 30 to 120 days; 2023: 30 to 120 days; 2022: 30 to 120 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

(b) Trade and other receivables (excluding prepayments) are classified as financial assets measured at amortised costs.

(c) Related parties refer to companies in which certain Directors of the Company have significant controlling and financial interests.

(d) The non-trade amounts owing by Directors and related parties were unsecured, interest-free, and payable upon demand in cash and bank balances.

(e) Included in the prepayments in was a total sum of RM642,223 (2024: RM1,788,686; 2023: RMNil; 2022: RMNil) paid to foreign supplier in respect to the acquisition of goods as non-refundable downpayment.

(f) Currency exposure profile of trade and other receivables (excluding prepayments) are as follows:

	2022 RM	2023 RM	2024 RM	2025 RM
Ringgit Malaysia	9,287,023	8,994,803	8,220,744	13,746,118
Chinese Yuan	-	8,117	75,298	125
United State Dollar	-	-	208,680	42,628
Euro Dollar	-	123,154	1,759,298	-
	9,287,023	9,126,074	10,264,020	13,788,871

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

10. TRADE AND OTHER RECEIVABLES (continued)

(g) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses ("ECL").

Lifetime ECL are the ECL that result from all possible default events over the expected life of the asset, while 12-month ECL are the portion of ECL that result from default events that are possible within the twelve (12) months after the reporting date. The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

The Group uses an allowance matrix to measure the expected credit loss of trade receivables from monthly aging. Expected loss rates are calculated using the roll rate method based on the common credit risk characteristic - by past due days.

During this process, the probability of non-payment by the trade receivables is adjusted by forward-looking information (gross domestic product index) and multiplied by the amount of the expected loss arising from default to determine the lifetime ECL for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statement of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

It requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

(h) Lifetime expected loss allowance for trade receivables are as follows:

	Gross carrying amount RM	Impairment losses RM	Total RM
31 December 2022			
Current	1,893,230	(32,488)	1,860,742
Past due			
1 to 30 days	1,953,352	(62,796)	1,890,556
31 to 60 days	769,259	(41,545)	727,714
61 to 90 days	1,174,519	(33,880)	1,140,639
More than 90 days	1,825,726	(484,648)	1,341,078
Credit impaired			
- Individually impaired	2,247,945	(27,796)	2,220,149
	9,864,031	(683,153)	9,180,878

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

10. TRADE AND OTHER RECEIVABLES (continued)

(h) Lifetime expected loss allowance for trade receivables are as follows: (continued)

	Gross carrying amount RM	Impairment losses RM	Total RM
31 December 2023			
Current	3,344,379	(119,878)	3,224,501
Past due			
1 to 30 days	2,730,628	(155,991)	2,574,637
31 to 60 days	1,697,938	(123,501)	1,574,437
61 to 90 days	732,440	(112,044)	620,396
More than 90 days	2,170,083	(1,429,346)	740,737
	10,675,468	(1,940,760)	8,734,708
31 December 2024			
Current	3,472,517	(262,378)	3,210,139
Past due			
1 to 30 days	3,379,582	(441,172)	2,938,410
31 to 60 days	1,446,635	(179,984)	1,266,651
61 to 90 days	1,641,689	(447,218)	1,194,471
More than 90 days	3,186,531	(2,672,581)	513,950
	13,126,954	(4,003,333)	9,123,621
31 December 2025			
Current	8,478,258	(430,051)	8,048,207
Past due			
1 to 30 days	2,357,078	(149,393)	2,207,685
31 to 60 days	1,921,149	(198,138)	1,723,011
61 to 90 days	931,407	(141,386)	790,021
More than 90 days	4,733,649	(4,009,279)	724,370
	18,421,541	(4,928,247)	13,493,294

Trade receivables are not secured by any collateral or credit enhancement.

During the financial year, the Group did not renegotiate the terms of any trade receivables. The Group's contracts with customers may include payment timelines that are structured or adjusted to align with project progress and milestone achievements. Such arrangements form part of the commercial terms of the contracts and do not represent renegotiation arising from credit risk, nor do they indicate a significant increase in credit risk.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

10. TRADE AND OTHER RECEIVABLES (continued)

(i) Impairment for other receivables is recognised based on the general approach within MFRS 9 using ECL model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset by comparing the risk of default occurring over the expected life with the risk of default since initial recognition.

For balances in which credit risk has not increased significantly since initial recognition of the financial asset, 12-month ECL along with gross interest income are recognised. For balances in which credit risk has increased significantly, lifetime ECL along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime ECL along with interest income on a net basis are recognised.

The probabilities of non-payments by other receivables are adjusted by forward looking information and multiplied by the amounts of the expected losses arising from defaults to determine the 12-month or lifetime ECL for the other receivables.

The Group defined significant increase in credit risk based on the payment trends and operational performance of other receivables.

It requires management to exercise significant judgement in determining the probabilities of default by other receivables, appropriate forward looking information and significant increase in credit risk.

No expected credit loss is recognised arising from other receivables as it is negligible.

(j) Movement in allowance for impairment losses of trade receivables are as follows:

	2022 RM	2023 RM	2024 RM	2025 RM
Balance as at 1 January	783,652	683,153	1,940,760	4,003,333
Charge for the financial year	103,124	1,293,225	2,205,806	1,431,895
Bad debt written off	-	(1,919)	(30,406)	(18,400)
Reversal of impairment losses	(203,623)	(33,699)	(112,827)	(488,581)
Balance as at 31 December	683,153	1,940,760	4,003,333	4,928,247

(k) Information on financial risks of trade and other receivables (excluding prepayments) is disclosed in Note 30 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

11. OTHER INVESTMENTS

	2022 RM	2023 RM	2024 RM	2025 RM
Financial assets held at fair value through other comprehensive income:				
Unquoted shares in Malaysia	50,000	-	-	-
Financial assets held at fair value through profit or loss:				
Unit trusts	200,000	-	-	-
	250,000	-	-	-

(a) The Group have irrevocably elected to recognise equity securities that are not held for trading at fair value through other comprehensive income. These are strategic investments for which the Group consider this classification to be appropriate and relevant.

(b) Unit trusts held at fair value through profit or loss, is held for trading purpose.

(c) The other investments were denominated at RM.

(d) In the financial year ended 31 December 2022, the investment of the Group with amount of RM50,000 was registered under the name of the Director of the subsidiary.

(e) Unquoted shares of the Group are categorised as Level 3 in the fair value hierarchy. Fair value of investments in unquoted shares are estimated based on the price to book valuation model, for which the price to book ratio is a significant unobservable input.

Unit trusts of the Group were categorised as Level 1 in fair value hierarchy. Fair value of unit trusts is determined by reference to closing price in an active market at the end of the reporting period.

There was no transfer between levels in the fair value hierarchy during the financial years.

(f) Sensitivity analysis for investments in unquoted shares are not disclosed as it is not material to the Group.

12. CONTRACT ASSETS/LIABILITIES

	2022 RM	2023 RM	2024 RM	2025 RM
Contract assets	1,643,883	1,781,168	2,492,182	5,090,472
Contract liabilities				
- Deferred revenue	129,139	652,888	245,403	2,943,875
- Advanced received from customers	1,131,371	1,004,705	4,719,005	2,805,718
	1,260,510	1,657,593	4,964,408	5,749,593

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

12. CONTRACT ASSETS/LIABILITIES (continued)

(a) Contract assets and contract liabilities represent the timing differences in revenue recognition and the milestone billings. The milestone billings are structured and/or negotiated with customers to reflect physical completion of the contracts.

Contract assets are transferred to receivables when the rights to economic benefits become unconditional. This usually occurs when the Group issues billings to the customers. Contract liabilities are recognised as revenue when performance obligations are satisfied.

(b) There were no significant changes in the contract assets and liabilities during the financial years.

(c) Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period, are as follows:

	2023 RM	2024 RM	2025 RM	2026 RM
31 December 2025	-	-	-	23,025,943
31 December 2024	-	-	14,425,062	-
31 December 2023	-	6,734,572	-	-
31 December 2022	6,492,605	-	-	-

(d) Impairment for contract assets is assessed based on the simplified approach of MFRS 9 as disclosed in Note 10(g) to the financial statements. No expected credit loss is recognised arising from contract assets as the amount is negligible.

13. CASH AND BANK BALANCES

	2022 RM	2023 RM	2024 RM	2025 RM
Cash and bank balances	3,267,227	5,017,113	4,795,916	3,043,734
Deposits with licensed banks	250,000	2,567,943	6,274,130	4,729,297
	3,517,227	7,585,056	11,070,046	7,773,031

(a) Cash and bank balances are classified as financial assets measured at amortised costs.

(b) Currency exposure profile of cash and bank balances are as follows:

	2022 RM	2023 RM	2024 RM	2025 RM
Ringgit Malaysia	3,248,086	7,452,058	10,853,560	7,699,401
United States Dollar	2,344	63,840	147,377	52,070
Chinese Yuan	-	65,773	67,568	758
Euro Dollar	266,797	3,385	1,541	20,802
	3,517,227	7,585,056	11,070,046	7,773,031

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13. CASH AND BANK BALANCES (continued)

(c) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of the reporting year:

	2022 RM	2023 RM	2024 RM	2025 RM
Cash and bank balances	3,267,227	5,017,113	4,795,916	3,043,734
Deposits with licensed banks	250,000	2,567,943	6,274,130	4,729,297
As per statements of financial position	3,517,227	7,585,056	11,070,046	7,773,031
Less:				
Deposits with maturity period more than three (3) months	-	(2,307,107)	(4,241,128)	(2,820,572)
Bank overdrafts (Note 16)	(680,882)	(742,874)	-	(2,107,404)
As per statements of cash flows	2,836,345	4,535,075	6,828,918	2,845,055

(d) No expected credit loss is recognised arising from the cash and bank balances because the probability of default by these financial institutions is negligible.

(e) Information on financial risks of cash and bank balances is disclosed in Note 30 to the financial statements.

14. INVESTED EQUITY/ SHARE CAPITAL

(a) Invested equity

Issued and fully paid-up with no par value	Number of ordinary shares	Amount RM
Balance as at 1 January 2022	4,070,010	4,070,010
Issuance of ordinary shares	500,000	500,000
Balance as at 31 December 2022/31 December 2023	4,570,010	4,570,010
Acquisition of subsidiaries in business combinations under common control:		
- elimination of issued share capital of LTKL	(2,950,000)	(2,950,000)
- elimination of issued share capital of LTPG	(500,000)	(500,000)
- elimination of issued share capital of LTIP	(500,000)	(500,000)
- elimination of issued share capital of LTJB	(500,000)	(500,000)
- elimination of issued share capital of LTBN (Note 4(b)(vi))	(10)	(10)
- elimination of issued share capital of LT Crane	(120,000)	(120,000)
Balance as at 31 December 2024/31 December 2025	-	-

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14. INVESTED EQUITY/SHARE CAPITAL (continued)

(b) Share capital

	Number of ordinary shares	Amount RM
Issued and fully paid-up with no par value		
Balance as at 27 January 2023 (date of incorporation)/31 December 2023	2	2
Issuance of ordinary shares:		
- for cash	10,000,000	10,000
- pursuant to acquisition of subsidiaries in business combinations under common control	202,278,000	20,227,800
Balance as at 31 December 2024/1 January 2025	212,278,002	20,237,802
Issuance of ordinary shares:		
- for cash	3,430,000	686,000
- by way of capitalisation of amounts owing to Directors	20,000,000	2,000,000
Balance as at 31 December 2025	235,708,002	22,923,802

(c) During the financial year ended 31 December 2025, the issued and fully paid-up ordinary share capital of the Company was increased from 212,278,002 to 235,708,002 by way of issuance of 23,430,000 new ordinary shares pursuant to the following:

(i) issuance of 3,430,000 new ordinary shares at an issue price of RM0.20 each by cash consideration; and

(ii) issuance of 20,000,000 new ordinary shares at an issue price of RM0.10 each by way of capitalisation of amounts owing to Directors.

Newly issued ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

(d) During the financial year ended 31 December 2024, the issued and fully paid-up ordinary share of the Company was increased from 2 to 212,278,002 by way of issuance of 212,278,000 new ordinary shares pursuant to the following:

(i) Issuance of 109,740,000 new ordinary shares at an issue price of RM0.10 each pursuant to acquisition of LTKL as disclosed in Note 4(b)(ii) to the financial statements;

(ii) Issuance of 20,700,000 new ordinary shares at an issue price of RM0.10 each pursuant to acquisition of LTPG as disclosed in Note 4(b)(iii) to the financial statements;

(iii) Issuance of 41,550,000 new ordinary shares at an issue price of RM0.10 each pursuant to acquisition of LTIP as disclosed in Note 4(b)(iv) to the financial statements;

(iv) Issuance of 28,500,000 new ordinary shares at an issue price of RM0.10 each pursuant to acquisition of LTJB as disclosed in Note 4(b)(v) to the financial statements;

(v) Issuance of 1,788,000 new ordinary shares at an issue price of RM0.10 each pursuant to acquisition of LT Crane as disclosed in Note 4(b)(vii) to the financial statements; and

(vi) Issuance of 10,000,000 new ordinary shares at an issue price of RM0.001 each.

NOTES TO THE FINANCIAL STATEMENTS
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14. INVESTED EQUITY/ SHARE CAPITAL (continued)

(e) During the financial year ended 31 December 2023, the Company is incorporated with issued and fully paid-up share capital of RM2, which consists of 2 ordinary shares at an issue price of RM1 each with cash.

(f) During the financial year ended 31 December 2022, the issued and fully paid-up invested equity of the Group was increased from RM4,070,010 to RM4,570,010 by way of issuance of 500,000 LTKL's new ordinary shares at an issue price of RM1 each by way of cash.

(g) As at 31 December 2022 and 31 December 2023, the number of ordinary shares of invested equity is presented on a combined basis.

(h) The common controlling shareholders of the combining entities/equity holders of the Company are entitled to receive dividends as and when declared by the Group and are entitled to one (1) vote per ordinary share at meetings of the Group. All ordinary shares rank pari passu with regard to the residual assets of the Group.

15. RESERVES

	2022 RM	2023 RM	2024 RM	2025 RM
Non-distributable:				
Merger reserve	-	-	(15,657,800)	(15,657,800)
Distributable:				
Retained earnings	15,783,827	22,201,907	28,434,495	32,797,823
	15,783,827	22,201,907	12,776,695	17,140,023

Merger reserve arose as a result of the difference between consideration paid over the share capital and reserves of LTKL, LTPG, LTIP, LTJB, LTBN and LT Crane pursuant to business combinations under common control.

16. BORROWINGS

	2022 RM	2023 RM	2024 RM	2025 RM
Non-current				
Secured				
Term loans	1,501,470	6,135,934	5,456,859	14,471,080
Current				
Secured				
Bank overdrafts	680,882	742,874	-	2,107,404
Term loans	171,663	455,416	522,515	756,941
	852,545	1,198,290	522,515	2,864,345
Total borrowings				
Bank overdrafts	680,882	742,874	-	2,107,404
Term loans	1,673,133	6,591,350	5,979,374	15,228,021
	2,354,015	7,334,224	5,979,374	17,335,425

NOTES TO THE FINANCIAL STATEMENTS
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16. BORROWINGS (continued)

(a) Borrowings are classified as financial liabilities measured at amortised cost.

(b) Borrowings are denominated in RM.

(c) Borrowings of the Group are secured by way of:

(i) legal charge over the Group's property, plant and equipment, right-of-use assets, and investment properties, as disclosed in Note 5, Note 6, and Note 7 to the financial statements; and

(ii) joint and several guarantee by the Directors of the Company and its subsidiaries (2024: the Directors of the Company and its subsidiaries; 2023: the Directors of the combining entities; 2022: the Directors of the combining entities).

(d) Information on financial risks of borrowings is disclosed in Note 30 to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

17. LEASE LIABILITIES

Carrying amount	Balance as at 1.1.2022 RM	Additions RM	Lease payments RM	Interest expense RM	Balance as at 31.12.2022 RM
Hostels	14,252	-	(8,400)	360	6,212
Motor vehicles	1,144,625	195,000	(527,930)	43,571	855,266
	1,158,877	195,000	(536,330)	43,931	861,478

Carrying amount	Balance as at 1.1.2023 RM	Additions RM	Early termination RM	Lease payments RM	Interest expense RM	Balance as at 31.12.2023 RM
Hostels	6,212	44,023	(700)	(13,580)	1,006	36,961
Motor vehicles	855,266	350,000	-	(369,167)	32,917	869,016
	861,478	394,023	(700)	(382,747)	33,923	905,977

Carrying amount	Balance as at 1.1.2024 RM	Additions RM	Lease modification RM	Early termination RM	Lease payments RM	Interest expense RM	Balance as at 31.12.2024 RM
Workshop	-	34,465	-	-	(9,000)	654	26,119
Machinery	-	400,000	-	-	(47,170)	10,327	363,157
Hostels	36,961	50,163	-	(15,838)	(23,850)	1,480	48,916
Motor vehicles	869,016	765,000	1,036	-	(401,267)	56,625	1,290,410
	905,977	1,249,628	1,036	(15,838)	(481,287)	69,086	1,728,602

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

17. LEASE LIABILITIES (continued)

Carrying amount	Balance as at 1.1.2025 RM	Additions RM	Early termination RM	Lease payments RM	Interest expense RM	Balance as at 31.12.2025 RM
Workshop	26,119	-	-	(18,000)	773	8,892
Machinery	363,157	-	-	(113,208)	20,204	270,153
Hostels	48,916	49,194	(24,155)	(32,700)	2,713	43,968
Motor vehicles	1,290,410	418,000	-	(616,832)	70,880	1,162,458
	1,728,602	467,194	(24,155)	(780,740)	94,570	1,485,471

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

17. LEASE LIABILITIES (continued)

	2022 RM	2023 RM	2024 RM	2025 RM
Represented by:				
Current liabilities	321,220	299,101	522,496	489,852
Non-current liabilities	540,258	606,876	1,206,106	995,619
	861,478	905,977	1,728,602	1,485,471
Lease liabilities owing to financial institutions	855,266	869,016	1,653,567	1,432,611
Lease liabilities owing to non-financial institutions	6,212	36,961	75,035	52,860
	861,478	905,977	1,728,602	1,485,471

(a) Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate implicit in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. The incremental borrowing rates used are based on prevailing market borrowing rates over similar lease terms, of similar value as the right-of-use asset in a similar economic environment.

On initial recognition, the carrying value of the lease liabilities also include:

(i) amounts expected to be payable under any residual value guarantee;

(ii) the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to exercise that option; and

(iii) any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

(b) In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

Several lease contracts of the Group include extension and termination options. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.

NOTES TO THE FINANCIAL STATEMENTS
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17. LEASE LIABILITIES (continued)

(b) (continued)

The following are the undiscounted potential future rental payments that are not included in the lease term:

	2022 RM	2023 RM	2024 RM	2025 RM
Extension options expected not to be exercised:				
Within five (5) years	-	28,200	45,600	51,000

(c) The following are the amounts recognised in profit or loss:

	2022 RM	2023 RM	2024 RM	2025 RM
Included in cost of sales:				
Amortisation charge of right-of-use assets	16,342	-	17,940	-
Expenses relating to short-team leases	535,594	875,280	1,052,165	1,135,140
Included in administrative and distribution expenses:				
Amortisation charge of right-of-use assets	456,245	343,041	595,166	735,310
Expenses relating to leases of low-value assets	5,871	23,274	23,001	17,133
Expenses relating to short-team leases	4,200	-	15,897	26,254
Impairment losses of right-of-use assets	-	-	54,462	-
Included in finance costs:				
Interest expenses on lease liabilities	43,931	33,923	69,086	94,570
Included in other operating income:				
Gain on early lease termination	-	(26)	(1,247)	(318)
	1,062,183	1,275,492	1,826,470	2,008,089

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

17. LEASE LIABILITIES (continued)

(d) The following are total cash outflows for leases as a lessee:

	2022 RM	2023 RM	2024 RM	2025 RM
Included in net cash from operating activities:				
Payments relating to short-term leases and low-value assets	545,665	898,554	1,091,063	1,178,527
Included in net cash from investing activities:				
Purchase of right-of-use assets	95,202	289,582	689,140	3,970,114
Included in net cash from financing activities:				
Payment of lease liabilities	536,330	382,747	481,287	780,740
Total cash outflows for leases	1,177,197	1,570,883	2,261,490	5,929,381

(e) **The Group as lessor**

The Group has entered into non-cancellable lease agreements on certain properties for terms of three (3) years and renewable at the end of the lease period. The Group classified these leases as operating lease because they do not transfer substantially all of the risks and rewards incidental to the ownership of these assets. Lease income (net of any incentives given to lessees) is recognised over the term of the lease on a straight-line basis. The following is the maturity analysis of the undiscounted lease payments to be received after the reporting date.

	2022 RM	2023 RM	2024 RM	2025 RM
Less than one (1) year	36,750	58,750	43,600	20,400
One (1) to two (2) years	22,750	36,000	9,000	-
Two (2) to three (3) years	-	9,000	-	-
	59,500	103,750	52,600	20,400

(f) Information on financial risks of lease liabilities is disclosed in Note 30 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
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18. TRADE AND OTHER PAYABLES

	2022 RM	2023 RM	2024 RM	2025 RM
Trade payables				
Third parties	4,840,335	3,903,175	4,420,832	3,891,656
Amounts owing to related parties	227,375	486,994	-	-
	5,067,710	4,390,169	4,420,832	3,891,656
Other payables				
Third parties	134,899	406,872	1,594,071	981,675
Amounts owing to Directors	2,557,254	2,455,251	2,000,000	-
Amounts owing to related parties	-	-	437,310	-
Accruals	690,461	1,200,788	2,863,229	2,538,667
	3,382,614	4,062,911	6,894,610	3,520,342
Total trade and other payables	8,450,324	8,453,080	11,315,442	7,411,998

(a) Trade and other payables are classified as financial liabilities measured at amortised cost.

(b) Trade payables (including amounts owing to related parties) are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 180 days.

(c) Related parties refer to companies in which certain Directors of the Group have significant controlling and financial interest. The non-trade portion of amounts owing to related parties were unsecured, interest-free and payable upon demand in cash and cash equivalents.

(d) As of the end of the previous reporting period ended 31 December 2024, included in the other payables are amounts owing to third parties and Directors of the Group, totalling RM686,000 and RM2,000,000 respectively. The new share subscriptions by third parties and the capitalisation of debts owing to Directors have been completed as disclosed in Note 14(c) of the financial statements.

The amounts owing to Directors of the Group as of the end of previous reporting periods ended 31 December 2022 and 31 December 2023 were unsecured, interest-free and payable upon demand in cash and cash equivalents.

(e) Currency exposure profile of trade and other payables are as follows:

	2022 RM	2023 RM	2024 RM	2025 RM
Ringgit Malaysia	7,006,140	7,657,139	10,039,986	6,206,551
United States Dollar	-	3,594	3,444	-
Euro Dollar	194,836	107,552	342,970	40,613
Chinese Yuan	1,249,348	684,795	903,874	1,139,666
Thai Baht	-	-	25,168	25,168
	8,450,324	8,453,080	11,315,442	7,411,998

(f) Information on financial risks of trade and other payables is disclosed in Note 30 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

19. REVENUE

	2022 RM	2023 RM	2024 RM	2025 RM
Revenue from contacts with customers:				
Sales of goods	11,067,751	12,512,790	14,889,023	12,052,103
Rendering of service	4,002,565	5,160,076	4,855,073	7,339,591
Project sale	37,515,964	31,427,502	37,911,220	38,466,806
	52,586,280	49,100,368	57,655,316	57,858,500
Timing of revenue recognition:				
Over time	36,649,577	31,326,324	37,655,285	37,932,806
At a point in time	15,936,703	17,774,044	20,000,031	19,925,694
	52,586,280	49,100,368	57,655,316	57,858,500

Revenue from contracts with customers is disaggregated in Note 28 to the financial statements by geographical area.

(a) Sale of goods

Revenue from the sale of goods is recognised at a point in time when the Group satisfies a performance obligation by transferring a promised goods to a customer. An asset is transferred as and when the customer obtains control of that asset, which coincides with the delivery of goods and acceptance by customers.

There is no significant financing component in the revenue arising from sale of goods as the sales are made on the normal credit terms not exceeding twelve (12) months.

No provision for warranty or return obligations arising from the sale of products is recognised by the Group, as such obligations are contractually borne by the suppliers.

(b) Project sale

Revenue from projects that represents a series of deliverables such as design, manufacture and installation of heavy lifting equipment are recognised over time, using input method to measure progress towards complete satisfaction of the project based on labour and material cost incurred to date relative to the total expected cost to the satisfaction of the project.

Revenue from projects with related parties are recognised at a point in time when the Group satisfy a performance obligation by transferring a promised goods to a customer. An asset is transferred as and when the customer obtains control of that asset, which coincides with the delivery of goods and acceptance by customers.

There is no significant financing component in the revenue arising from project sale as the sales are made on the normal credit terms not exceeding twelve (12) months. No provision for warranty or return obligations arising from the project sale is recognised by the Group, as such obligations are contractually borne by the suppliers.

(c) Rendering of services

Revenue from rendering of services is recognised at a point in time upon the performance of a services.

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19. REVENUE (continued)

(c) Rendering of services (continued)

There is no significant financing component in the revenue arising from rendering of services as the sales are made on the normal credit terms not exceeding twelve (12) months. There is no right of return and warranty provided to the customers on the services rendered.

20. OTHER OPERATING INCOME

	2022 RM	2023 RM	2024 RM	2025 RM
Bad debt recovered	-	5,070	-	-
Discount received	2,092	-	-	-
Gain on disposal of other investment	-	3,839	-	-
Gain on disposal of property plant and equipment	66,898	234,999	113,196	76,999
Gain on early lease termination	-	26	1,247	318
Insurance claim	10,874	24,347	19,904	76,508
Interest income	14,966	76,209	114,504	165,538
Management fee	4,819	1,484	12,021	-
Realised gain on foreign exchange	179,100	35,582	97,808	209,269
Rental of forklift	349,160	161,600	164,300	119,777
Rental of factory	109,985	86,900	90,400	50,400
Scrap sales	56,876	75,231	80,546	111,049
Sundry income	10,671	132,834	20,430	69,027
Unrealised gain on foreign exchange	2,830	-	-	62,209
Wages subsidy	37,800	-	-	-
	846,071	838,121	714,356	941,094

(a) Interest income

Interest income is recognised as it accrues, using the effective interest method.

(b) Rental income

Rental income is recognised on a straight-line basis over the lease term of an ongoing lease.

(c) Management fee income

Management fee income is recognised when service is rendered.

21. FINANCE COSTS

	2022 RM	2023 RM	2024 RM	2025 RM
Interest expenses on:				
- bank overdrafts	15,726	33,640	11,604	30,807
- lease liabilities (Note 17)	43,931	33,923	69,086	94,570
- term loans	64,099	64,853	163,952	324,017
Others	1,817	1,226	1,969	-
	125,573	133,642	246,611	449,394

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22. EMPLOYEE BENEFITS

	2022 RM	2023 RM	2024 RM	2025 RM
Directors' remuneration	2,108,001	2,726,906	2,858,850	3,392,479
Wages, bonuses and allowances	5,674,918	6,832,089	9,074,895	10,264,741
Commissions, incentives and allowances	85,453	12,560	17,006	89,620
Contributions to defined contribution plan	507,920	672,084	849,512	927,875
Social security contributions	71,879	90,265	120,082	225,028
Other benefits	192,693	154,162	154,713	912,847
	8,640,864	10,488,066	13,075,058	15,812,590

Included in the Directors' remuneration is contributions to defined contribution plan amounting to RM282,402 (2024: RM261,522; 2023: RM256,923; 2022: RM202,458). Estimated monetary value of benefits-in-kind provided to the Directors of the Group are RM166,008 (2024: RM152,208; 2023: RM137,158; 2022: RM129,358).

23. TAX EXPENSE

	2022 RM	2023 RM	2024 RM	2025 RM
Current tax expense based on profit for the financial year	1,620,702	2,302,509	3,084,120	2,976,628
(Over)/Under provision of tax expense in prior years	(9,963)	8,695	176,263	25,483
	1,610,739	2,311,204	3,260,383	3,002,111
Deferred tax expense (Note 8):				
- relating to origination and reversal of temporary differences	(60,197)	(21,916)	(311,034)	(10,694)
- (over)/under provision in prior years	(102,139)	72,429	(476,996)	74,141
	(162,336)	50,513	(788,030)	63,447
	1,448,403	2,361,717	2,472,353	3,065,558

(a) The Malaysian income tax is calculated at the statutory tax rate of twenty-four per centum (24%) (2024: 24%; 2023: 24%; 2022: 24%) of the estimated taxable profits for the fiscal year.

NOTES TO THE FINANCIAL STATEMENTS
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23. TAX EXPENSE (continued)

(b) The numerical reconciliation between the tax expense and the product of accounting profit multiplied by the applicable tax rates of the Group are as follows:

	2022 RM	2023 RM	2024 RM	2025 RM
Profit before tax	6,877,684	9,079,797	9,054,941	9,928,886
Tax at Malaysian statutory tax rate of 24%	1,650,600	2,179,200	2,173,200	2,382,900
Tax effects in respect of:				
- non-allowable expenses	193,847	381,637	823,372	620,300
- non-taxable income	(87,726)	(57,585)	(23,564)	(26,807)
Different tax rate for first chargeable income of RM600,000	(223,119)	(207,707)	(218,084)	-
Deferred tax asset not recognised	35,450	15,144	33,306	-
Utilisation of deferred tax assets previously not recognised	(8,547)	(30,096)	(15,144)	(10,459)
(Over)/Under provision of tax expense in prior years	(9,963)	8,695	176,263	25,483
(Over)/Under provision of deferred tax in prior years	(102,139)	72,429	(476,996)	74,141
	1,448,403	2,361,717	2,472,353	3,065,558

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

24. EARNINGS PER ORDINARY SHARE

(a) Basic

Basic earnings per ordinary share for the financial years is calculated by dividing the profit for the financial years attributable to the common controlling shareholders of the combining entities/equity holders of the Company by the expected number of ordinary shares of the Company pursuant to the Listing.

	2022	2023	2024	2025
Profit attributable to common controlling shareholders of the combining entities/the equity holders of the Company (RM)	5,429,281	6,718,080	6,582,588	6,863,328
Expected number of shares upon completion of the Listing (unit)	314,942,002	314,942,002	314,942,002	314,942,002
Basic earnings per ordinary share (sen)	1.72	2.13	2.09	2.18

(b) Diluted

Diluted earnings per ordinary share equals basic earnings per ordinary share, as the Group does not have any potential dilutive ordinary share in issue during and at the end of the financial years.

25. DIVIDENDS

	2022 Dividend per share RM	2022 Amount of dividend RM
In respect of financial year ended 31 December 2021		
Final single tier dividend, paid on 27 January 2022	0.40	200,000
In respect of financial year ended 31 December 2022		
Interim single tier dividend, paid on 30 December 2022	1.00	100,000
		300,000

	2023 Dividend per share RM	2023 Amount of dividend RM
In respect of financial year ended 31 December 2022		
Final single tier dividend, paid on 6 January 2023	0.20	100,000
Final single tier dividend, paid on 13 January 2023	0.30	150,000
In respect of financial year ended 31 December 2023		
Interim single tier dividend, paid on 17 June 2023	5,000.00	50,000
		300,000

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

25. DIVIDENDS (continued)

	2024 Dividend per share RM	2024 Amount of dividend RM
In respect of financial year ended 31 December 2024		
Final single tier dividend, paid on 30 June 2024	30,000.00	300,000
Second single tier dividend, paid on 3 December 2024	5,000.00	50,000
		350,000

	2025 Dividend per share RM	2025 Amount of dividend RM
In respect of financial year ended 31 December 2025		
Final single tier dividend, paid on 29 September 2025	0.01	2,500,000

26. CAPITAL COMMITMENTS

	2022 RM	2023 RM	2024 RM	2025 RM
Capital expenditure				
- Approved but not contracted	-	-	-	2,419,631
- Contracted but not provided	7,050,000	1,083,011	8,033,150	733,500
	7,050,000	1,083,011	8,033,150	3,153,131

27. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties could be individuals or other parties.

Related parties of the Group includes:

(i) Companies in which a Director has a substantial financial interest; and

(ii) Key management personnel which comprises persons (including the Directors of the Group) having authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

27. RELATED PARTY DISCLOSURES (continued)

(b) Significant related parties transactions

In addition to the transactions and balances detailed elsewhere in the financial statements, the Group had the following significant transactions with related parties during the financial years:

	2022 RM	2023 RM	2024 RM	2025 RM
Transactions with related parties:				
- Sales of goods and services	1,781,967	513,405	876,265	534,000
- Sales of asset to Directors	-	85,000	5,000	-
- Legal services rendered	-	-	-	432
- Management fee	4,819	1,484	12,021	-
- Advances from Director	-	200,000	-	-
- Repayment from Directors	12,000	2,000	280,703	-
- Purchase of goods and services	(49,202)	(237,228)	(415,624)	-
- Purchase of assets	-	-	(631,300)	-
- Advances to Directors	(14,000)	(195,567)	(85,136)	-
- Rental of machineries	-	(450)	-	-
- Rental paid	(300)	(1,800)	(12,000)	(22,000)
- Repayment to Directors	-	(299,998)	(449,051)	-
- Subcontractor charges	(836,190)	(941,923)	-	-
- Interest income	7,978	5,471	-	-

The related party transactions described above were carried out in the ordinary course of business and have been established under negotiated and mutually agreed terms.

Outstanding balances with related parties at the end of the financial years are disclosed in Notes 10 and 18 to the financial statements.

(c) Compensation of key management personnel

The remuneration of the Directors and other key management personnel of the Group during the financial years are as follows:

Directors and key management personnels	2022 RM	2023 RM	2024 RM	2025 RM
Salaries and other emoluments	2,028,081	2,596,915	2,793,495	3,359,275
Contributions to defined contribution plan	219,231	274,985	290,034	320,706
Social security contribution	9,775	10,896	12,253	15,765
Other benefit	6,939	33,204	56,695	59,779
	2,264,026	2,916,000	3,152,477	3,755,525

Included in the compensation of key management personnel are Directors' remuneration of the Group as disclosed in Note 22 of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

28. OPERATING SEGMENTS

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely crane and mechanical engineering work.

No separate segment information is presented as the Directors view the Group as a single reportable segment.

(a) Geographical information

All the assets and liabilities of the Group are derived from Malaysia. Hence, no additional disclosure is made on geographical breakdown details of the segment assets of the Group.

Revenue information based on geographical location of customers is as follows:

	2022 RM	2023 RM	2024 RM	2025 RM
Revenue from external customers:				
Malaysia	51,707,339	48,505,258	55,803,665	57,183,696
Thailand	76,218	397,102	1,386,458	463,429
China	-	-	196,596	148,515
Singapore	-	-	-	350
Indonesia	802,723	152,257	261,514	62,510
Luxembourg	-	-	7,083	-
Australia	-	7,351	-	-
Saudi Arabia	-	38,400	-	-
	52,586,280	49,100,368	57,655,316	57,858,500

(b) Major customers

The following is the major customer with revenue equal or more than ten percent (10%) of revenue of the Group:

	2022 RM	2023 RM	2024 RM	2025 RM
Customer A	-	-	-	6,246,225
Customer B	12,647,363	-	-	-

29. CAPITAL MANAGEMENT

The primary objective of the capital management of the Group is to ensure that the Group would be able to continue as going concerns whilst maximising the return to shareholders through the optimisation of the debt and equity ratios. The overall strategy of the Group remains unchanged throughout the reporting period.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

29. CAPITAL MANAGEMENT (continued)

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, borrowings and lease liabilities owing to financial institutions less cash and bank balances. Capital represents equity attributable to the common controlling shareholders of the combining entities/equity holders of the Company. The gearing ratios as at the financial years are as follows:

	2022 RM	2023 RM	2024 RM	2025 RM
Borrowings (Note 16)	2,354,015	7,334,224	5,979,374	17,335,425
Lease liabilities owing to financial institutions (Note 17)	855,266	869,016	1,653,567	1,432,611
Total liabilities	3,209,281	8,203,240	7,632,941	18,768,036
Less:				
Cash and bank balances (Note 13)	(3,517,227)	(7,585,056)	(11,070,046)	(7,773,031)
(Net cash)/Net debt	(307,946)	618,184	(3,437,105)	10,995,005
Total capital	20,353,837	26,771,919	33,014,497	40,063,823
(Net cash)/Net debt	(307,946)	618,184	(3,437,105)	10,995,005
Total capital plus (net cash)/net debt	20,045,891	27,390,103	29,577,392	51,058,828
Gearing ratio	*	2%	*	22%

* Capital gearing ratio is not presented as the Group is in net cash position.

The Group is not subject to any externally imposed capital requirements.

30. FINANCIAL RISK MANAGEMENT

The financial risk management objective of the Group is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from fluctuations in foreign currency exchange and interest rates and the unpredictability of the financial markets.

The Group is exposed mainly to foreign currency risk, credit risk, liquidity and cash flow risk and interest rate risk. Information on the management of the related exposures is detailed below.

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rates.

The Group are exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of entities within the Group. The currency giving rise to this risk is primarily in United States Dollar ("USD"), Euro Dollar ("EUR") and Chinese Yuan ("CNY").

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

30. FINANCIAL RISK MANAGEMENT (continued)

(a) Foreign currency risk (continued)

The following table demonstrates the sensitivity analysis of the profit after tax of the Group to a reasonably possible change in USD, EUR and CNY exchange rate against the functional currency of the Group, with all other variables held constant:

	2022 RM	2023 RM	2024 RM	2025 RM
Profit after tax				
USD/RM				
- Strengthen by 5%	89	2,289	13,399	3,599
- Weaken by 5%	(89)	(2,289)	(13,399)	(3,599)
EUR/RM				
- Strengthen by 5%	2,735	722	53,879	(42,517)
- Weaken by 5%	(2,735)	(722)	(53,879)	42,517
CNY/RM				
- Strengthen by 5%	(47,475)	(23,214)	(28,918)	(1,510)
- Weaken by 5%	47,475	23,514	28,918	1,510

Sensitivity analysis of other foreign currencies are not disclosed as they are not material to the Group.

The effect to the equity of the Group are not presented as they are not affected by the changes in the exchange rates.

(b) Credit risk

Exposure to credit risk arises mainly from sales made on credit terms and deposits with licensed banks. The Group controls the credit risk on sales by ensuring that its customers have sound financial position and credit history. The Group also seeks to invest cash assets safely and profitably with approved financial institutions in line with the policy of the Group.

Exposure to credit risk

At the end of the reporting period, the maximum exposure of the Group to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Credit risk concentration profile

At the end of the reporting period, approximately 18% (2024: none; 2023: none; 2022: 33%) of the trade receivables of the Group were due from one (1) (2024: none; 2023: none; 2022: two (2)) major customer.

(c) Liquidity and cash flow risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, borrowings and lease liabilities.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

30. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity and cash flow risk (continued)

The Group actively manages its debt maturity profile, operating cash flows and availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group.

The Group also manages liquidity risk by minimising the mismatch of financial assets and financial liabilities whilst maintaining sufficient cash to meet working capital requirement.

The table below summaries the maturity profile of the liabilities of the Group at the end of the reporting period based on contractual undiscounted repayment obligations:

	On demand or within one (1) year RM	One (1) to five (5) years RM	More than five (5) years RM	Total RM
Financial liabilities				
31 December 2025				
Trade and other payables	7,411,998	-	-	7,411,998
Borrowings	3,373,475	5,422,388	13,080,595	21,876,458
Lease liabilities	560,780	1,054,924	-	1,615,704
Total undiscounted financial liabilities	11,346,253	6,477,312	13,080,595	30,904,160
31 December 2024				
Trade and other payables	11,315,442	-	-	11,315,442
Borrowings	717,928	2,578,358	3,888,532	7,184,818
Lease liabilities	618,350	1,343,528	-	1,961,878
Total undiscounted financial liabilities	12,651,720	3,921,886	3,888,532	20,462,138
31 December 2023				
Trade and other payables	8,453,080	-	-	8,453,080
Borrowings	1,473,794	2,891,561	4,363,073	8,728,428
Lease liabilities	334,663	646,314	-	980,977
Total undiscounted financial liabilities	10,261,537	3,537,875	4,363,073	18,162,485
31 December 2022				
Trade and other payables	8,450,324	-	-	8,450,324
Borrowings	896,205	969,176	742,957	2,608,338
Lease liabilities	357,709	573,458	-	931,167
Total undiscounted financial liabilities	9,704,238	1,542,634	742,957	11,989,829

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

30. FINANCIAL RISK MANAGEMENT (continued)

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market interest rates.

The primary interest rate risk of the Group relates to interest-bearing deposits with licensed bank, borrowings from financial institutions and lease liabilities.

As at the end of the reporting period, the Group does not engage any interest hedging instruments in respect of such interest rate fluctuations.

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

30. FINANCIAL RISK MANAGEMENT (continued)

(d) Interest rate risk (continued)

The following table sets out the carrying amounts, the incremental borrowing rates ("IBR")/weighted average effective interest rates ("WAEIR") as at the end of the reporting period and the remaining maturities of the financial instruments of the Group that are exposed to interest rate risk:

	Note	IBR/ WAEIR %	Within 1 year RM	1 - 2 years RM	2 - 3 years RM	3 - 4 years RM	4 - 5 years RM	More than 5 years RM	Total RM
As at 31 December 2022									
Fixed rates									
Deposits with licensed banks	13	2.40	(250,000)	-	-	-	-	-	(250,000)
Lease liabilities	17	2.60	321,220	273,158	160,269	83,163	23,668	-	861,478
Term loans	16	3.50	41,619	42,950	44,477	46,059	47,698	16,953	239,756
Floating rates									
Overdrafts	16	6.47	680,882	-	-	-	-	-	680,882
Term loans	16	4.74	130,044	145,956	146,760	152,854	159,213	698,550	1,433,377
As at 31 December 2023									
Fixed rates									
Deposits with licensed banks	13	3.64	(2,567,943)	-	-	-	-	-	(2,567,943)
Lease liabilities	17	3.20	299,101	259,680	170,782	106,228	70,186	-	905,977
Term loans	16	3.50	42,950	44,477	46,059	47,698	16,953	-	198,137
Floating rates									
Overdraft	16	7.22	742,874	-	-	-	-	-	742,874
Term loans	16	4.28	412,466	489,768	506,171	524,282	543,062	3,917,464	6,393,213

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

30. FINANCIAL RISK MANAGEMENT (continued)

(d) Interest rate risk (continued)

The following table sets out the carrying amounts, the incremental borrowing rates ("IBR")/weighted average effective interest rates ("WAEIR") as at the end of the reporting period and the remaining maturities of the financial instruments of the Group that are exposed to interest rate risk: (continued)

	Note	IBR/ WAEIR %	Within 1 year RM	1 - 2 years RM	2 - 3 years RM	3 - 4 years RM	4 - 5 years RM	More than 5 years RM	Total RM
As at 31 December 2024									
Fixed rates									
Deposits with licensed banks	13	3.29	(6,274,130)	-	-	-	-	-	(6,274,130)
Lease liabilities	17	2.92	522,496	453,807	369,740	300,393	82,166	-	1,728,602
Term loans	16	3.50	44,482	46,064	47,703	16,807	-	-	155,056
Floating rate									
Term loans	16	4.27	478,033	444,617	458,468	474,649	491,432	3,477,119	5,824,318
As at 31 December 2025									
Fixed rates									
Deposits with licensed banks	13	1.98	(4,729,297)	-	-	-	-	-	(4,729,297)
Lease liabilities	17	3.20	489,852	426,507	360,208	174,597	34,307	-	1,485,471
Term loans	16	3.50	46,070	47,708	16,647	-	-	-	110,425
Floating rate									
Overdrafts	16	6.95	2,107,404	-	-	-	-	-	2,107,404
Term loans	16	4.00	710,871	747,610	774,532	802,476	819,791	11,262,316	15,117,596

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

30. FINANCIAL RISK MANAGEMENT (continued)

(d) Interest rate risk (continued)

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity analysis for floating rate instruments of the profit after tax of the Group if interest rates at the end of the reporting period changed by fifty (50) basis points with all other variables held constant:

	2022 RM	2023 RM	2024 RM	2025 RM
Profit after tax				
- Increase by 0.5%	(8,034)	(27,117)	(22,132)	(65,455)
- Decrease by 0.5%	8,034	27,117	22,132	65,455

The Group does not account for any fixed rate financial instruments at fair value through profit or loss, and the carrying amount of fixed rate financial instruments of the Group are measured at amortised cost. Therefore, no sensitivity analysis for fixed rate instruments was prepared as the change in market interest rate at the end of the reporting period would not affect profit or loss.

The effect to the equity of the Group are not presented as they are not affected by the changes in the interest rates.

31. FINANCIAL INSTRUMENTS

Methods and assumptions used to estimate fair value

The carrying amounts of financial assets and financial liabilities, such as cash and bank balances, trade and other receivables, trade and other payables and borrowings, are reasonable approximation of fair values, either due to their short-term nature or they are floating rate instruments that are re-priced to market interest rates on or near the end of each reporting period.

32. SIGNIFICANT EVENTS DURING THE YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

(a) As at 3 February 2025, the Group has entered into a Sale and Purchase agreement with a third party for the purchase of a double storey shoplot for a total consideration of RM395,000, which the transaction has been completed on 10 March 2026.

(b) As at 28 August 2025, the Group has entered into a letter of offer with third parties for the purchase of one (1) unit of double-storey terrace house for a total consideration of RM420,000. Subsequently, both parties have entered into sales and purchase agreement on 20 January 2026. As at the date of this report, the acquisition has yet to be completed.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

32. SIGNIFICANT EVENTS DURING THE YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD (continued)

(c) The Company is seeking to list its ordinary shares on the ACE Market of Bursa Malaysia Securities Berhad via a proposed Initial Public Offering exercise.

The Bursa Malaysia Securities Berhad has vide its letter dated 26 February 2026, approved amongst others, the admission of the Company to the Official List and the listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad.

(d) Subsequent to financial year ended 31 December 2025, the Group has acquired a motor vehicle with total purchase consideration of RM369,541. The acquisition is settled via cash payment of RM109,541, with the balance of RM260,000 being financed through hire purchase.

(e) Subsequent to the reporting date and up to the date of authorisation of the financial statements, geopolitical tensions in the Middle East have continued and/or escalated, contributing to heightened volatility in global energy markets and increases in oil prices.

Given that the geopolitical situation in the Middle East remains uncertain, and as at the date of this report, the Group has not experienced any material adverse impact on its operations or financial position arising directly from these developments. Nevertheless, the Group will continue to monitor developments and assess the potential operational and financial implications of the conflict.

33. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

33.1 New Amendments to MFRSs adopted during the financial year

The Group adopted the following Amendments to the Standards of the MFRSs that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
Amendments to MFRS 121 *Lack of Exchangeability*	1 January 2025

Adoption of the above Amendments to the Standards did not have any material effect on the financial performance or position of the Group during the financial year.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

33. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (continued)

33.2 New MFRSs and Amendments to MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2026

The following are Standards and Amendments to Standards of the MFRSs that have been issued by the MASB but have not been early adopted by the Group:

Title	**Effective Date**
Amendments to MFRS 9 and MFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7 *Contracts Referencing Nature-dependent Electricity*	1 January 2026
MFRS 18 *Presentation and Disclosure in Financial Statements*	1 January 2027
MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 121 *Translation to Hyperinflationary Presentation Currency*	1 January 2027
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

The Group is in the process of assessing the impact of implementing these Standards and Amendments to the Standards, since the effects would only be observable for future financial years.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

STATEMENT BY DIRECTORS

We, Ng Sea Kai and Eng Peng Hong, being two of the Directors of Liftech Group Berhad, state that, in the opinion of the Directors, the financial information set out on pages 5 to 73 are drawn up so as to give a true and fair view of the financial position of the Group as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 and of the financial performance and cash flows of the Group for the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and Chapter 10, Part II Division 1: Equity of the Prospectus Guidelines issued by the Securities Commission Malaysia.

Signed on behalf of the Board,

Ng Sea Kai	Eng Peng Hong
Managing Director	Executive Director
Dated: 15 MAY 2026	

Stamped for the purpose of identification only
15 MAY 2026
BDO PLT
Chartered Accountants
Penang

BDO

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The Board of Directors
Liftech Group Berhad
No.10 & 12, Jalan TPP5/8,
Taman Perindustrian Puchong,
47100 Puchong,
Selangor, Malaysia.

Date: 15 MAY 2026

Our ref: BDO/ANSK/LCL/kyz

Dear Sirs

LIFTECH GROUP BERHAD ("LIFTECH" OR "COMPANY") AND ITS SUBSIDIARIES ("LIFETCH GROUP" OR "GROUP")

REPORT ON THE COMPILATION OF THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 ("This Report")

We have completed our assurance engagement to report on the compilation of the Pro Forma Consolidated Statements of Financial Position of the Group prepared by the Board of Directors of the Company ("Board of Directors"). The Pro Forma Consolidated Statements of Financial Position as at 31 December 2025 together with the accompanying notes thereon, for which we have stamped for the purpose of identification only, have been prepared for inclusion in the prospectus of the Company ("Prospectus") in connection with the listing of and quotation for the entire enlarged issued share capital of Liftech on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("the Listing").

The applicable criteria on the basis of which the Board of Directors has compiled the Pro Forma Consolidated Statements of Financial Position are described in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position and are specified in paragraphs 9.18 and 9.20 of Chapter 9, Part II Division 1: Equity of the Prospectus Guidelines issued by the Securities Commission Malaysia ("Prospectus Guidelines").

The Pro Forma Consolidated Statements of Financial Position have been compiled by the Board of Directors to illustrate the impact of the transactions as set out in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position as at 31 December 2025 had the transactions been effected as at 31 December 2025. As part of this process, information about the consolidated financial position of the Group has been extracted by the Board of Directors from the audited consolidated statements of financial position of the Group as at 31 December 2025.

Directors' Responsibility for the Pro Forma Consolidated Statements of Financial Position

The Board of Directors is solely responsible for compiling the Pro Forma Consolidated Statements of Financial Position on the basis as described in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

Reporting Accountants' Independence and Quality Management

The Firm applies Malaysian Approved Standard on Quality Management, ISQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* and accordingly, the Firm is required to design, implement and operate a system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

Reporting Accountants' Responsibility

Our responsibility is to express an opinion, as required by the Prospectus Guidelines, about whether the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, by the Board of Directors on the basis described in the Notes thereon to the Pro Forma Consolidated Statements of Financial Position.

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

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Consolidated Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Consolidated Statements of Financial Position. In providing this opinion, we do not accept any responsibility for such reports or opinions beyond that owed to those whom those reports or opinion were addressed by us at the dates of their issue.

The purpose for inclusion of the Pro Forma Consolidated Statements of Financial Position in the Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted statements of financial position of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions as at 31 December 2025, would have been as presented.

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

(a) the related pro forma adjustments give appropriate effect to those criteria; and

(b) the Pro Forma Consolidated Statements of Financial Position reflect the proper application of those adjustments to the unadjusted financial information.

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Reporting Accountants' Responsibility (continued)

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

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

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

Opinion

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

Other Matter

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

Yours faithfully,

BDO PLT

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Ng Soe Kei
02982/08/2027 J
Chartered Accountant

Penang
15 MAY 2026

1. PRO FORMA GROUP AND BASIS OF PREPARATION

1.1 Pro Forma Group

The Pro Forma Consolidated Statements of Financial Position of Liftech Group Berhad ("Liftech" or "Company") and its subsidiaries (collectively referred to as "Liftech Group" or "Group") as at 31 December 2025 ("Pro Forma Consolidated SOFP") together with the notes thereon, for which the Directors of the Company are solely responsible, have been prepared for illustrative purposes only for the purpose of inclusion in the prospectus in connection with the listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("the Listing").

1.2 Basis of Preparation

The Pro Forma Consolidated SOFP has been prepared based on the audited consolidated statements of financial position of the Group as of 31 December 2025, which were prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards, the requirements of the Prospectus Guidelines, and in a manner consistent with the format of financial statements and accounting policies adopted by the Group in the preparation of its audited financial statements for the financial year ended 31 December 2025 and the adoption of the following new accounting policies, which had been adopted by the Group as group's accounting policies.

The audited consolidated financial statements of the Group for the financial year ended 31 December 2025 used in preparation of the Pro Forma Consolidated SOFP were not subject to any audit qualification, modification or disclaimer.

The Pro Forma Consolidated SOFP of the Group comprise Pro Forma Consolidated SOFP as at 31 December 2025, adjusted for the impact of the events or transactions as set out in Note 2 and Note 3 to the Pro Forma Consolidated SOFP.

Due to its nature, the Pro Forma Consolidated SOFP is not necessarily indicative of the financial position of the Group that would have attained had the effects of the transactions as set in Note 3 actually occurred at the respective dates. Further, such information does not predict the Group's future financial position.

2. SUBSEQUENT EVENTS OCCURING

2.1 Acquisition of property, plant and equipment and right-of-use assets

(i) As at 3 February 2025, Liftech Engineering (K.L) Sdn. Bhd. ('LTKL'), a subsidiary of the Company, has entered into Sale and Purchase Agreement for the acquisition of one (1) unit of double-storey shoplot with a total consideration of RM395,000. As at 31 December 2025, a deposit of RM39,500 had been paid towards the acquisition and the transaction was successfully completed on 10 March 2026.

(ii) During the financial year ended 31 December 2025, a total deposit of RM42,000 has been paid by a subsidiary of the Company, Liftech Engineering Sdn. Bhd. ('LTJB') prior to the execution of the Sale and Purchase Agreement dated 20 January 2026, to purchase of one (1) unit of double storey terrace house for a total consideration of RM420,000. The total consideration will be funded via internally generated funds.

As of date of this report, the acquisition has yet to be completed.

(iii) Subsequent to the financial year ended 31 December 2025, the Group has acquired a motor vehicle with total purchase consideration of RM369,541. The acquisition is settled via cash payment of RM109,541, with the balance of RM260,000 being financed through hire purchase.

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15 MAY 2026
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Chartered Accountants
Penang

3. LISTING EXERCISE

In conjunction with, and as an integral part of the Listing, the Company proposed to undertake the following:

3.1 Initial Public Offering ("IPO")

3.1.1 Public Issue

Public issue of 79,234,000 new Shares representing approximately 25% of the enlarged total number of issued shares of the Company, at an issue price of RM0.29 per Share.

3.1.2 Listing

Admission to the Official List of Bursa Securities and the listing of and quotation for the Company's entire enlarged issued share capital of RM45,901,662 (prior to the use of proceeds from the Public Issue) comprising 314,942,002 Shares on the ACE Market of Bursa Securities.

3.2 Use of Proceeds from the Public Issue

The gross proceeds from the Public Issue of RM22,977,860 are expected to be used in the following manner:

	RM
Repayment of existing bank borrowings	13,750,000
Business expansion/establishment of facilities [1]	1,010,000
Purchase of machinery and equipment [1]	1,720,000
Working capital requirements [1]	1,997,860
Estimated listing expenses [2]	4,500,000
	22,977,860

Notes:

(1) *As at latest practicable date of the prospectus, the Group has yet to enter into any contracted binding agreement or issued any purchase order in relation to the proceeds earmarked for renovation and purchase of new equipment, together with proceeds earmarked for working capital purposes, except for acquisition of equipment amounting to RM218,187 and renovation costs amounting to RM139,430 has been incurred. As such, the amount of gross proceeds have been included in cash and bank balances for purposes of illustration in the Pro Forma Consolidated SOFP.*

(2) *The estimated listing expenses totaling RM4,500,000 to be borne by the Company comprise, amongst others, underwriting, placement and brokerage fees, professional fees and miscellaneous expenses. A total of RM829,676 is assumed to be directly attributable to the Public Issue and as such, will be debited against the share capital of the Company and the remaining expenses of RM3,670,324 are assumed to be attributable to the Listing and as such, will be expensed off to the statement of profit or loss and other comprehensive income. During the FYE 31 December 2025, listing expenses amounted to RM1,824,597 have been expensed off to the statements of profit or loss and other comprehensive income of the Group.*

4. PRO FORMA CONSOLIDATED SOFP AS AT 31 DECEMBER 2025

The Pro Forma Consolidated SOFP as at 31 December 2025 has been prepared for illustrative purposes only to show the effects on the audited consolidated statement of financial position of the Group as at 31 December 2025 based on the assumptions that the transactions as set out in Note 2 and Note 3 had been effected on 31 December 2025, and should be read in conjunction with the notes accompanying the Pro Forma Consolidated SOFP.

	Note	Audited As at 31 December 2025 RM'000	Adjustments for subsequent events RM'000	Pro Forma I After subsequent events RM'000	Adjustments for IPO RM'000	Pro Forma II After Pro Forma I and IPO RM'000	Adjustments for Use of Proceeds from the Public Issue RM'000	Pro Forma III After Pro Forma II and Use of Proceeds from the Public Issue RM'000
ASSETS								
Non-current assets								
Property, plant and equipment	4.2.1	25,093	263	25,356	-	25,356	-	25,356
Right-of-use assets	4.2.1	8,740	502	9,242	-	9,242	-	9,242
Investment properties	4.2.1	421	420	841	-	841	-	841
Deferred tax assets		770	-	770	-	770	-	770
		35,024	1,185	36,209	-	36,209	-	36,209
Current assets								
Inventories		9,339	-	9,339	-	9,339	-	9,339
Trade and other receivables	4.2.2	14,617	(82)	14,535	-	14,535	-	14,535
Contract assets		5,090	-	5,090	-	5,090	-	5,090
Current tax assets		590	-	590	-	590	-	590
Cash and bank balances	4.2.3	7,773	(843)	6,930	22,978	29,908	(16,425)	13,483
		37,409	(925)	36,484	22,978	59,462	(16,425)	43,037
TOTAL ASSETS		72,433	260	72,693	22,978	95,671	(16,425)	79,246
EQUITY AND LIABILITIES								
Equity attributable to equity holders of the Company								
Share capital	4.2.4	22,924	-	22,924	22,978	45,902	(830)	45,072
Reserves	4.2.5	17,140	-	17,140	-	17,140	(1,845)	15,295
		40,064	-	40,064	22,978	63,042	(2,675)	60,367

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Chartered Accountants
Penang

4. PRO FORMA CONSOLIDATED SOFP AS AT 31 DECEMBER 2025 (continued)

The Pro Forma Consolidated SOFP as at 31 December 2025 has been prepared for illustrative purposes only to show the effects on the audited consolidated statement of financial position of the Group as at 31 December 2025 based on the assumptions that the transactions as set out in Note 2 and Note 3 had been effected on 31 December 2025, and should be read in conjunction with the notes accompanying the Pro Forma Consolidated SOFP (continued).

	Note	Audited As at 31 December 2025 RM'000	Adjustments for subsequent events RM'000	Pro Forma I After subsequent events RM'000	Adjustments for IPO RM'000	Pro Forma II After Pro Forma I and IPO RM'000	Adjustments for Use of Proceeds from the Public Issue RM'000	Pro Forma III After Pro Forma II and Use of Proceeds from the Public Issue RM'000
LIABILITIES								
Non-current liabilities								
Borrowings	4.2.6	14,471	-	14,471	-	14,471	(13,750)	721
Lease liabilities	4.2.7	996	221	1,217	-	1,217	-	1,217
		15,467	221	15,688	-	15,688	(13,750)	1,938
Current liabilities								
Borrowings		2,864	-	2,864	-	2,864	-	2,864
Lease liabilities	4.2.7	490	39	529	-	529	-	529
Trade and other payables		7,411	-	7,411	-	7,411	-	7,411
Contract liabilities		5,750	-	5,750	-	5,750	-	5,750
Current tax liabilities		387	-	387	-	387	-	387
		16,902	39	16,941	-	16,941	-	16,941
TOTAL LIABILITIES		32,369	260	32,629	-	32,629	(13,750)	18,879
TOTAL EQUITY AND LIABILITIES		72,433	260	72,693	22,978	95,671	(16,425)	79,246
Net assets (RM'000)		40,064		40,064		63,042		60,367
Number of ordinary shares assumed in issue ('000)		235,708		235,708		314,942		314,942
Net assets attributable to equity holders per ordinary share (RM)		0.17		0.17		0.20		0.19

4. PRO FORMA CONSOLIDATED SOFP AS AT 31 DECEMBER 2025 (continued)

4.1 Pro Forma Adjustments to the Pro Forma Consolidated SOFP as at 31 DECEMBER 2025

4.1.1 Pro Forma I

Pro Forma I is stated after incorporating the effects for the subsequent events as set out in Note 2.1.

4.1.2 Pro Forma II

Pro Forma II is stated after incorporating the effects of Pro Forma I and effect after the completion of the IPO as set out in Note 3.1.

4.1.3 Pro Forma III

Pro Forma III is stated after incorporating the effects of Pro Forma II and effect after the use of proceeds from the Public Issue as set out in Note 3.2.

4.2 Notes to the Pro Forma Consolidated SOFP as at 31 December 2025

4.2.1 Property, plant and equipment and right-of-use assets

The movements of property, plant and equipment and right-of-use assets are as follows:

	Property, plant and equipment RM'000	Right-of-use assets RM'000	Investment properties RM'000	Total RM'000
As at 31 December 2025	25,093	8,740	421	34,254
Addition of property, plant and equipment				
- Purchase of double storey shoplot by LTKL (Note 2.1(i))	263	132	-	395
- Purchase of double storey terrace house (Note 2.1(ii))	-	-	420	420
- Purchase of motor vehicles (Note 2.1(iii))	-	370	-	370
Pro Forma I/Pro Forma II/Pro Forma III	**25,356**	**9,242**	**841**	**35,439**

4.2.2 Trade and other receivables

The movements of trade and other receivables are as follows:

	RM'000
As at 31 December 2025	14,617
Utilisation of deposits paid	
- Deposit paid for purchase of double storey shoplot by LTKL (Note 2.1(i))	(40)
- Deposit paid for purchase of double storey terrace house by LTJB (Note 2.1(ii))	(42)
Pro Forma I/Pro Forma II/Pro Forma III	**14,535**

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Penang

4. PRO FORMA CONSOLIDATED SOFP AS AT 31 DECEMBER 2025 (continued)

4.2 Notes to the Pro Forma Consolidated SOFP as at 31 December 2025 (continued)

4.2.3 Cash and Bank Balances

The movements of cash and bank balances are as follows:

	RM'000
As at 31 December 2025	7,773
Remaining consideration of double storey shoplot purchased by LTKL (Note 2.1(i))	(355)
Remaining consideration of terrace house by LTJB (Note 2.1(ii))	(378)
Cash payment for purchase of motor vehicles by the Group (Note 2.1(iii))	(110)
Pro Forma I	**6,930**
Proceeds from the Public Issue	22,978
Pro Forma II	**29,908**
Use of proceeds from the Public Issue	
- Estimated listing expenses [1]	(2,675)
- Repayment of bank borrowings	(13,750)
Pro Forma III	**13,483**

Note:

(1) *The estimated listing expenses totaling RM4,500,000 to be borne by the Company comprise, amongst others, underwriting, placement and brokerage fees, professional fees and miscellaneous expenses. As at 31 December 2025, listing expenses amounted to RM1,824,597 had been paid and expensed off. The remaining listing expenses payable are RM2,675,403.*

4.2.4 Share Capital

The movements of share capital are as follows:

	RM'000
As at 31 December 2025/Pro Forma I	**22,924**
Proceeds from the Public Issue	22,978
Pro Forma II	**45,902**
Use of proceeds from the Public Issue	
- Estimated listing expenses which are directly attributable to the Public Issue	(830)
Pro Forma III	**45,072**

Upon completion of the transactions as mentioned in Note 2 and Note 3 respectively, the enlarged issued share capital of the Company will be RM45,901,662 comprising 314,942,002 Shares.

4. PRO FORMA CONSOLIDATED SOFP AS AT 31 DECEMBER 2025 (continued)

4.2 Notes to the Pro Forma Consolidated SOFP as at 31 December 2025 (continued)

4.2.5 Retained Earnings

The movements of retained earnings are as follows:

	RM'000
As at 31 December 2025/ Pro Forma I/Pro Forma II	**17,140**
Use of proceeds from the Public Issue	
- Estimated listing expenses	(1,845)
Pro Forma III	**15,295**

4.2.6 Borrowings

The movements of borrowings are as follows:

	RM'000
Non-current	
As at 31 December 2025/ Pro Forma I/Pro Forma II	14,471
Use of proceeds from the Public Issue	
- Repayment of existing bank borrowings of LTKL	(4,500)
- Partial repayment of borrowings entered by LTPG	(7,750)
- Partial repayment of borrowings entered by LTBN	(1,500)
Pro Forma III	**721**

4.2.7 Lease liabilities

The movements of lease liabilities are as follows:

	RM'000
Non-current	
As at 31 December 2025	996
Purchase of motor vehicles (Note 2.1(iii))	221
Pro Forma I/Pro Forma II/Pro Forma III	**1,217**

	RM'000
Current	
As at 31 December 2025	490
Purchase of motor vehicles (Note 2.1(iii))	39
Pro Forma I/Pro Forma II/Pro Forma III	**529**

APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted on behalf by the Board of Directors of the Company in accordance with a resolution dated 15 MAY 2026

....

NG SEA KAI
MANAGING DIRECTOR

....

ENG PENG HONG
EXECUTIVE DIRECTOR

Penang
Date: 15 MAY 2026

15. STATUTORY AND OTHER INFORMATION

15.1 SHARE CAPITAL

(a) As at the date of this Prospectus, we only have one class of shares, namely, ordinary shares, all of which rank equally with one another.

(b) Save for the Pink Form Allocations as disclosed in Section 4.3.2,

(i) no Director or employee of our Group has been or is entitled to be given or has exercised any option to subscribe for any share of our Company or our subsidiaries; and

(ii) there is no scheme involving the employees of our Group in the shares of our Company or our subsidiaries.

(c) Save for the Acquisitions, Share Subscription, Capitalisation and new Shares to be issued for the Public Issue, no shares of our Company have been issued or are proposed to be issued as fully or partly paid-up, in cash or otherwise, within the past 2 years immediately preceding the date of this Prospectus.

(d) Other than our Public Issue as disclosed in Section 4.3.1, there is no intention on the part of our Directors to further issue any Shares on the basis of this Prospectus.

(e) As at the date of this Prospectus, our Company does not have any outstanding convertible debt securities.

15.2 SHARE CAPITAL OF OUR SUBSIDIARIES

Details of our Company's share capital are as set out in Section 6.1. Details of the share capital of our subsidiaries are as set out below.

15.2.1 Liftech KL

Liftech KL's issued share capital as at LPD is RM2,950,000 comprising 2,950,000 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital
			RM
3 December 1996	10	RM10/ Subscribers' shares	10
1 October 1997	199,990	RM199,990/ Cash	200,000
5 February 1998	300,000	RM300,000/ Cash	500,000
27 December 2002	500,000	RM500,000/ Cash	1,000,000
30 December 2005	500,000	RM500,000/ Cash	1,500,000
22 December 2006	500,000	RM500,000/ Cash	2,000,000
18 September 2007	250,000	RM250,000/ Cash	2,250,000

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital
			RM
1 September 2020	200,000	RM200,000/ Cash	2,450,000
16 March 2022	500,000	RM500,000/ Cash	2,950,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Liftech KL. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.2.2 Liftech Penang

Liftech Penang's issued share capital as at LPD is RM500,000 comprising 500,000 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital
			RM
15 May 1997	3	RM3/ Subscribers' share	3
29 January 1999	99,997	RM99,997/ Cash	100,000
3 August 2004	100,000	RM100,000/ Cash	200,000
10 October 2007	100,000	RM100,000/ Cash	300,000
11 May 2015	100,000	RM100,000/ Cash	400,000
14 March 2016	100,000	RM100,000/ Cash	500,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Liftech Penang. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

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15.2.3 Liftech Ipoh

Liftech Ipoh's issued share capital as at LPD is RM500,000 comprising 500,000 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital
			RM
28 April 1997	4	RM4/ Subscribers' share	4
9 September 1998	99,996	RM99,996/ Cash	100,000
2 January 2002	100,000	RM100,000/ Cash	200,000
30 July 2004	100,000	RM100,000/ Cash	300,000
12 April 2016	200,000	RM200,000/ Cash	500,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Liftech Ipoh. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.2.4 Liftech JB

Liftech JB's issued share capital as at LPD is RM500,000 comprising 500,000 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital
			RM
8 August 1992	2	RM2/ Cash	2
28 April 1994	50,000	RM50,000/ Cash	50,002
27 December 1994	49,998	RM49,998/ Cash	100,000
19 May 2000	100,000	RM100,000/ Cash	200,000
26 February 2004	300,000	RM300,000/ Cash	500,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Liftech JB. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.2.5 Liftech Borneo

Liftech Borneo's issued share capital as at LPD is RM250,000 comprising 250,000 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital
			RM
5 December 2016	2	RM2/ Subscribers' share	2
5 March 2019	8	RM8/ Cash	10
14 March 2025	99,990	RM99,990/ Cash	100,000
5 June 2025	100,000	RM100,000/ Cash	200,000
22 September 2025	50,000	RM50,000/ Cash	250,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Liftech Borneo. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.2.6 Liftech Academy

Liftech Academy issued share capital as at LPD is RM1,560,000 comprising 1,200,000 ordinary shares. The movements in its issued share capital since incorporation are as follows:

Date of allotment	No. of shares allotted	Consideration/ Type of issue	Cumulative share capital
			RM
26 March 1997	3	RM3/ Subscribers' share	3
13 October 1997	99,997	RM99,997/ Cash	100,000
31 July 2012	900,000	RM900,000/ Cash	1,000,000
31 December 2021	40,000	RM400,000/ Otherwise than cash	1,400,000
31 December 2021	140,000	RM140,000/ Otherwise than cash	1,540,000
31 December 2021	20,000	RM20,000/ Cash	1,560,000

As at LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in Liftech Academy. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

15.3 CONSTITUTION

The following provisions relating to the selected matters are extracted from our Constitution. Terms defined in our Constitution shall have the same meanings when used here unless they are otherwise defined here or the context otherwise requires.

15.3.1 Share capital and variation of class rights

<u>Clause 14 – Variation of Rights</u>

"Subject to the provisions of Sections 71 and 91 of the Act, if at any time the share capital is divided into different classes of shares, the rights attached to shares in any class of shares (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with:-

(a) a special resolution passed at a separate meeting of the shareholders of that class; or

(b) where necessary majority of such a special resolution is not obtained at the meeting, consent in writing if obtained from the holders of not less than seventy-five per centum (75%) of the total voting rights of the shareholders of that class within two (2) months of the meeting,

shall be as valid and effectual as a special resolution carried at the meeting. To every such separate general meeting, the provisions of this Constitution relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two (2) persons who are shareholders present in person or represented by proxy holding at least one-third (1/3) of the number of issued shares of the class, excluding any shares of that class held as treasury shares and that any holder of shares of the class present in person or by proxy may demand a poll.

If that class of shares only has one (1) holder, a quorum is constituted by one (1) person present holding shares of such class. For adjourned meeting, quorum is one (1) person present holding shares of such class. To every such special resolution, the provisions of Section 292 of the Act shall with such adaptations as are necessary, apply."

<u>Clause 11 – Issue of Securities</u>

"Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares and subject to the provisions of this Constitution, the Act and the provisions of any resolution of the Company, shares in the Company may be issued by the Directors, who may allot, or otherwise dispose of such shares to such persons, on such terms and conditions, with such preferred, deferred or other special rights, and subject to such restrictions and at such times as the Directors may determine but the Directors in making any issue of shares shall comply with the following conditions:-

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

(b) no shares shall be issued which shall have the effect of transferring a controlling interest in the Company without the prior approval of the members in general meeting;

15. STATUTORY AND OTHER INFORMATION *(Cont'd)*

(c) no Director shall participate in a share scheme for employees unless the members in general meeting have approved of the specific allotment to be made to such Director (including Non-Executive Directors);

(d) except in the case of an issue of securities on a pro rata basis to shareholders or pursuant to a back-to-back placement undertaken in compliance with the Listing Requirements, a Director, major shareholders, Chief Executive or person connected to any Director, major shareholder or Chief Executive of the Company shall not participate, directly or indirectly, in an issue of ordinary shares or other securities with rights of conversion to ordinary shares unless the shareholders of the Company in general meeting have approved the specific allotment to be made to the Director, major shareholders, Chief Executive or person connected to any Director, major shareholder or Chief Executive and the Director, major shareholders, Chief Executive or person connected to any Director, major shareholder or Chief Executive has abstained from voting on the relevant resolution;

In this clause, "Major Shareholder", "Chief Executive" and "Person connected to any Director, major shareholder or Chief Executive" shall have the same meaning described thereto in the Listing Requirements.

(e) subject to the Listing Requirements and without limiting the generality of Sections 75 and 76 of the Act, the Company must not issue any ordinary shares or other securities with rights of conversion to ordinary shares, except where the shares or securities are issued with the prior shareholders' approval in a general meeting of the precise terms and conditions of the issue; and

(f) in working out the number of shares or securities that may be issued by the Company, if the security is a convertible security, each such security is counted as the maximum number of shares into which it can be converted or exercised."

Clause 67 – Issue of new shares or securities to Members

"Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new share or security which (by reason of the ratio which the new shares or securities bear to the shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Clause."

15. STATUTORY AND OTHER INFORMATION *(Cont'd)*

Clause 69 – Alteration of Capital

"The Company may by ordinary resolution:

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

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

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

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

(e) subject to the provisions of this Constitution and the Act, convert and/or re-classify any class of shares into any other class of shares."

Clause 70 – Reduction of share capital

"The Company may reduce its share capital by:-

(a) a Special Resolution and confirmation by the Court in accordance with Section 116 of the Act; or

(b) a Special Resolution supported by a solvency statement in accordance with Section 117 of the Act."

Clause 72 – Purchase of own shares

"Subject to the provisions of the Act, the Listing Requirements and any other requirements of the Bursa Securities and such other relevant laws, regulations or guidelines, and/ or authorities, the Company may from time to time by resolution of a General Meeting, acquire by purchase in good faith and in the best interests of the Company, the Company's own shares through the Bursa Securities on which the shares are quoted provided always that the Company is solvent at the date of purchase of the Company's shares and will not become insolvent by incurring the debt arising from the obligation to pay for the shares so purchased. Any shares in the Company so purchased by the Company and/ or any person shall be dealt with in accordance with the Act, the requirements of Bursa Securities and/ or any relevant authority."

15.3.2 Transfer of Securities

Clause 40 – Transfer of Securities

"The instrument of transfer of any securities lodged with the Company shall be in writing and in the form approved in the Rules and shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the securities until the name of the transferee is entered in the Record of Depositors in respect thereof. The transfer of any listed securities or class of listed securities of the Company, shall be made by way of book entry by the Bursa Depository in accordance with the Rules and, notwithstanding Sections 105, 106 and 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such listed securities."

15.3.3 Remuneration of Directors

Clause 119 – Remuneration of Directors

"The fees and any benefits payable to the Directors of the Company and its subsidiaries including any compensation for loss of employment of Director or former Director shall from time to time be determined by the Company in general meeting and such remuneration shall be divided among the Directors in such proportions and manner as the Directors may determine PROVIDED ALWAYS that:-

(a) fee payable to Non-Executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover and which shall not exceed the amount approved by shareholders in general meeting;

(b) remuneration and other emoluments (including salary, bonus, benefits or any other elements) payable to Executive Directors who hold an executive office in the Company pursuant to a contract of service need not be determined by the Company in general meeting but such salaries and emoluments may not include a commission on or percentage of turnover. Nothing herein shall prejudice the powers of the Directors to appoint any of their members to be the employee or agent of the Company at such remuneration and upon such terms as they think fit provided that such remuneration shall not include commission on or percentage of turnover;

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

(d) any fee paid to an alternate Director shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter; and

(e) the monetary fees and/or benefits payable to Non-Executive Directors of the Company, including those who are also Director of the subsidiaries includes fees, meeting allowances, travelling allowances, benefits, gratuity and compensation for loss of employment of Director or former Director of the Company provided by the Company and subsidiaries, but does not include insurance premium or any issue of securities."

15.3.4 Voting and borrowing powers of the Directors

Clause 125 – Powers of Directors

"The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or subsidiary company or associate company or any related third party subject to the law including but not limited to the provisions of the Act and the Listing Requirements, as they may think fit."

Clause 151 – Directors' Interest in Contracts

"A Director shall not participate in any discussion or vote in regard to any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest (and if he shall do so his vote shall not be counted)."

Clause 147 – Voting at Board Meetings

"Subject to this Constitution, any questions arising at any meeting of Directors shall be decided by a majority of votes and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote. The Chairman of the meeting shall however not have a second or casting vote where two (2) Directors form a quorum and only such a quorum is present at the meeting or only two (2) Directors are competent to vote on the question at issue. A Director present at a meeting of the Directors is presumed to have agreed to, and to have voted in favour of, a resolution of the Directors unless he expressly dissents from or votes to object against the resolution at the meeting."

Clause 147 – Casting Vote

"Subject to this Constitution, any question arising at any meeting of Directors shall be decided by a majority of votes and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote. The Chairman of the meeting shall however not have a second or casting vote where two (2) Directors form a quorum and only such a quorum is present at the meeting or only two (2) Directors are competent to vote on the question at issue. A Director present at a meeting of the Directors is presumed to have agreed to, and to have voted in favour of, a resolution of the Directors unless he expressly dissents from or votes to object against the resolution at the meeting."

15.4 GENERAL INFORMATION

(a) Save for the dividends paid to our shareholders for FYE 2022 to 2025 and up to LPD, and Directors', Promoters' and/ or key senior management's remuneration as disclosed in Sections 5.1.5, 5.2.4 and 5.3.5 respectively, no other amount or benefit has been paid or given within the past 2 years immediately preceding the date of this Prospectus, nor is it intended to be paid or given, to any of our Promoters, Directors or substantial shareholders.

(b) Save for the related party transactions as set out in Section 10.1, none of our Promoters, Directors and/ or substantial shareholders have any interest, direct or indirect, in any contract or arrangement subsisting at the date of this Prospectus and which is significant in relation to the business of our Group.

(c) The manner in which copies of this Prospectus together with the official application forms and envelopes may be obtained and the details of the summarised procedures for application of our Shares are set out in Section 16.

(d) There is no limitation on the right to own securities including limitation on the right of non-residents or foreign shareholders to hold or exercise their voting rights on our Shares.

(e) Our Group has not established any other place of business outside of Malaysia and is not subject to governmental laws, decrees, regulations or other legislations that may affect the repatriation of capital and remittance of profits by or to our Group.

15.5 CONSENTS

(a) The written consents of our Adviser, Sponsor, Underwriter, Placement Agent, Corporate Finance Adviser, Solicitors, Share Registrar, Company Secretaries and Issuing House to the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn;

(b) The written consents of our Auditors and Reporting Accountants to the inclusion in this Prospectus of their names, Accountants' Report and report relating to the pro forma combined financial information in the form and context in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn; and

(c) The written consent of our IMR to the inclusion in this Prospectus of its name and the IMR Report, in the form and context in which they are contained in this Prospectus have been given before the issue of this Prospectus and have not been subsequently withdrawn.

15.6 DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of our Company during normal business hours for a period of 6 months from the date of this Prospectus:

(a) Constitution;

(b) Audited financial statements of Liftech Group Berhad since the date of incorporation up to 31 December 2023, FYE 2024 and FYE 2025;

(c) Audited financial statements of Liftech KL, Liftech Penang, Liftech Ipoh, Liftech JB, Liftech Borneo and Liftech Academy for FYE 2022 to 2025;

(d) Accountants' Report as set out in Section 13;

(e) Reporting Accountants' Report relating to our pro forma consolidated statements of financial position as set out in Section 14;

(f) IMR Report as set out in Section 8;

(g) Material contracts as set out in Section 6.5; and

(h) Letters of consent as set out in Section 15.5.

15.7 RESPONSIBILITY STATEMENTS

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

M&A Securities acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

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16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

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

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

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

16.1 OPENING AND CLOSING OF APPLICATION PERIOD

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 8 JUNE 2026

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 16 JUNE 2026

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

Late applications will not be accepted.

16.2 METHODS OF APPLICATIONS

16.2.1 Retail Offering

Application must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

Types of Application and category of investors	Application Method
Applications by our eligible Directors, employees and persons who have contributed to the success of our Group	Pink Application Form only
Applications by the Malaysian Public:	
(a) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(b) Non-Individuals	White Application Form only

16.2.2 Placement

Types of Application	Application Method
Applications by selected investors	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.
Applications by Bumiputera investors approved by MITI	MITI will contact the Bumiputera investors directly. They should follow MITI's instructions.

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

16.3 ELIGIBILITY

16.3.1 General

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

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

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

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION. PERSONS SUBMITTING APPLICATION BY WAY OF APPLICATION FORMS MAY NOT SUBMIT APPLICATIONS BY WAY OF ELECTRONIC SHARE APPLICATION OR INTERNET SHARE APPLICATION AND VICE VERSA.

AN APPLICANT WHO WISHES TO SUBMIT APPLICATIONS USING A JOINT BANK ACCOUNT MUST CONTACT THE FINANCIAL INSTITUTION HANDLING THE APPLICATIONS TO ENSURE THAT THE NAME ON THE JOINT BANK ACCOUNT MATCHES THE NAME ON THEIR CDS ACCOUNT. THIS STEP MINIMIZES THE RISK OF REJECTION OF IPO APPLICATIONS DUE TO NAME DISCREPANCIES. OUR COMPANY, ADVISER AND ISSUING HOUSE ARE NOT RESPONSIBLE FOR ANY ISSUES ARISING THEREAFTER.

16.3.2 Application by Malaysian Public

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

(a) You must be one of the following:

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

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

(iii) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.

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

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

(i) White Application Form; or

(ii) Electronic Share Application; or

(iii) Internet Share Application.

16.3.3 Application by Eligible Persons

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation as well as detailed procedures on how to subscribe to the allocated IPO Shares. Applicants must follow the notes and instructions on the said documents and where relevant, in this Prospectus. All duly completed Pink Application Forms should be submitted to our Group through the Human Resources or Finance Department.

16.4 APPLICATION BY WAY OF APPLICATION FORMS

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

The FULL amount payable is RM0.29 for each IPO Share.

Payment must be made out in favour of **"MIH SHARE ISSUE ACCOUNT NO. 706"** and crossed **"A/C PAYEE ONLY"** and endorsed on the reverse side with your name and address.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

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

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

Malaysian Issuing House Sdn Bhd
(199301003608 (258345-X))
11th Floor, Menara Symphony
5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor

Or

P.O. Box 00010
Pejabat Pos Jalan Sultan
46700 Petaling Jaya
Selangor

(b) **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at Ground Floor at the front portion of Menara Symphony, 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor,

so as to arrive not later than 5.00 p.m. on 16 June 2026 or by such other time and date specified in any change to the date or time for closing.

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

The abovementioned methods are not applicable to the submission of Pink Application Forms. All duly completed Pink Application Forms should be submitted to our Group through the HR or Finance Department.

16.5 APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

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

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

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

16.6 APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS

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

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

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

16.7 AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE

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

(a) reject Applications which:

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

    (ii) are illegible, incomplete or inaccurate; or

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

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

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

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

16.8 OVER/ UNDER SUBSCRIPTION

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

The basis of allocation of shares and the balloting results in connection therewith will be furnished by the Issuing House to the SC, Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on the Issuing House's website at www.mih.com.my within 1 market day after the balloting date.

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

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

16.9 UNSUCCESSFUL/ PARTIALLY SUCCESSFUL APPLICANTS

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

16.9.1 For applications by way of Application Forms

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

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

(c) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected, which is subject to Bursa Depository final verification. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (a) and (b) above (as the case may be).

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

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

(a) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from the Issuing House.

(b) You may check your account on the 5th Market Day from the balloting date.

(c) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected, which is subject to Bursa Depository final verification. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House.

16.10 SUCCESSFUL APPLICANTS

If you are successful in your application:

(a) Our IPO Shares allotted to you will be credited into your CDS Account.

(b) A notice of allotment will be despatched to you at your last address maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.

(c) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our IPO Shares issued/ offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.

(d) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS Accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

16.11 ENQUIRIES

Enquiries in respect of the applications may be directed as follows:

Mode of application	**Parties to direct the enquiries**
Application Form	Issuing House Enquiry Services Telephone at 03-7890 4700
Electronic Share Application	Participating Financial Institutions
Internet Share Application	Internet Participating Financial Institutions or Participating Securities Firms or Authorised Financial Institutions

You may also check the status of your Application at the Issuing House's website at www.mih.com.my, by entering your CDS Account Number on the site after the allotment date. The status of your Application will be available by 3.00 p.m. Alternatively, you may contact any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.