

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF PMW INTERNATIONAL BERHAD (“PMW” OR THE “COMPANY”) DATED 28 OCTOBER 2025 (“ELECTRONIC PROSPECTUS”)

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

Website

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

Availability and Location of Paper / Printed Prospectus

Any applicant in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request a paper / printed copy of the Prospectus directly from the Company, KAF Investment Bank Berhad (“**KAF IB**”) or Malaysian Issuing House Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus, from the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

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

Jurisdictional Disclaimer

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

Close of Application

Applications for the IPO Shares will be accepted from **10.00 a.m. (Malaysian time) on 28 October 2025** and will close at **5.00 p.m. (Malaysian time) on 6 November 2025**. Any change to the timetable will be advertised by PMW in a widely circulated English and Bahasa Malaysia daily newspapers within Malaysia, and will make the relevant announcement through Bursa Securities. The Electronic Prospectus made available on the Website after the closing of the application period is made available solely for informational and archiving purposes. No securities will be allotted or issued on the basis of the Electronic Prospectus after the closing of the application period.

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

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

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



BUILDING LASTING FOUNDATIONS,
BRIGHTENING *the future*

Infrastructure.
Illuminated.



PMW INTERNATIONAL BERHAD

(Registration No. 202401003380 (1549230-X))
(Incorporated in Malaysia under the Companies Act 2016)

Lot 133077, Jalan Lahat, Bukit Merah Industrial Estate,
31500 Lahat Perak, Malaysia

Tel: +605 322 4690

www.pmw-group.com

PMW INTERNATIONAL BERHAD (Registration No. 202401003380 (1549230-X))

PROSPECTUS



PMW INTERNATIONAL BERHAD

(Registration No. 202401003380 (1549230-X))
(Incorporated in Malaysia under the Companies Act 2016)

PROSPECTUS

INITIAL PUBLIC OFFERING IN CONJUNCTION WITH THE LISTING OF PMW INTERNATIONAL BERHAD ("PMW" OR THE "COMPANY") ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD COMPRISING:

- (I) PUBLIC ISSUE OF 178,411,000 NEW ORDINARY SHARES IN PMW ("SHARES") IN THE FOLLOWING MANNER:
- 44,602,600 NEW SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
 - 22,301,300 NEW SHARES MADE AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO OUR SUCCESS;
 - 111,507,100 NEW SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY; AND
- (II) OFFER FOR SALE OF 89,205,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS,

AT AN ISSUE/OFFER PRICE OF RM0.34 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

Principal Adviser, Sponsor, Underwriter and Placement Agent



INVESTMENT BANK BERHAD
Registration No. 197401003530 (20657-W)

No securities will be allotted or issued based on this Prospectus after 6 months from the date of this Prospectus.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER. FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 214.

Bursa Securities has approved the admission of our Company to the Official List of Bursa Securities and the listing of and quotation for our entire enlarged issued share capital on the ACE Market of Bursa Securities. This Prospectus has been registered by Bursa Securities. The approval and registration of this Prospectus should not be taken to indicate that Bursa Securities recommends the offering or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Prospectus. Bursa Securities has not, in any way, considered the merits of the securities being offered for investment.

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

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

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

THIS PROSPECTUS IS DATED 28 OCTOBER 2025

Unless otherwise defined, all capitalised terms used shall bear the same meanings as defined under "Definitions" and "Glossary of Technical Terms" sections of this Prospectus.

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 that there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

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

STATEMENTS OF DISCLAIMER

Admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares.

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

OTHER STATEMENTS

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

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

Our Shares are classified as Shariah compliant by the Shariah Advisory Council of the SC. This classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review undertaken by the Shariah Advisory Council of the SC. The new status will be released in the updated list of Shariah-compliant securities, on the last Friday of May and November.

This Prospectus is prepared and published solely for our IPO. Our Shares being offered in our IPO are offered solely based on the information contained and representations made in this Prospectus. Our Company, Directors, Promoters, Selling Shareholders, Principal Adviser, Sponsor, Underwriter and Placement Agent have not authorised anyone to provide any information or to make any representation not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Company, Directors, Promoters, Selling Shareholders, Principal Adviser, Sponsor, Underwriter and Placement Agent, any of their respective directors, or any other persons involved in our IPO.

This Prospectus has been prepared and published solely for our IPO under the laws of Malaysia. This Prospectus does not comply with the laws of jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or with or by any regulatory authority of any jurisdiction other than Malaysia.

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

It shall be your sole responsibility to consult your legal and/or other professional advisers on the laws to which our IPO or you are or might be subjected to. Neither we nor the Directors, Promoters, Selling Shareholders, Principal Adviser, Sponsor, Underwriter and Placement Agent nor any other advisers in relation to our IPO will accept any responsibility or liability if any application made by you shall become illegal, unenforceable or void in any country or jurisdiction.

ELECTRONIC PROSPECTUS / INTERNET SHARE APPLICATION

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

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

If you are in doubt as to the validity or integrity of the Electronic Prospectus, you should immediately request from us or the Issuing House, a paper/printed copy of this Prospectus. In the event of any discrepancies arising between the contents of the Electronic Prospectus and the paper/printed copy of this Prospectus for any reason whatsoever, the contents of the paper/printed copy of this Prospectus, which is identical to this Prospectus registered by the Bursa Securities, shall prevail.

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

- (i) we and our Principal Adviser do not endorse and are not affiliated in any way with the Third-Party Internet Sites and are not responsible for the availability of, or the contents or any data, information, files or other material provided on the Third-Party Internet Sites. You shall bear all risks associated with the access to or use of the Third-Party Internet Sites;
- (ii) we and our Principal Adviser are not responsible for the quality of products or services in the Third-Party Internet Sites, for fulfilling any of the terms of your agreements with the Third-Party Internet Sites. We and our Principal Adviser are also not responsible for any loss, damage or cost that you may suffer or incur in connection with or as a result of dealing with the Third-Party Internet Sites or the use of or reliance on any data, information, files or other material provided by such parties; and
- (iii) any data, information, files or other material downloaded from the Third-Party Internet Sites is done at your own discretion and risk. We and our Principal Adviser are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, information, files or other material.

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

- (i) the Internet Participating Financial Institutions or Participating Securities Firms are liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent of the contents of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions which may be viewed via your web browser or other relevant software. The Internet Participating Financial Institutions or Participating Securities Firms shall not be responsible in any way for the integrity of the contents of an Electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions or Participating Securities Firms and thereafter communicated or disseminated in any manner to you or other parties;
- (ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of an Electronic Prospectus cannot be guaranteed as the internet is not a fully secured medium; and
- (iii) the Internet Participating Financial Institutions or Participating Securities Firms shall not be liable (whether in tort or contract or otherwise) for any loss, damage or cost, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in an Electronic Prospectus which may arise in connection with or as a result of any fault or faults with web browsers or other relevant software, any fault or faults on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institutions or Participating Securities Firms, and/or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative times and/or dates:

Events	Indicative Dates
Issue of Prospectus / Opening date for the Application	28 October 2025
Closing date of the Application	6 November 2025
Balloting of Applications	10 November 2025
Allotment / Transfer of IPO Shares to successful Applicants	17 November 2025
Listing on the ACE Market	18 November 2025

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

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PRESENTATION OF INFORMATION

All references to the “**Company**” or “**PMW**” in this Prospectus are to PMW International Berhad. All references to the “**Group**” or “**PMW Group**” are to our Company and our Subsidiaries taken as a whole. All references to “**we**”, “**us**”, “**our**” and “**ourselves**” are to our Company or our Group or any member of our Group, as the context requires.

Unless the context otherwise requires, references to “**Management**” are to our Directors and our Key Senior Management personnel as disclosed in this Prospectus and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

Certain abbreviations, acronyms and technical terms used are defined in the “Definitions” and “Glossary of Technical Terms” sections of this Prospectus. Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. References to persons shall include companies and corporations, unless otherwise specified.

In this Prospectus, all references to the “**Government**” are to the Government of Malaysia; and references to “**RM**” and “**sen**” are to the lawful currency of Malaysia. The word “**approximately**” used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest thousand or 2 decimal places. Any discrepancies in the tables included in this Prospectus between the amounts listed and the total thereof are due to rounding.

Unless otherwise stated, any reference to dates and times in this Prospectus shall be a reference to dates and times in Malaysia.

Any reference to any enactment in this Prospectus shall be a reference to that enactment as for the time being or amended or re-enacted.

Certain amounts and percentage figures included in this Prospectus have been subject to rounding adjustments. As a result, any discrepancies in the tables or charts between the amounts listed and the totals in this Prospectus are due to rounding. Where information is presented in thousands or millions of units, amounts may have been rounded up or down.

This Prospectus includes statistical data provided by our Management and various third parties and cites third party projections regarding growth and performance of the market and industry in which our Group operates or is exposed to. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus. Where no source is stated, it can be assumed that the information originates from our Management.

In particular, certain information in this Prospectus is extracted or derived from the Independent Assessment of the Concrete Poles and Piles Industry in Malaysia prepared by Vital Factor, an independent business consulting and market research company. We have appointed Vital Factor to provide an independent market and industry review. In compiling their data for the review, Vital Factor had relied on research methodology, industry sources, published materials, their own private databases and direct contacts within the industry. We believe that the information on the industry and the statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industry in which we operate.

The information on our website, or any website directly and indirectly linked to such website does not form part of this Prospectus and should not be relied upon.

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FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements, which include all statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Management for future operations.

Some of these statements can be identified by words that have a bias towards or are forward-looking such as “may”, “will”, “would”, “could”, “believe”, “expect”, “anticipate”, “estimate”, “aim”, “plan”, “forecast”, “project” or similar expressions. Such forward-looking statements involve known and unknown risks, uncertainties, contingencies and other important factors beyond our Group’s control that could cause our actual results, performances or achievements to materially differ from future results, performances or achievements expressed or implied by such forward-looking statements. Such forward-looking statements include, without limitation, statements relating to:

- (i) demand for our services and/or products;
- (ii) our business strategies and competitive position;
- (iii) our plans and objectives for future operations;
- (iv) our future financial position, earnings, cash flows and liquidity; and
- (v) our ability to pay future dividends.

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

- (i) the general economic, business, social, political and investment environment in Malaysia and globally;
- (ii) government policy, legislation and regulation;
- (iii) interest rates, tax rates and exchange rates;
- (iv) competitive environment of the industry in which we operate;
- (v) reliance on approvals, licenses and permits;
- (vi) fixed and contingent obligation and commitments; and
- (vii) any other factors beyond our control.

Such forward-looking statements are based on numerous assumptions regarding our Group’s present and future business strategies and the environment in which we operate. Additional factors that could cause our actual results, performances or achievements to differ materially include, but are not limited to those discussed in Section 9 on Risk Factors and Section 12 on Management’s Discussion and Analysis of Financial Condition and Results of Operations of this Prospectus. We cannot assure you that the forward-looking statements in this Prospectus will be realised. These forward-looking statements are based on information available to us as at the LPD and are made available only as at the LPD.

Should we become aware of any subsequent material change or development affecting matters disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment/transfer of the IPO Shares, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provision of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6) of the Prospectus Guidelines (Supplementary and Replacement Prospectus).

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DEFINITIONS

The following definitions shall apply throughout this Prospectus unless the definitions are defined otherwise or the context requires otherwise:

COMPANIES WITHIN OUR GROUP

Kumpulan Asma	: Kumpulan Asma Sdn Bhd (Registration No. 198401007036 (119551-D))
Mega Summit	: Mega Summit Sdn Bhd (Registration No. 200601018365 (738118-A))
PMW Concrete	: PMW Concrete Industries Sdn Bhd (Registration No. 200501015120 (692167-W))
PMW Group or Group	: Collectively, PMW and the Subsidiaries
PMW Industries	: PMW Industries Sdn Bhd (Registration No. 199201015793 (247297-K))
PMW Lighting	: PMW Lighting Sdn Bhd (Registration No. 202401017270 (1563120-V))
PMW Marketing	: PMW Marketing Sdn Bhd (Registration No. 199401008191 (293870-H))
PMW or Company	: PMW International Berhad (Registration No. 202401003380 (1549230-X))
PMW Tower	: PMW Tower Sdn Bhd (Registration No. 202101039447 (1439747-W))
Subsidiaries	: Collectively, Kumpulan Asma, Mega Summit, PMW Concrete, PMW Industries, PMW Lighting, PMW Marketing, PMW Tower, TEK Properties, Winabumi and Winabumi Marketing
TEK Properties	: TEK Properties Sdn Bhd (Registration No. 201201007393 (980913-M))
Winabumi	: Winabumi Sdn Bhd (Registration No. 200501032815 (714955-H))
Winabumi Marketing	: Winabumi Marketing Sdn Bhd (Registration No. 201601010993 (1181924-X))

GENERAL

ACE Market	: ACE Market of Bursa Securities
Acquisition of PMW Concrete	: Acquisition by PMW of 49.00% interest of PMW Concrete, comprising 490,000 PMW Concrete Shares to be satisfied entirely by cash based on purchase consideration of approximately RM2.99 million
Acquisition of Existing Shares in Subsidiaries	Acquisition of the existing equity interest not owned by PMW in PMW Industries, Kumpulan Asma, TEK Properties, PMW Marketing, PMW Tower, Winabumi, Winabumi Marketing and Mega Summit, collectively to be satisfied entirely by the issuance of 20,665,001 new Shares at an issue price of RM1.00 per Share
Acquisitions	: Collectively, the Acquisition of PMW Concrete and the Acquisition of Existing Shares in Subsidiaries
Act	: Companies Act 2016
ADA	: Authorised Depository Agent
AGM	: Annual General Meeting
Applicant(s)	: Applicant(s) for the subscription of our IPO Shares by way of Application Forms or Electronic Share Application or Internet Share Application

DEFINITIONS (Cont'd)

Application Form(s)	: Printed application form(s) for the application of the IPO Shares accompanying this Prospectus
Application(s)	: Application(s) for the IPO Shares by way of Application Form, Electronic Share Application or Internet Share Application
ATM(s)	: Automated Teller Machine(s)
Bemban Land	: An industrial land partly covered with ponds owned by our Group and rented to PMW Concrete mainly to use as open storage area. It is located at Lot No. 378559, Lorong Bemban, Kawasan Perindustrian Bemban 3, 31000 Batu Gajah, Perak, Malaysia.
BNM	: Bank Negara Malaysia
Board	: Board of Directors of our Company
Bumiputera	: In the context of: (i) individuals, Malays and the aborigines and the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia; (ii) companies, a company which fulfils, among others, the following criteria or such other criteria as may be imposed by the MITI: (a) registered under the Act as a private company; (b) its shareholders are 100.0% Bumiputera; and (c) its board of directors (including its staff) are at least 51.0% Bumiputera; and (iii) cooperatives, a cooperative whose shareholders or cooperative members are at least 95.0% Bumiputera or such other criteria as may be imposed by the MITI
Bursa Depository or Depository	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
CCC or CF	: Certificate of completion and compliance or certificate of fitness for occupation or such certificate by any other name issued by the relevant authority or person under any by-laws made under it or such relevant legislation applicable at the material time
CCM	: Companies Commission of Malaysia
CDS	: Central Depository System
CDS Account(s)	: Account(s) established for a Depositor by Bursa Depository for the recording of deposits or withdrawals of securities and for dealings in such securities by the Depositor
Closing Date	: Date adopted in this Prospectus as the last date for acceptance and receipt of the Application
CMSA	: Capital Markets and Services Act 2007
Constitution	: Constitution of our Company

DEFINITIONS (Cont'd)

Decor Poles	: Decor Poles Sdn Bhd (Registration No. 200301032603 (635024-P))
Depositor	: A holder of a CDS Account
Director(s)	: An executive director or a non-executive director of our Group and within the meaning given in Section 2 of the Act
EBITDA	: Earnings before interest, taxation, depreciation and amortisation
EIS	: Employment Insurance System
Electronic Prospectus	: Copy of this Prospectus that is issued, circulated or disseminated via the Internet, and/or an electronic storage medium, including but not limited to CD-ROMs
Electronic Share Application	: Application for the IPO Shares through Participating Financial Institutions' ATM
Eligible Person(s)	: Eligible Directors, employees and business associates of our Group including any other persons who have contributed to our success
EPS	: Earnings per Share
Financial Periods Under Review	: Collectively, FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025
FPE(s)	: 5-month financial period ended 31 May
FYE(s)	: Financial year(s) ended/ending 31 December, as the case may be
GP	: Gross profit
ICA	: Industrial Co-ordination Act 1975
IFRS	: International Financial Reporting Standards as issued by the International Accounting Standards Board
IMR Report	: Independent Assessment of the Concrete Poles and Piles Industry in Malaysia prepared by Vital Factor as set out in Section 8 of this Prospectus
Internet Participating Financial Institutions or Participating Securities Firms	: Participating financial institution(s) for the Internet Share Application, as listed in Section 15 of this Prospectus
Internet Share Application	: Application for the IPO Shares through an online share application service provided by the Internet Participating Financial Institutions or Participating Securities Firms
IPO	: Collectively, the initial public offering comprising the Public Issue and Offer for Sale
IPO Price	: The issue/offer price of RM0.34 per IPO Share pursuant to the IPO
IPO Share(s)	: Collectively, the Issue Share(s) and Offer Share(s)
Issue Share(s)	: 178,411,000 new Share(s) to be issued pursuant to the Public Issue
Issuing House	: Malaysian Issuing House Sdn Bhd (Registration No. 199301003608 (258345-X))

DEFINITIONS (Cont'd)

JLPW or Legal Advisers	: Jeff Leong, Poon & Wong
JR Silverline	: JR Silverline Sdn Bhd (Registration No. 200601015396 (735148-U))
KAF IB or the Principal Adviser or Sponsor or Underwriter or Placement Agent	: KAF Investment Bank Berhad (Registration No. 197401003530 (20657-W))
Key Senior Management	: The key senior management of our Company as set out in Section 5.5 of this Prospectus
KPMG or Reporting Accountants	: KPMG PLT (LLP0010081-LCA & AF 0758)
Kumait	: Kumait Concrete Poles Factory Company, established under the laws of the Kingdom of Saudi Arabia with commercial registration number 1113003789
LAT	: Loss after taxation
LBT	: Loss before taxation
Lee United Holding	: Lee United Holding Sdn Bhd (Registration No. 202301040921 (1534840-H))
Listing	: Admission to the Official List and the listing of and quotation for our entire enlarged share capital on the ACE Market
Listing Requirements	: ACE Market Listing Requirements of Bursa Securities, including any amendments thereto that may be made and enacted from time to time
Listing Scheme	: Collectively, the Acquisitions, Share Split, IPO and the Listing
LPD	: 30 September 2025, being the latest practicable date prior to the registration of this Prospectus
Malaysian Public	: Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia but excluding Directors of our Group, our Substantial Shareholders and persons connected with either of them
Market Day(s)	: Any day(s) between Monday to Friday (both days inclusive) which is not a public holiday and on which Bursa Securities is open for trading of securities, which may include a Surprise Holiday
MCCG	: Malaysian Code on Corporate Governance issued by the SC which came into effect on 28 April 2021
MFRS	: Malaysian Financial Reporting Standards
MIDA	: Malaysian Investment Development Authority
MISK Investment	: MISK Investment LLC, a limited liability company registered in Oman, with commercial registration number 1378401
MITI	: Ministry of Investment, Trade and Industry of Malaysia
MOF	: Ministry of Finance

DEFINITIONS (Cont'd)

MyIPO	:	Intellectual Property Corporation of Malaysia
N/A	:	Not applicable
NA	:	Net assets
NBV	:	Net book value
OC	:	Occupation certificate
Offer for Sale	:	Offer for sale of 89,205,000 Offer Share(s) by the Selling Shareholders at the IPO Price to selected investors
Offer Share(s)	:	89,205,000 existing Share(s) to be offered by the Offeror pursuant to the Offer for Sale
Official List	:	A list specifying all securities listed on the ACE Market
Oman Poles	:	Oman Poles LLC a limited liability company registered in Oman, with commercial registration number 1178963
Party A	:	Party A is a Malaysian company and is principally involved in manufacturing, trading of pre-stressed spun concrete poles, concrete products and related accessories. Consent was sought for disclosure of the identity of Party A; however, Party A has not agreed to our Group's request to disclose its name in the Prospectus.
Participating Financial Institutions	:	The participating financial institution(s) for the Electronic Share Application, as listed in Section 15 of this Prospectus
Participating Securities Firms	:	The participating securities firm(s) for the Internet Share Application, as listed in Section 15 of this Prospectus
PAT	:	Profit after taxation
PBT	:	Profit before taxation
PE Multiple	:	Price-to-earnings multiple
Pink Form Allocation	:	Allocation of 22,301,300 Issue Shares to the Eligible Persons, which forms part of the Public Issue
Pink Form Share(s)	:	22,301,300 Issue Shares to be issued pursuant to the Pink Form Allocation
PMW Share(s) or Share(s)	:	Ordinary Share(s) in our Company
PMW Concrete Share(s)	:	Ordinary share(s) in PMW Concrete
Promoters	:	Collectively, Lee Hon Hwa, Lee Khim Hwa and Lee Siew Yoke
Prospectus	:	This Prospectus dated 28 October 2025 in relation to our IPO
Prospectus Guidelines	:	Prospectus Guidelines issued by the SC, as amended from time to time
PT Tiang	:	PT. Tiang Beton BRM, a limited liability company incorporated in Indonesia
Public Issue	:	Public issue of 178,411,000 Issue Shares at the IPO Price, payable in full upon application, subject to the terms and conditions of this Prospectus

DEFINITIONS (Cont'd)

Record of Depositors	:	A record of securities holders established by Bursa Depository under the Rules of Bursa Depository
Richard Lee	:	Lee Fuh Min @ Richard
Representative	:	A proxy, attorney, or corporate representative appointed by the shareholder under the instrument of proxy or certificate of appointment of corporate representative or power of attorney
Rules of Bursa Depository	:	The rules of Bursa Depository as issued pursuant to the SICDA
SC	:	Securities Commission Malaysia
Selling Shareholders	:	Collectively, Lee Hon Hwa, Lee Khim Hwa, Lee Siew Yoke and Richard Lee
Share Registrar	:	Boardroom Share Registrar Sdn Bhd (Registration No. 199601006647 (378993-D))
Share Split	:	Subdivision of one (1) existing Share into eight (8) Shares as set out in Section 6.6 (iii) of this Prospectus
SICDA	:	Securities Industry (Central Depositories) Act 1991
Specified Shareholders	:	A controlling shareholder, a person connected to a controlling shareholder, and an executive director who is a substantial shareholder, of PMW, or any person as specified by Bursa Securities. In the context of our IPO, the Specified Shareholders are Lee United Holding and JR Silverline
Surprise Holiday	:	A day that is declared as a public holiday in the Federal Territories of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year
UK	:	United Kingdom of Great Britain and Northern Ireland
Underwriting Agreement	:	The underwriting agreement dated 22 September 2025 entered into between our Company and the Underwriter pursuant to the IPO
USA	:	United States of America
Vital Factor or Independent Business and Market Research Consultants	:	Vital Factor Consulting Sdn Bhd (Registration No. 199301012059 (266797-T))

MAIN FACILITIES

Our main facilities are referred to with the following short forms:

Ipoh Factory 1	:	Manufacturing facility owned and operated by our Group mainly to manufacture moulds, machinery and other metal products. It is located at Lot 133077, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak, Malaysia.
Ipoh Factory 2	:	Manufacturing facility owned by our Group and rented to PMW Concrete mainly to manufacture spun products. It is located at Lot 133077, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak, Malaysia.

DEFINITIONS (Cont'd)

- Ipoh Factory 3** : Manufacturing facility owned and operated by our Group mainly to manufacture spun products. It is located at Lot 66140, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak, Malaysia.
- Ipoh Factory 4** : Manufacturing facility rented and operated by PMW Lighting mainly to manufacture and trade lighting fixtures. It is located at Block B Plot 15, Hala Perusahaan Menglembu 12, 31450 Menglembu, Perak, Malaysia.
- Kota Kinabalu Factory** : Manufacturing facility owned by our Group and rented to Winabumi mainly to manufacture spun products. It is located at Lots 5, 6 and 7, Lorong 2A-1, KKIP Timur Industrial Zone 12, Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah, Malaysia
- Kuching Factory** : Discontinued manufacturing facility at rented premises that we operated mainly to manufacture spun products. We ceased manufacturing activities at the Kuching Factory in November 2024 and have disposed of the operations to non-related parties.

CUSTOMERS AND SUPPLIERS

These major customers and major suppliers have not given their consents for their names to be disclosed in the Prospectus. As such, the identities of the following major customers and major suppliers are not disclosed.

- Customer Group A** : Customer Group A comprises Customer A1 (a company incorporated in the United States whose principal activity includes, among others, providing power transmission and distribution, and telecommunications infrastructure mainly in North America) and Customer A2 (a company incorporated in the USA whose principal activity includes manufacturing concrete poles mainly in North America). Customer A1 is listed on the New York Stock Exchange, and Customer A2 is a subsidiary of Customer A1. Their names are not disclosed as consent was not provided.
- Customer B** : Customer B is a private company incorporated in Malaysia whose principal activity includes providing construction and foundation works. The name is not disclosed as consent was not provided.
- Customer C** : Customer C is a company incorporated in Malaysia whose principal activity includes installing, owning, and managing telecoms infrastructure. It is partially-owned by the State Government of Sarawak. It is also an associate of a company based in Malaysia that is listed on the Main Market of Bursa Securities. The name is not disclosed as consent was not provided.
- Customer D** : Customer D is a company incorporated in Malaysia whose principal activity includes providing telecommunications services. Customer D is a subsidiary of a company based in Malaysia that is listed on the Main Market of Bursa Securities. The name is not disclosed as consent was not provided.
- Customer Group E** : Customer Group E includes Customer E1 (a private company incorporated in Malaysia whose principal activity includes supply and installation of sewerage systems), Customer E2 (a private company incorporated in Malaysia whose principal activity includes supplying and installing telecommunications infrastructure), and Customer E3 (a private company incorporated in Malaysia whose principal activity includes the construction of utility projects). The shareholders of these companies are family members. Their names are not disclosed as consent was not provided.

DEFINITIONS (Cont'd)

Customer F	:	Customer F is a private company incorporated in the USA whose principal activity includes manufacturing outdoor lighting poles including spun concrete poles mainly in North America. The name is not disclosed as consent was not provided.
Customer G	:	Customer G is a company incorporated in Malaysia whose principal activity includes providing telecommunications services and constructing telecommunications infrastructure. Customer G is a subsidiary of a company based in Malaysia that is listed on the Main Market of Bursa Securities. The name is not disclosed as consent was not provided.
Customer H	:	Customer H is a private company incorporated in Malaysia whose principal activity includes supplying, installing, and maintaining telecommunications and IT systems, and broadcasting equipment. The name is not disclosed as consent was not provided.
Customer I	:	Customer I is a company based in Nigeria whose principal activity includes providing building and civil engineering services. The name is not disclosed as consent was not provided.
Supplier Group A	:	Supplier Group A comprises Supplier A1 (a company incorporated in Malaysia whose principal activity includes trading construction materials), Supplier A2 (a company incorporated in Malaysia whose principal activity includes trading petroleum products and construction materials), and Supplier A3 (a company incorporated in Malaysia whose principal activity includes manufacturing and trading construction materials). Supplier A1, Supplier A2 and Supplier A3 are subsidiaries of a company based in Malaysia that is listed on the Main Market of Bursa Securities. Their names are not disclosed as consent was not provided.
Supplier B	:	Supplier B is a company incorporated in Malaysia whose principal activity includes manufacturing and trading steel bars. Supplier B is a subsidiary of a company based in Malaysia that is listed on the Main Market of Bursa Securities. The name is not disclosed as consent was not provided.

CURRENCIES AND UNITS

RM and sen	:	Ringgit Malaysia and sen, the lawful currency of Malaysia
USD	:	United States Dollar
CNY	:	Chinese Yuan
EUR	:	Euro
sq. ft	:	Square feet

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GLOSSARY OF TECHNICAL TERMS

The technical abbreviations and their meanings used throughout this Prospectus in connection with our Group's business may not correspond to the standard industry meanings or usage of these terms. The following definitions shall apply throughout this Prospectus unless the term is defined otherwise or the context otherwise requires:

- Aggregate** : Aggregate refers to gravel, crushed rocks or sand used as materials to make concrete.
- Concrete** : Concrete is a construction material made primarily from a mixture of cement, aggregates, and water. In some cases, additives are included to modify properties, such as accelerating the setting time or enhancing durability and workability.
- Concrete products** : In the context of this Prospectus, concrete products refer to those that are made predominantly from reinforced concrete. They include, among others, spun poles (standard poles, monopoles, and decorative poles), spun piles, square piles, and kicking blocks.
- Decorative pole** : In the context of this Prospectus, a decorative pole is a type of spun pole designed for above-ground installation. It is distinguished by aesthetic features on its surface, such as decorative patterns, textures, and finishes. Decorative poles are often painted or coated to enhance their visual appeal. They are commonly used for outdoor lighting applications.
- Kicking block** : A kicking block is a reinforced concrete block, often placed at the base of a pole or structure, designed to protect the lower portion of the pole or structure from damage due to external impacts, such as from vehicles or equipment. It is commonly used in applications like power poles, traffic barriers, or fencing installations.
- Monopole** : In the context of this Prospectus, a monopole is a type of spun pole that is manufactured in two or more segments, which are then assembled on-site to form a single, unified structure. Monopoles are typically more than 18 meters in height and are designed to support equipment at their top, such as power transmission cables and telecommunications equipment. In contrast, a standard spun pole is produced as a single piece and is typically below 18 meters in height.
- Prestressing** : In the context of this Prospectus, prestressing refers to the manufacturing process that involves pulling the steel bar of the steel cage (which is anchored to one end of the mould) to stretch and create tension. The tension is maintained as concrete is fed into the mould, spun and while the concrete is being cured (by steam curing or other means). Once the concrete has cured and hardened, the tension is released. The released tension will cause the steel cage to pull inwards on the concrete, which increases the tensile strength of the spun product, making it more resistant to bending forces.
- Reinforced concrete** : Reinforced concrete is a type of concrete that incorporates steel reinforcement, such as rebar, steel mesh, or steel cages, to enhance its structural properties. The addition of steel significantly improves the tensile strength of the concrete, making it more resistant to cracking, bending, and other forces that concrete alone would not be able to withstand. This combination of concrete and steel allows the material to handle both compression and tension, making it ideal for a wide range of construction applications, including buildings, bridges, and roads.

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Spinning	: In the context of this Prospectus, spinning refers to the manufacturing process where a loaded mould—containing a steel cage and uncured concrete—is rotated at high speed. This centrifugal force evenly distributes and compacts the concrete, increasing its density. At the same time, the spinning action helps to expel excess water and ensures that all voids within the concrete are filled, resulting in a more uniform and durable material.
Spun pile	: In the context of this Prospectus, a spun pile is a type of pile made from prestressed, spun reinforced concrete featuring a circular hollow cross-section. It is installed underground as a foundation for buildings and other structures.
Spun pole	: In the context of this Prospectus, a spun pole is a type of pole made from prestressed, spun reinforced concrete with a circular hollow cross-section. It is installed above ground and designed to support equipment such as power distribution cables, telecommunications equipment, and lighting fixtures. Example of spun poles include standard poles, monopoles, and decorative poles.
Spun products	: In the context of this Prospectus, spun products refer to concrete products whose manufacturing process involves both prestressing and spinning. Examples of spun products include spun poles (such as standard poles, monopoles, and decorative poles) and spun piles.
Square pile	: In the context of this Prospectus, a square pile is a pile with a solid square cross-section manufactured by casting concrete around a steel cage reinforcement in a mould. Square piles are not prestressed and are not spun during their manufacturing process.
Standard pole	: In the context of this Prospectus, a standard pole is a type of spun pole that is installed above ground and used to support equipment. Unlike monopoles, standard poles are manufactured as a single piece and are typically less than 18 meters in height.
Steel cage	: In the context of this Prospectus, a steel cage is a reinforcement structure that provides tensile strength to concrete products such as spun poles and piles, square piles, and kicking blocks. The steel cage consists of spiral wires looped and welded around several longitudinal bars, forming a rigid framework that strengthens the concrete.

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1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Designation	Address	Nationality
Ir. Azizi bin A Hadi (M)	Independent Non-Executive Chairman	No. 3, Jalan Clover 1, Clover Garden Residence, 63000 Cyberjaya, Selangor.	Malaysian
Lee Hon Hwa (M)	Executive Director / Chief Executive Officer	No. 4, Lorong Canning, Canning Garden, 31400 Ipoh, Perak.	Malaysian
Lee Khim Hwa (M)	Executive Director / Chief Business Development Officer	No. 8, Jalan Bintang, Taman Westpool, 31400 Ipoh, Perak.	Malaysian
Dr. Rozainun binti Ab Aziz (F)	Independent Non-Executive Director	No. 19, Jalan Kristal Enam 7/70F, Seksyen 7, 40000 Shah Alam, Selangor.	Malaysian
Dato' Haji Baderul Sham bin Saad (M)	Independent Non-Executive Director	No. 2, Jalan Magnesium 7/106, Putramas, Seksyen 7, 40000 Shah Alam, Selangor.	Malaysian
Marieta binti Abdull Hamid (F)	Independent Non-Executive Director	No. 21, Aman Kiara, Jalan Kiara 5, 50480 Kuala Lumpur, Wilayah Persekutuan.	Malaysian

(M) = Male

(F) = Female

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Dr. Rozainun binti Ab Aziz	Chairperson	Independent Non-Executive Director
Dato' Haji Baderul Sham bin Saad	Member	Independent Non-Executive Director
Marieta binti Abdull Hamid	Member	Independent Non-Executive Director

REMUNERATION AND NOMINATION COMMITTEE

Name	Designation	Directorship
Marieta binti Abdull Hamid	Chairperson	Independent Non-Executive Director
Dr. Rozainun binti Ab Aziz	Member	Independent Non-Executive Director
Dato' Haji Baderul Sham bin Saad	Member	Independent Non-Executive Director

1. CORPORATE DIRECTORY (Cont'd)

COMPANY SECRETARIES	: Tai Yit Chan Boardroom Corporate Services Sdn Bhd 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan
	Telephone No. : (03) 7890 4888 Professional : MAICSA qualification (Membership No.: 7009143) SSM Practicing : 202008001023 Certificate No
	Ooi Kai Yang Boardroom Corporate Services Sdn Bhd 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan
	Telephone No. : (03) 7890 4851 Professional : MAICSA qualification (Membership No.: 7072929) SSM Practicing : 202408000571 Certificate No
REGISTERED OFFICE	: 55A, Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak
	Telephone No. : (05) 547 4833 Facsimile No. : (05) 547 4363
HEAD OFFICE	: Lot 133077, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak, Malaysia
	Telephone No. : (05) 322 4690 Email : sales@pmw-industries.com Website : https://pmw-group.com
PRINCIPAL ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT	: KAF Investment Bank Berhad Level 13A, Menara IQ, Lingkaran TRX, Tun Razak Exchange, 55188 Kuala Lumpur
REPORTING ACCOUNTANTS	: KPMG PLT Level 10, KPMG Tower 8, First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor
	Partner-in- charge : Ooi Eng Siong (Approval no.: 03240/02/2026 J) Professional : Chartered Accountant Malaysia qualification (MIA membership no.: 26629)

1. CORPORATE DIRECTORY (Cont'd)**LEGAL ADVISERS : Jeff Leong, Poon & Wong**

B-11-8, Level 11,
Megan Avenue II,
Jalan Yap Kwan Seng,
50450 Kuala Lumpur.

INDEPENDENT BUSINESS : Vital Factor Consulting Sdn Bhd**AND MARKET RESEARCH
CONSULTANTS**

V Square @ PJ City Centre (VSQ),
Block 6 Level 6, Jalan Utara,
46200 Petaling Jaya,
Selangor, Malaysia.

Person in-charge : Wooi Tan

Qualification : • Master of Business Administration from
the University of Technology, Sydney,
Australia
• Bachelor of Science from the University
of New South Wales, Australia
• Fellow of both the Australian Marketing
Institute, and the Institute of Managers
and Leaders, Australia

*(Please refer to Section 8 of this Prospectus for the profile of the firm
and signing director)*

ISSUING HOUSE : Malaysian Issuing House Sdn Bhd

11th Floor, Menara Symphony,
No. 5, Jalan Professor Khoo Kay Kim,
Seksyen 13,
46200 Petaling Jaya,
Selangor Darul Ehsan.

SHARE REGISTRAR : Boardroom Share Registrars Sdn Bhd

11th Floor, Menara Symphony,
No. 5, Jalan Professor Khoo Kay Kim,
Seksyen 13,
46200 Petaling Jaya,
Selangor Darul Ehsan.

LISTING SOUGHT : ACE Market**SHARIAH STATUS : Approved by Shariah Advisory Council of the SC**

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2. APPROVALS AND CONDITIONS

2.1 APPROVALS AND CONDITIONS

2.1.1 Bursa Securities

Bursa Securities had, vide its letter dated 21 August 2025 ("**Approval Letter**"), approved our admission to the Official List of the ACE Market and the listing of and quotation for our entire enlarged issued share capital comprising 892,051,816 Shares on the ACE Market.

The approval from Bursa Securities is subject to the following conditions:

[illegible]

2. APPROVALS AND CONDITIONS (Cont'd)

Bursa Securities had, vide its letters dated 13 March 2025, approved the relief sought by our Company. The details of the relief sought are as follows:

No.	Reference	Approval date	Details of relief granted
1.	Rule 3.12B(1) of the Listing Requirements, which is in reference to Paragraph 5.04(b) of the Prospectus Guidelines	13 March 2025	Relief from complying with the requirements in respect of disclosure of parties to the contract under material contracts not being contracts in the ordinary course of business. The party to the contract in relation to the disposal of certain fixed assets and raw materials by PMW Industries do not wish to be named in the Prospectus. Hence, we propose to redact their name but still disclose other particulars which include the following: (i) Date; (ii) Subject matter of the contract; and (iii) The consideration and the manner in which it was satisfied.

2.1.2 SC

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

The SC had, vide its letter dated 26 August 2025, approved our resultant equity structure pursuant to our Listing under the Bumiputera equity requirement for public listed companies subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
1.	PMW to allocate 12.50% of its enlarged number of issued shares upon Listing to Bumiputera investors to be approved by MITI.	Complied
2.	PMW to make available at least 50.00% of the Shares offered to the Malaysian public investors via balloting to Bumiputera public investors.	Complied

2.1.3 MITI

The MITI had, via its letter dated 29 May 2025 taken note and has no objection to our Listing.

2.1.4 Shariah Advisory Council of the SC

The Shariah Advisory Council of the SC had, on 10 July 2025, classified our Shares as Shariah-compliant securities based on our audited combined financial statement for FYE 2024.

2.2 MORATORIUM ON OUR SHARES

In accordance with Rule 3.19(1) of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of those Shares held by our Specified Shareholders as follows;

- (i) the moratorium applies to the entire shareholdings of our Specified Shareholders for a period of 6 months from the date of our admission to the ACE Market ("**First 6-Month Moratorium**");
- (ii) upon the expiry of the First 6-Month Moratorium, our Company must ensure that our Specified Shareholders' aggregate shareholdings amounting to at least 45.00% of the total number of issued ordinary shares remain under moratorium for a further 6 months ("**Second 6-Month Moratorium**"); and

2. APPROVALS AND CONDITIONS (Cont'd)

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

The details of the Specified Shareholders and its Shares which will be held under moratorium are set out below:

	Year 1				Year 2		Year 3	
	First 6-Month Moratorium		Second 6-Month Moratorium		Moratorium shares		Moratorium shares	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%
Lee United Holding	558,208,816	62.58	358,848,786	40.23	239,232,524	26.82	119,616,262	13.41
JR Silverline	66,227,000	7.42	42,574,531	4.77	28,383,021	3.18	14,191,511	1.59
	624,435,816	70.00	401,423,317	45.00	267,615,545	30.00	133,807,773	15.00

Note:

- (1) Based on the enlarged issued share capital of 892,051,816 Shares after our IPO.

The abovementioned moratorium has been fully accepted by the Specified Shareholders who have provided its written undertaking that it will not sell, transfer or assign its Shares under moratorium during the moratorium period.

In accordance with Rule 3.19(2) of the Listing Requirements, where the Specified Shareholder is an unlisted corporation, all shareholders of the unlisted corporation must give undertakings to Bursa Securities that they will not sell, transfer or assign their shares in the unlisted corporation during the moratorium period. Pursuant thereto, the shareholders of Lee United Holding, namely Lee Hon Hwa, Lee Khim Hwa and Lee Siew Yoke, have also provided written undertaking that they will not sell, transfer or assign their shareholdings in Lee United Holding during the moratorium period. Further, the shareholders of JR Silverline, namely Richard Lee, Datuk Brian Lee Cherng Jey, Lee Cherng Jer and Desmond Lee Cherng En, have also provided written undertaking that they will not sell, transfer or assign their shareholdings in JR Silverline during the moratorium period.

The moratorium, which is fully accepted by the Specified Shareholders, is specially endorsed on its share certificates representing its shareholdings, which are under moratorium to ensure that our Share Registrar will not register any transfer and sale that are not in compliance with the aforesaid restriction imposed.

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3. PROSPECTUS SUMMARY

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

3.1 PRINCIPAL DETAILS OF OUR IPO

The principal statistics of our IPO is as follows:

Number of new Shares to be issued under the Public Issue	
- <i>Malaysian Public via balloting</i>	44,602,600
- <i>Eligible Persons</i>	22,301,300
- <i>Private placement to Bumiputera investors approved by MITI</i>	111,507,100
	178,411,000
Number of Shares to be offered under the Offer for Sale	
	89,205,000
Enlarged number of Shares after the IPO	
	892,051,816
IPO Price per Share (RM)	
	0.34
Market capitalisation (RM) <i>(calculated based on the IPO Price and enlarged issued share capital of 892,051,816 Shares upon Listing)</i>	
	303,297,617
Gross proceeds from the Public Issue (RM)	
	60,659,740
Gross proceeds from the Offer for Sale (RM)	
	30,329,700

Please refer to Section 4.3 of this Prospectus for further details of our IPO.

In compliance with Rule 3.19(1) of the Listing Requirements, our Specified Shareholders' entire shareholdings after the IPO will be held under moratorium for 6 months from the date of our Listing. Thereafter, our Specified Shareholders' shareholdings amounting to 45% of our total enlarged issued Shares will remain under moratorium for another 6 months. Our Specified Shareholders may sell, transfer or assign up to a maximum of one third (1/3) per year (on a straight-line basis) of its Shares held under moratorium upon expiry of the second 6-month period. Please refer to Section 2.2 of this Prospectus for further details of the moratorium on our Shares.

3.2 BACKGROUND AND OVERVIEW

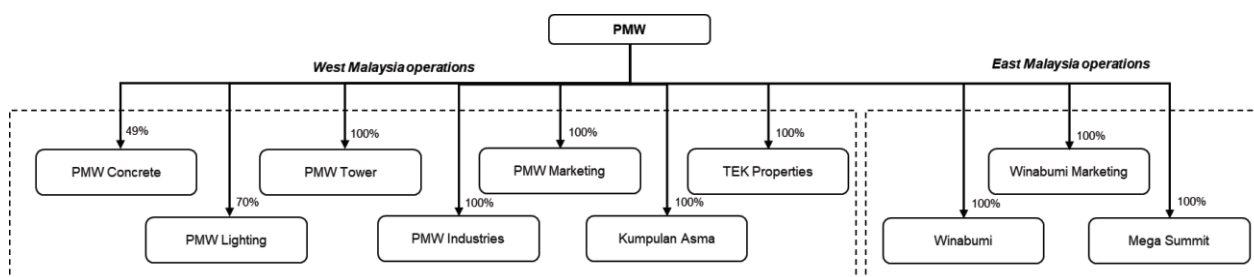
Our Company was incorporated in Malaysia under the Act on 23 January 2024 as a private limited company under the name of PMW International Sdn Bhd. On 7 March 2025, it was converted into a public limited company and assumed our present name.

Our Company is an investment holding company and was incorporated to facilitate our Listing on Bursa Securities. Through our Subsidiaries, our principal business activities during the Financial Periods Under Review were trading of construction materials, spun poles and piles, and other concrete products; manufacturing of spun poles and piles; moulds, machinery, and metal products; and rental of moulds and machinery.

After the Acquisitions, Winabumi and PMW Concrete will become our subsidiaries prior to the Listing. When Winabumi and PMW Concrete become subsidiaries of our Group, we will no longer have revenue from the trading of spun poles and piles, and other concrete products as the revenue from the sale of these products manufactured by them will be captured under our manufacturing of spun poles and piles, and other concrete products business activities.

3. PROSPECTUS SUMMARY (Cont'd)

After our IPO, our Group structure is as follows:



Our business model is depicted in the following diagram:

Business activities and revenue streams	Geographical markets	Distribution channel and customer base	Mode of operations
Principal activities  Trading: - Construction materials and other products ⁽¹⁾ - Spun poles and piles - Other concrete products ⁽²⁾ - Lighting fixtures ⁽³⁾  Manufacturing: - Spun poles and piles - Moulds, machinery, and metal products ⁽⁴⁾ - Other concrete products ⁽⁵⁾  Rental of moulds and machinery ⁽⁶⁾	Principal market  Malaysia Other markets - USA - Saudi Arabia - Others ⁽⁷⁾	Main channel - direct - Manufacturers of concrete products - Telecommunications companies - Others ⁽⁸⁾ Complementary channel - indirect - Contractors - Construction companies - Distributors and Others ⁽⁹⁾	Non-recurrent revenue - Lump sum ⁽¹⁰⁾ contracts or purchase orders - Lump sum ⁽¹⁰⁾ contracts with schedule of prices - Lump sum ⁽¹⁰⁾ contracts with schedule of prices and price adjustment mechanism - Umbrella ⁽¹¹⁾ contract Recurrent revenue - Variable monthly charges subject to minimum annual charge - Fixed monthly charges

Notes:

- (1) Other products include concrete additives, diesel and fuel oil, metal and plastic accessories for concrete products (such as end plates and pointed shoes), and welding consumables and hand tools.
- (2) Other concrete products traded by our Group mainly comprised square piles, as well as a small proportion of kicking blocks.
- (3) Includes a small proportion of revenue (approximately 0.38%) from manufacturing lighting fixtures, which commenced in May 2025.
- (4) Includes steel poles, moulds and machinery parts and accessories.
- (5) Other concrete products manufactured by our Group during the Financial Periods Under Review are kicking blocks.
- (6) Includes a small proportion of revenue from the provision of maintenance and repair services for moulds and machinery that amounted to less than 1.00% of total revenue in any single financial year or financial period during the Financial Periods Under Review.
- (7) Others include Bulgaria, Indonesia, Kuwait, Myanmar, Nigeria, Oman, the Philippines, Poland, Singapore and Vietnam.
- (8) Others mainly include manufacturers of other products such as steel poles, and lighting and decorative poles.
- (9) Others mainly include engineering service and project management companies.
- (10) Under "lump sum" contracts and purchase orders, the value is specified and the customer has committed to purchasing the types and quantities of products specified in the contract or purchase order by the delivery date or during the contract duration period.
- (11) The "umbrella" contract does not specify the contract value and does not commit the customer to purchasing any products from us.

Further details of our principal activities and products are set out in Section 7.1 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

3.3 COMPETITIVE ADVANTAGES AND KEY STRENGTHS

Our Group's competitive advantages and key strengths include the following:

- (i) We have an established track record of approximately 33 years since we commenced business operation as a manufacturer of moulds and machinery for spun poles and piles, and spun poles accessories in 1992. In addition, we began to manufacture standard poles in 2006, giving us a track record of approximately 19 years for this product category.
- (ii) We specialise in trading and manufacturing concrete products comprising spun piles and spun poles (namely standard poles, monopoles and decorative poles), as well as square piles. Our concrete products have several applications to provide revenue diversity as well as enlarge our addressable market to sustain and grow our business.
- (iii) We provide a one-stop solution for moulds and machinery to manufacture spun poles and piles, and square piles. We have in-house capability to design and manufacture the full range of moulds and machinery for spun poles and piles, and square piles.
- (iv) As at the LPD, we manufacture spun poles and piles, and square piles in four facilities at two locations, namely Ipoh, Perak and Kota Kinabalu, Sabah. Furthermore, as a part of our business strategy we plan to establish a spun poles and piles manufacturing facility in Tanjung Manis, Sarawak.
- (v) We have in-house experience, capabilities, facilities and personnel to undertake product development and enhancement as well as to meet customers' requirements for customised specifications or to meet different export market conditions and needs. Our capabilities are supported by our track record in in-house manufacturing of moulds and machinery, as well as manufacturing spun poles and piles.
- (vi) Our in-house product development and enhancement capability coupled with our in-house track record of manufacturing moulds also enables us to quickly design and manufacture new types of moulds. We can quickly and cost-effectively develop new mould designs from new ideas and specifications provided by our customers as well ourselves, including producing prototype moulds and spun products for testing.
- (vii) We have an experienced management team headed by our Executive Director and Chief Executive Officer, Lee Hon Hwa, and our Executive Director and Chief Business Development Officer, Lee Khim Hwa. They bring with them approximately 25 and 29 years of experience, respectively in the concrete poles and piles industry supported by our Key Senior Management team, namely, Lee Siew Yoke, Haji Zulkepli bin Hj. Hussin, Datuk Brian Lee Cherng Jey and Chen See Mei.

Further details of our competitive strengths are set out in Section 7.4 of this Prospectus.

3.4 BUSINESS STRATEGIES AND PLANS

Our Group's business strategies and plans are summarised as follows:

- (i) We plan to establish a new facility to manufacture concrete products in Tanjung Manis, Sarawak (Tanjung Manis Facility). The planned Tanjung Manis Facility building will have total built-up area of around 60,900 sq. ft. with a covered manufacturing area for manufacturing spun poles and piles, as well as office space. In addition, the Tanjung Manis Facility will have an open storage area of approximately 1,202,340 sq. ft. for input materials (such as sand and aggregate) and finished spun poles and piles. The benefits that we anticipate from establishing our Tanjung Manis Facility include increasing our ability to serve customers in Sarawak and strengthen our competitive position in Sarawak.
- (ii) We plan to purchase new machinery and equipment for our manufacturing of moulds, spun poles and spun piles business operations. The types of new machinery and equipment that we plan to purchase are 1 unit of laser cutting machines and 1 unit of shovel loader. The benefits that we anticipated include reducing the cycle time for cutting steel materials into the required shape and dimensions as part of the mould manufacturing process with the new laser cutting machine that have higher cutting speed compared to our existing laser cutting and plasma cutting machines and reducing waiting time by having two shovel loaders. Currently, we own one functional shovel loader which is being shared by Ipoh Factory 2 and Ipoh Factory 3.

Further details of our business strategies and plans are set out in Section 7.15 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

3.5 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with other matters in this Prospectus, certain risks and investment considerations (which may occur either individually or in combination, at the same time or around the same time) that may have a significant impact on our future financial performance. The following are the key risks and investment considerations that we are currently facing or that may develop in the future:

Risks relating to our business and operations

- (i) During the Financial Periods Under Review and up to the LPD, most of our revenue is non-recurrent in nature as they are based on contracts or purchase orders for a single order of goods. If we cannot continuously secure new contracts and purchase orders in sufficient numbers and sizeable value, our business sustainability and future financial performance will be adversely affected.
- (ii) Some of the input materials we purchased for our trading and manufacturing operations, such as steel materials, cement, sand, and aggregates, are subject to price fluctuations and increases from time to time. There is no guarantee that we can successfully pass increased input material costs to our customers or avoid adverse effects from price fluctuations. If input material prices rise, our financial performance may be impacted.
- (iii) We plan to establish the Tanjung Manis Facility through a joint venture with STIDC, but the joint venture terms are not yet finalised and no agreement has been entered. If we are unable to proceed with the joint venture with STIDC, our Group may need to make material changes to our plan, which may also require additional costs to purchase the land.
- (iv) Various events, including supply chain disruptions, fires, floods, natural disasters, machinery breakdowns, and shortages or disruptions in electricity, water, diesel, fuel oil, or labour may disrupt our trading and manufacturing operations. Such disruptions could lead to missed delivery schedules, order cancellations, customer loss, or reputational damage, which may negatively impact our financial performance.
- (v) We are exposed to credit risks from customers to whom we extend credit. If a customer fails to pay within the stipulated credit period or defaults entirely, we may need to recognise impairment losses on trade receivables or write off bad debts, which would negatively impact our financial performance, cash flow, and profitability.
- (vi) Our growth strategy includes developing the Tanjung Manis Facility in Sarawak to manufacture spun poles and piles. There is no assurance that we will successfully implement our business strategy and plans, including establishing the Tanjung Manis Facility.
- (vii) We provide product warranty for specific types of concrete products and lighting fixtures, which is specified in the contract or purchase order with the respective customer. Customers may report defective products or manufacturing defects discovered within the warranty period. If feasible, we will repair the defect, otherwise, we will provide a replacement at our expense.
- (viii) We depend on the experience, expertise, technical knowledge, and sales and marketing expertise of our Executive Director and Chief Executive Officer, Lee Hon Hwa, and our Executive Director and Chief Business Development Officer, Lee Khim Hwa. If we lose the services of one or more of the Executive Directors or Key Senior Management and cannot promptly engage a suitable replacement, our day-to-day business operations, financial performance, and the successful implementation of our business strategies may be adversely affected.
- (ix) We must comply with all applicable Health, Safety, and Environmental (HSE) laws and regulations governing our Ipoh Factory 1, Ipoh Factory 2, Ipoh Factory 3, Ipoh Factory 4 and Kota Kinabalu Factory. These regulations cover employee and contractor safety as well as the environmental impact of our operations. Our operations may be suspended or restricted if a workplace accident harms employees or contractors, if our activities negatively impact the environment, or if we fail to comply with HSE laws and regulations.
- (x) Our factory operations involve various risks and hazards, including workplace accidents, fires, floods, and other natural disasters. Our insurance policies are subject to periodic

3. PROSPECTUS SUMMARY (Cont'd)

renewal, which may result in changes to premiums, terms, or claim limits. If premiums increase significantly or claim limits are reduced, we may face higher costs to maintain the same level of coverage or be forced to reduce our insurance protection.

- (xi) We require and hold certain licences, permits and approvals issued by various government authorities and regulatory agencies and these approvals, licences and permits are essential for the conduct of our business. As at the LPD, we have not been subject to any enforcement action with respect to the foregoing. However, there can be no assurance that we will not be subject to enforcement actions by the relevant authorities, including cessation of operation or monetary penalties.
- (xii) We rely on foreign workers in our business operations. As at the LPD, we have a total workforce of 695 employees, out of which 160 or 23.02% (including 1 expatriate) are foreign workers. Any increase in levy rate for foreign workers will increase our cost for labour which consequently may increase our cost of sales and decrease our profit margins if we are unable to pass such cost increases to our customers.

Risks relating to our industry

- (xiii) Spun poles and piles are mainly used in building construction and infrastructure developments. Any slowdown in these user industries will impact the demand for our products, which will negatively affect our financial performance.
- (xiv) We face competition from operators that manufacture or trade similar products, including spun poles and piles, and square piles, and from operators that manufacture or trade similar or substitute products. There can be no assurance that competition from existing operators and new entrants in Malaysia and other countries will not have a material adverse effect on our business and financial performance.
- (xv) Changes in Malaysia's political, social, economic, and regulatory conditions may adversely affect our business operations and financial performance. Our business may also be affected by global events such as geopolitical events, financial crises, trade conflicts and sanctions, and technological changes.

Please refer to Section 9 of this Prospectus for further details and the full list of risk factors which should be considered before investing in our Shares.

3.6 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors are as follows:

Name	Designation
Ir. Azizi bin A Hadi	Independent Non-Executive Chairman
Lee Hon Hwa	Executive Director / Chief Executive Officer
Lee Khim Hwa	Executive Director / Chief Business Development Officer
Dr. Rozainun binti Ab Aziz	Independent Non-Executive Director
Dato' Haji Baderul Sham bin Saad	Independent Non-Executive Director
Marieta binti Abdull Hamid	Independent Non-Executive Director

Our Key Senior Management is as follows:

Name	Designation
Haji Zulkepli bin Hj. Hussin	Chief Compliance Officer
Lee Siew Yoke	Chief Human Resources Officer
Datuk Brian Lee Cherng Jey	Chief Operating Officer East Malaysia
Chen See Mei	Chief Financial Officer

Please refer to Section 5 of this Prospectus for details on our Directors and Key Senior Management.

3. PROSPECTUS SUMMARY (Cont'd)**3.7 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS**

The details of our Promoters and substantial shareholders, and their respective shareholdings in our Company upon our Listing are as follows:

Nationality / Country of incorporation		Before our IPO				After our IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	⁽¹⁾ (%)	No. of Shares	⁽¹⁾ (%)	No. of Shares	⁽²⁾ (%)	No. of Shares	⁽²⁾ (%)
<u>Promoters and substantial shareholders</u>									
Lee Hon Hwa	Malaysian	36,323,600	5.09	⁽³⁾ 602,169,216	84.38	-	-	⁽⁶⁾ 558,208,816	62.58
Lee Khim Hwa	Malaysian	36,323,600	5.09	⁽⁴⁾ 602,169,216	84.38	-	-	⁽⁶⁾ 558,208,816	62.58
Lee Siew Yoke	Malaysian	7,636,800	1.07	⁽⁵⁾ 630,856,016	88.40	-	-	⁽⁶⁾ 558,208,816	62.58
<u>Substantial Shareholders</u>									
Richard Lee	Malaysian	8,921,000	1.25	⁽⁷⁾ 66,227,000	9.28	-	-	⁽⁹⁾ 67,052,000	7.52
Lee United Holding	Malaysia	558,208,816	78.22	-	-	558,208,816	62.58	-	-
JR Silverline	Malaysia	66,227,000	9.28	-	-	66,227,000	7.42	-	-
Datuk Brian Lee Cherng Jey	Malaysian	-	-	⁽⁸⁾ 75,148,000	10.53	825,000	0.09	⁽⁷⁾ 66,277,000	7.42
Desmond Lee Cherng En	Malaysian	-	-	⁽⁸⁾ 75,148,000	10.53	-	-	⁽¹⁰⁾ 67,052,000	7.52
Lee Cherng Jer	Malaysian	-	-	⁽⁸⁾ 75,148,000	10.53	-	-	⁽¹⁰⁾ 67,052,000	7.52

Notes:

- (1) Based on our issued share capital of 713,640,816 Shares as at the LPD.
- (2) Based on our enlarged issued share capital of 892,051,816 Shares after our IPO.
- (3) Deemed interested by virtue of his interests in Lee United Holding and the shareholdings of his brother and sister, being Lee Khim Hwa and Lee Siew Yoke respectively, pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of his interests in Lee United Holding and the shareholdings of his brother and sister, being Lee Hon Hwa and Lee Siew Yoke respectively, pursuant to Section 8 of the Act.
- (5) Deemed interested by virtue of her interests in Lee United Holding and the shareholdings of her brothers, being Lee Hon Hwa and Lee Khim Hwa respectively, pursuant to Section 8 of the Act.
- (6) Deemed interested by virtue of his/her interests in Lee United Holding pursuant to Section 8 of the Act.
- (7) Deemed interested by virtue of his interest in JR Silverline pursuant to Section 8 of the Act.
- (8) Deemed interested by virtue of his interests in JR Silverline and the shareholdings of his father, Richard Lee, pursuant to Section 8 of the Act.
- (9) Deemed interested by virtue of his interests in JR Silverline and the shareholdings of his son, Datuk Brian Lee Cherng Jey, pursuant to Section 8 of the Act.
- (10) Deemed interested by virtue of his interests in JR Silverline and the shareholdings of his brother, Datuk Brian Lee Cherng Jey, pursuant to Section 8 of the Act.

Further details on our Promoters and substantial shareholders are disclosed in Section 5.1 of this Prospectus.

3. PROSPECTUS SUMMARY (Cont'd)

3.8 UTILISATION OF PROCEEDS

Based on the IPO Price, the gross proceeds from the Public Issue amounting to RM60.66 million are intended to be used in the following manner:

Purposes	Estimated timeframe for use from the date of our Listing	(RM'000)	(%)
Capital expenditure requirements:			
(a) Construction of a new facility at Tanjung Manis, Sarawak	Within 36 months	46,708	77.00
(b) Purchase of new machinery and equipment	Within 6 months	581	0.96
Working capital requirements	Within 24 months	5,696	9.39
Estimated listing expenses	Within 3 months	7,675	12.65
		60,660	100.00

The Offer for Sale is expected to raise gross proceeds of approximately RM30.33 million, which will accrue entirely to our Selling Shareholders and we will not receive any of the proceeds. Further details on the utilisation of proceeds are set out in Section 4.7 of this Prospectus.

3.9 FINANCIAL HIGHLIGHTS

3.9.1 Combined statements of comprehensive income

The summary of our combined statements of comprehensive income for the Financial Periods Under Review is as follows:

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	75,826	85,235	134,869	165,337	56,615	78,770
GP	13,075	14,537	23,092	28,145	10,189	9,028
Other income	5,774	5,128	6,974	8,430	2,728	4,611
PBT	12,778	12,331	21,345	23,670	9,473	8,107
PAT attributable to owners of our Company	8,312	8,770	14,289	15,962	6,570	6,192
PAT	8,353	9,984	15,529	17,442	7,200	6,968
GP margin (%) ⁽¹⁾	17.24	17.06	17.12	17.02	18.00	11.46
PBT margin (%) ⁽²⁾	16.85	14.47	15.83	14.32	16.73	10.29
PAT margin (%) ⁽³⁾	11.02	11.71	11.51	10.55	12.72	8.85
Basic/Diluted EPS (sen) ⁽⁴⁾	0.93	0.98	1.60	1.79	0.74	0.69

Notes:

(1) Computed based on GP divided by revenue.

(2) Computed based on PBT divided by revenue.

(3) Computed based on PAT divided by revenue.

(4) Computed based on PAT attributable to owners of our Company divided by the issued share capital of 892,051,816 Shares after our IPO. There are no potential dilutive securities in issue during the respective Financial Periods Under Review.

Our audited combined financial statement for the Financial Periods Under Review were not subject to any audit qualifications.

Please refer to Sections 12 and 13 of this Prospectus for further details of our financial information.

3. PROSPECTUS SUMMARY (Cont'd)**3.9.2 Combined statement of financial position**

The following table sets out our Group's historical combined statements of financial position as at 31 December 2021, 2022, 2023, 2024 and 31 May 2025:

	Audited				
	As at 31 December				As at 31 May
	2021	2022	2023	2024	2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
ASSETS					
Non-current assets					
Property, plant and equipment	27,641	38,885	40,275	43,225	46,675
Right-of-use assets	24,388	24,301	23,670	24,646	24,234
Intangible assets	-	-	-	-	2,500
Net investment in lease	99	-	-	-	-
Investment in associate	849	1,150	1,174	1,804	-
Total non-current assets	52,977	64,336	65,119	69,675	73,409
Current assets					
Inventories	10,460	10,833	16,084	21,738	18,815
Trade receivables	15,715	20,142	29,623	41,942	46,553
Other receivables, deposits and prepayments	1,728	2,849	3,823	4,591	5,316
Investment in quoted shares	2,328	2,175	-	-	-
Net investment in lease	173	99	-	-	-
Current tax assets	106	340	466	66	393
Fixed deposits with licensed banks	3,370	3,419	3,473	3,543	4,681
Cash and cash equivalent	25,047	26,648	32,451	40,455	46,214
Total current assets	58,927	66,505	85,920	112,335	121,972
Total assets	111,904	130,841	151,039	182,010	195,381
EQUITY AND LIABILITIES					
Share capital	-	-	-	63,550	68,550
Retained earnings	60,803	61,773	67,212	9,924	16,115
Invested equity	2,985	2,985	2,985	5,085	4,785
Merger reserve	-	-	-	-	(1,530)
Equity attributable to owners of our Company	63,788	64,758	70,197	78,559	87,920
Non-controlling interests	6,070	6,384	7,624	8,085	14,011
Total equity	69,858	71,142	77,821	86,644	101,931
Non-current liabilities					
Loans and borrowings	15,027	15,043	16,285	22,857	21,757
Lease liabilities	194	415	307	1,084	837
Deferred tax liabilities	3,617	4,224	4,821	5,329	5,456
Total non-current liabilities	18,838	19,682	21,413	29,270	28,050
Current liabilities					
Loans and borrowings	9,191	12,191	16,362	28,180	26,096
Lease liabilities	327	299	113	613	642
Trade payables	7,044	12,384	18,899	20,026	23,669
Other payables, deposits received and accruals	4,870	12,834	15,261	12,424	7,795
Contract liabilities	665	2,143	734	4,212	6,845
Current tax liabilities	1,111	166	436	641	352
Derivative financial liabilities	-	-	-	-	1
Total current liabilities	23,208	40,017	51,805	66,096	65,400
Total liabilities	42,046	59,699	73,218	95,366	93,450
Total equity and liabilities	111,904	130,841	151,039	182,010	195,381

Please refer to Sections 12 and 13 of this Prospectus for our detailed financial information.

3. PROSPECTUS SUMMARY (Cont'd)

3.10 OPERATIONAL HIGHLIGHTS

The breakdown of our Group's revenue by business activities for the Financial Periods Under Review is as follows:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Trading	47,828	63.08	57,046	66.93	92,862	68.85	106,933	64.68	40,464	71.47	56,402	71.60
• Construction materials and other products ⁽¹⁾	26,657	35.16	35,938	42.16	43,965	32.60	47,470	28.71	19,683	34.77	17,579	22.32
• Spun poles and piles ⁽²⁾	19,257	25.40	14,630	17.17	37,334	27.68	42,156	25.50	16,430	29.02	22,794	28.94
• Other concrete products ⁽³⁾	1,914	2.52	6,478	7.60	11,563	8.57	13,368	8.09	4,351	7.68	11,719	14.87
• Lighting fixtures ⁽⁴⁾	-	-	-	-	-	-	3,939	2.38	-	-	4,310	5.47
Manufacturing	21,395	28.21	17,988	21.10	30,373	22.52	46,956	28.40	11,245	19.86	18,121	23.01
• Spun poles and piles ⁽⁵⁾	5,000	6.59	7,111	8.34	17,029	12.63	27,712	16.76	8,327	14.71	12,394	15.74
• Moulds, machinery, and metal products ⁽⁶⁾	16,044	21.16	10,441	12.25	13,088	9.70	18,966	11.47	2,733	4.82	5,727	7.27
• Other concrete products ⁽⁷⁾	351	0.46	436	0.51	256	0.19	278	0.17	185	0.33	-	-
Rental of moulds and machinery⁽⁸⁾	6,603	8.71	10,201	11.97	11,634	8.63	11,448	6.92	4,906	8.67	4,247	5.39
	75,826	100.00	85,235	100.00	134,869	100.00	165,337	100.00	56,615	100.00	78,770	100.00

Notes:

- (1) Other products include concrete additives, diesel and fuel oil, metal and plastic accessories for concrete products (such as end plates and pointed shoes) and welding consumables and hand tools.
- (2) We traded standard poles, monopoles, decorative poles and spun piles throughout the Financial Periods Under Review.
- (3) Traded other concrete products comprises mainly concrete square piles, and a small proportion of kicking blocks.
- (4) Includes a small proportion of revenue (approximately 0.38%) from manufacturing lighting fixtures, which commenced in May 2025.
- (5) We manufactured standard poles, monopoles, and decorative poles throughout the Financial Periods Under Review, while the manufacturing of spun piles commenced in FYE 2024.
- (6) Includes steel poles, moulds and machinery parts and accessories.
- (7) Other concrete products manufactured by our Group for the Financial Periods Under Review are kicking blocks.
- (8) Includes a small proportion of revenue from the provision of maintenance and repair services for moulds and machinery that amounted to less than 1.00% of total revenue in any single financial year or financial period during the Financial Periods Under Review.

3. PROSPECTUS SUMMARY (Cont'd)**3.11 DIVIDEND POLICY**

Our Group presently does not have any formal dividend policy and the declaration of dividends and other distributions are subject to the discretion of our Board. Our ability to declare and pay dividends or make other distributions to our shareholders are dependent upon the dividends we receive from our Subsidiaries, present and future. The payments of dividends by our Subsidiaries are dependent upon various factors, including but not limited to, their distributable profits, financial performance and cash flow requirements for operations and capital expenditures, as well as other factors that their respective boards of directors deem relevant.

The dividends declared and paid for the Financial Periods Under Review are as follows:

	Audited				
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Dividends declared	⁽²⁾ 2,000	⁽³⁾ 8,700	⁽⁵⁾ 8,250	⁽⁷⁾ 80,300	-
Dividends paid	⁽²⁾ 2,000	⁽⁴⁾ 1,500	⁽⁶⁾ 7,200	⁽⁸⁾ 20,750	-
PAT	8,353	9,984	15,529	17,442	6,968
Dividend payout ratio (%) ⁽¹⁾	23.94	87.14	53.13	460.38	-

Notes:

- (1) Computed based on dividing the dividends declared during the financial year or financial period by the PAT of the corresponding financial year or financial period.
- (2) In FYE 2021, our Group declared dividends of RM2.00 million, all of which was paid in FYE 2021.
- (3) In FYE 2022, our Group declared dividends of RM8.70 million, of which our Group paid RM1.50 million in FYE 2022 and the remaining RM7.20 million in FYE 2023.
- (4) The dividends paid by our Group in FYE 2022 amounted to RM1.50 million, all of which had been declared in FYE 2022.
- (5) In FYE 2023, our Group declared dividends of RM8.25 million, all of which our Group paid in FYE 2024.
- (6) The dividends paid by our Group in FYE 2023 amounted to RM7.20 million, all of which had been declared in FYE 2022.
- (7) In FYE 2024, our Group declared dividends of RM80.30 million, of which RM12.50 million was paid in FYE 2024, RM67.80 million was utilised for the allotment of shares in subsidiaries.
- (8) The dividends paid by our Group in FYE 2024 amounted to RM20.75 million, of which RM8.25 million had been declared in FYE 2023.

Further details on our dividend policy are disclosed in Section 12.4 of this Prospectus.

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4. PARTICULARS OF OUR IPO

4.1 OPENING AND CLOSING OF APPLICATION

The Application period will open at 10.00 a.m. on 28 October 2025 and will remain open until 5.00 p.m. on 6 November 2025. **Late applications will not be accepted.**

4.2 INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative dates:

Events	Indicative Dates
Issue of Prospectus / Opening date for the Application	28 October 2025
Closing date of the Application	6 November 2025
Balloting of Applications	10 November 2025
Allotment / Transfer of IPO Shares to successful Applicants	17 November 2025
Listing on the ACE Market	18 November 2025

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

4.3 DETAILS OF OUR IPO

Our IPO is subject to the terms and conditions of this Prospectus and upon acceptance, our IPO Shares are expected to be allocated in the manner described below.

4.3.1 Public Issue

Our Public Issue of 178,411,000 Issue Shares representing approximately 20.00% of our enlarged issued share capital, at the IPO Price will be made available in the following manner:

(i) Malaysian Public via Balloting

44,602,600 Issue Shares representing approximately 5.00% of our enlarged issued share capital will be made available for application by the Malaysian Public via balloting, of which at least 50.00% is to be set aside strictly for Bumiputera investors.

(ii) Eligible Persons

22,301,300 Issue Shares representing approximately 2.50% of our enlarged issued share capital will be made available for subscription by our Eligible Persons, as indicated below, in recognition of their efforts and support to our Group.

Category	Number of Eligible Persons	Aggregate number of Pink Form Shares allocated
Eligible Directors ⁽¹⁾	4	275,000
Eligible directors and employees of our Group ⁽²⁾	231	10,404,000
Business associates of our Group including any other persons who have contributed to our success ⁽³⁾	45	11,622,300
		22,301,300

4. PARTICULARS OF OUR IPO (Cont'd)**Notes:**

- (1) *The number of Pink Form Shares to be allocated to our eligible Directors are as follows:*

<i>Eligible Directors</i>	<i>Designation</i>	<i>Aggregate No. of Pink Form Shares</i>
<i>Ir. Azizi bin A Hadi</i>	<i>Independent Non-Executive Chairman</i>	<i>100,000</i>
<i>Dr. Rozainun binti Ab Aziz</i>	<i>Independent Non-Executive Director</i>	<i>25,000</i>
<i>Dato' Haji Baderul Sham bin Saad</i>	<i>Independent Non-Executive Director</i>	<i>50,000</i>
<i>Marieta binti Abdull Hamid</i>	<i>Independent Non-Executive Director</i>	<i>100,000</i>
		<i>275,000</i>

The criteria for allocation to our eligible Directors are based on their respective roles and responsibilities as well as their anticipated contribution to our Group. The proposed allocation was further discussed with the respective directors on their intended subscription level.

- (2) *The criteria for allocation to our eligible directors and employees (as approved by our Board) are based on the following factors:*
- (i) The eligible director must be a director in our Subsidiaries;*
 - (ii) The eligible employee must be a full-time and confirmed employee of at least 18 years of age and on the payroll of our Group; and*
 - (iii) The number of Pink Form Shares allocated to our eligible directors and employees are based on their seniority, position, length of service and/or their respective contribution to our Group as well as other factors deemed relevant by our Board.*
- (3) *A total of 11,622,300 Issue Shares have been allocated to persons who have contributed to our success which includes our customers, suppliers and other business associates. The number of Pink Form Shares allotted to them are based on, amongst others, the nature, terms and length of their business relationship with us as well as the level of contribution and support to the success of our Group.*

(iii) Private Placement to Bumiputera investors approved by MITI

111,507,100 Issue Shares representing approximately 12.50% of our enlarged issued share capital will be made available by way of private placement to Bumiputera investors approved by MITI.

Upon completion of the Public Issue, our Group's issued share capital will increase from 713,640,816 Shares to 892,051,816 Shares.

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4. PARTICULARS OF OUR IPO (Cont'd)

4.3.2 Offer for Sale

Our Selling Shareholders will undertake an offer for sale of 89,205,000 Offer Shares, representing approximately 10.00% of our enlarged issued share capital, which will be made available by way of private placement to selected investors at the IPO Price. Details of our Selling Shareholders are as follows:

Selling Shareholders	Address	Position / Relationship with our Group for the past 3 years	Before the IPO		Offer for Sale		⁽¹⁾ After the IPO	
			No. of Shares	⁽²⁾ (%)	No. of Shares	⁽²⁾ (%)	No. of Shares	⁽³⁾ (%)
Lee Hon Hwa	No. 4, Lorong Canning, Canning Garden, 31400 Ipoh, Perak.	Promoter, substantial shareholder, Executive Director / Chief Executive Officer	36,323,600	5.09	36,323,600	5.09	-	-
Lee Khim Hwa	No. 8, Jalan Bintang, Taman Westpool, 31400 Ipoh, Perak.	Promoter, substantial shareholder, Executive Director / Chief Business Development Officer	36,323,600	5.09	36,323,600	5.09	-	-
Lee Siew Yoke	No. 3, Lalan Raja Dihilir, 30350 Ipoh, Perak.	Promoter, substantial shareholder, Chief Human Resources Officer	7,636,800	1.07	7,636,800	1.07	-	-
Richard Lee	No. 16, Lorong Raja Udang 9, Taman Kingfisher, 88450 Kota Kinabalu, Sabah.	Substantial shareholder, co-founder and Managing Director of Winabumi, Winabumi Marketing and Mega Summit	8,921,000	1.25	8,921,000	1.25	-	-

Notes:

- (1) The Selling Shareholders will indirectly hold shares of our Company through their respective investment holding companies, Lee United Holding and JR Silverline as disclosed in Section 5.1.1 of our Prospectus.
- (2) Based on our issued share capital of 713,640,816 Shares as at the LPD.
- (3) Based on our enlarged issued share capital of 892,051,816 Shares after our IPO.

4. PARTICULARS OF OUR IPO (Cont'd)**4.3.3 Allocation of the IPO Shares and Underwriting Arrangement**

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

	Public Issue		Offer for Sale		Total	
	No. of Shares	*(%)	No. of Shares	*(%)	No. of Shares	*(%)
Malaysian Public (via balloting):						
(a) Bumiputera	22,301,300	2.50	-	-	22,301,300	2.50
(b) Non-Bumiputera	22,301,300	2.50	-	-	22,301,300	2.50
Eligible Persons	22,301,300	2.50	-	-	22,301,300	2.50
Private placement to Bumiputera investors approved by MITI	111,507,100	12.50	-	-	111,507,100	12.50
Private placement to selected investors	-	-	89,205,000	10.00	89,205,000	10.00
	178,411,000	20.00	89,205,000	10.00	267,616,000	30.00

Note:

* Based on the enlarged issued share capital of 892,051,816 Shares after the IPO.

44,602,600 Issue Shares made available to the Malaysian Public have been fully underwritten. In the event of an over-subscription, acceptance of Applications received from the Malaysian Public shall be subject to ballot to be conducted in a manner approved by our Board whilst in the event the Issue Shares are not subscribed for in full, these Shares will be made available for application by way of private placement to selected investors. Any remaining unsubscribed Issue Shares thereafter will be subscribed by the Underwriter, subject to the terms and conditions of the Underwriting Agreement.

22,301,300 Issue Shares made available to the Eligible Persons have been fully underwritten. Any Shares reserved under the Pink Form Allocation which are not taken up will be made available firstly, for subscription by other Eligible Persons, secondly, to the selected investors via private placement, thirdly, to the Malaysian Public to be allocated via balloting and finally, by our Underwriter pursuant to the terms of the Underwriting Agreement.

111,507,100 Issue Shares made available to Bumiputera investors approved by MITI through private placement are not underwritten. Any unsubscribed IPO Shares under this allocation will be made available first to Bumiputera investors under the Malaysian Public to be allocated via balloting and subsequently to Malaysian institutional investors via private placement, and any balance remaining shall be made available for Application by the non-Bumiputera public under the retail offering and/or private placement to selected investors.

89,205,000 Offer Shares made available to selected investors through private placement are not underwritten. Irrevocable undertakings will be obtained from the selected investors who subscribe for the IPO Shares by way of private placement. Any unsubscribed IPO Shares under this allocation will be made available for application by the Malaysian Public and/or offered to other selected investors via private placement, the proportion of which will be at the discretion of the Placement Agent and our Board.

The IPO Shares will be allocated in a fair and equitable manner and the basis of allocation for the IPO Shares shall take into account the desirability of distributing the IPO Shares to a reasonable number of applicants to broaden our shareholding base and to establish a liquid market for our Shares. The identified investors for the IPO Shares under the private placement will be selected in such manner as may be determined by the Placement Agent, in consultation with our Board, who has the absolute discretion to decide whether to accept or reject any placement application.

4. PARTICULARS OF OUR IPO (Cont'd)

There is no minimum subscription amount to be raised from our IPO. The number of IPO Shares offered under the Public Issue will not be increased via any over-allotment or “greenshoe” option.

Under the Listing Requirements, we are required to have a minimum of 25.00% of our Shares held by at least 200 public shareholders, each holding not less than 100 Shares at the point of our Listing. If the above requirement is not met, we may not be able to proceed with our Listing. Please refer to Section 9.3.2 of this Prospectus for details in the event our Listing is delayed or aborted.

As at the LPD, save as disclosed in Section 5.5.1 of this Prospectus and to the extent known to our Company, none of our Directors, substantial shareholders or Key Senior Management has indicated to us that they intend to subscribe for our IPO Shares beyond their respective entitlements under the Pink Form Allocation and there are no person(s) who have indicated to us that they intend to subscribe for more than 5.00% of our IPO Shares.

4.4 BASIS OF ARRIVING AT THE IPO PRICE

Our IPO Price was determined and agreed upon by us and our Principal Adviser after taking into consideration the following factors:

- (a) Our pro forma NA per share attributable to the owners of our Company of RM0.18 as at 31 May 2025 based on the enlarged issued share capital of 892,051,816 Shares, after our IPO and subsequent to the utilisation of proceeds from our Public Issue as set out in Section 4.7 of this Prospectus;
- (b) Our Group's EPS of 1.79 sen for the FYE 2024 computed based on our audited PAT attributable to the owners of our Company for the FYE 2024 of approximately RM15.96 million and our enlarged share capital of 892,051,816 Shares upon Listing, which translate into PE Multiple of 19.00 times, based on the IPO Price;

Based on the pro forma PAT attributable to the owners of our Company for the FYE 2024 of approximately RM19.45 million, this would translate into PE Multiple of 15.59 times, based on the IPO Price;

- (c) Our historical financial track record as follows:

	Audited				
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	75,826	85,235	134,869	165,337	78,770
GP	13,075	14,537	23,092	28,145	9,028
PAT	8,353	9,984	15,529	17,442	6,968

- (d) Our competitive advantages and key strengths as set out in Section 7.4 of this Prospectus;
- (e) Our business strategies and plans as set out in Section 7.15 of this Prospectus; and
- (f) The industry overview and outlook based on the IMR Report as set out in Section 8 of this Prospectus.

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

4. PARTICULARS OF OUR IPO (Cont'd)**4.5 SHARE CAPITAL AND RANKING OF THE SHARES****4.5.1 Share capital**

Upon completion of our IPO, our enlarged issued share capital will be as follows:

	No. of Shares	(RM)
Issued share capital		
As at the date of this Prospectus	713,640,816	89,205,102
To be issued pursuant to the Public Issue	178,411,000	*58,069,864
Enlarged issued share capital upon Listing	892,051,816	147,274,966

* Calculated based on the IPO Price and after deducting the estimated listing expenses directly attributable to our Public Issue of approximately RM2.59 million.

4.5.2 Classes and ranking of our Shares

We only have 1 class of shares, being ordinary shares, all of which rank equally with each other. The Issue Shares will, upon allotment and issue, rank equally in all respects with our existing issued Shares, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of allotment of our Issue Shares. The Offer Shares shall rank equally in all respects with the existing Shares, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of transfer of our Offer Shares to the successful applicants.

Subject to any special rights attaching to any Shares which we may issue in the future, our shareholders shall, in proportion to the Shares held by them, be entitled to share in the whole of the profits paid out by us in the form of dividends and other distributions and the whole of any surplus in the event of our liquidation, such surplus to be distributed among the shareholders in proportion to the issued share capital at the commencement of the liquidation, in accordance with our Constitution and provisions of the Act.

At any general meeting of our Company, each shareholder shall be entitled to vote in person, or by his/its Representative. On a vote by show of hands, each shareholder present (either in person, or by proxy, or by Representative) shall have 1 vote. On a vote by way of poll, each shareholder present (either in person, or by proxy, or Representative) shall have 1 vote for each Share held or represented. A proxy may but need not be a shareholder of our Company and there shall be no restriction as to the qualification of the proxy save that the proxy must be of full age.

4.6 DILUTION

Dilution is the amount by which the IPO Price to be paid by the applicants for our IPO Shares will be diluted upon our Listing based on the proforma NA per Share after the IPO. The following table illustrates such dilution to the new investors for the IPO Shares on a per Share basis as well as the accretion in value to the existing shareholders of our Company after the IPO:

	Details	
IPO Price (RM)	(A)	0.34
Adjusted NA per Share as at 31 May 2025 after the Acquisitions and Share Split but before adjusting for our IPO (RM)	(B)	0.14
Pro forma NA per Share as at 31 May 2025 after our IPO and the utilisation of Public Issue proceeds (RM)	(C)	0.18
Increase in pro forma NA per Share attributable to our existing shareholders (RM)	(C-B)	0.04
Dilution to our new investors (RM)	(A-C)	0.16
Dilution to our new investors as a percentage of the IPO Price (%)	(A-C) / (A)	47.06

Further details of our pro forma NA per Share as at 31 May 2025 is set out in Section 12.5 of this Prospectus.

4. PARTICULARS OF OUR IPO (Cont'd)

The following table shows the average effective cash cost per Share paid and deemed paid by our existing shareholders for our shares since our incorporation up to the date of this Prospectus:

	No. of Shares held before IPO	Total consideration (RM)	Average Effective cost per Share (RM)
<u>Promoters and substantial shareholders</u>			
Lee Hon Hwa	36,323,600	4,540,450	0.125
Lee Khim Hwa	36,323,600	4,540,450	0.125
Lee Siew Yoke	7,636,800	954,600	0.125
<u>Substantial shareholders</u>			
Richard Lee	8,921,000	1,115,125	0.125
Lee United Holding	558,208,816	69,776,102	0.125
JR Silverline	66,227,000	8,278,375	0.125

Save as disclosed above and apart from the Pink Form Allocation, there has been no acquisition or subscription of any of our Shares by our Promoters, substantial shareholders, Directors and/or Key Senior Management or persons connected with them, or any transaction entered into by them, which grants them the right to acquire any of our Shares from the date of our incorporation up to the date of this Prospectus.

4.7 UTILISATION OF PROCEEDS

Based on the IPO Price, the gross proceeds from the Public Issue amounting to RM60.66 million are intended to be used in the following manner:

Purposes	Estimated timeframe for utilisation upon Listing	(RM'000)	(%)
Capital expenditure requirements:			
(a) Construction of a new facility at Tanjung Manis, Sarawak	Within 36 months	46,708	77.00
(b) Purchase of new machinery and equipment	Within 6 months	581	0.96
Working capital requirements	Within 24 months	5,696	9.39
Estimated listing expenses	Within 3 months	7,675	12.65
		60,660	100.00

Details of the utilisation of Public Issue proceeds are as set out below:

(i) Capital expenditure requirements**(a) Construction of a new facility at Tanjung Manis, Sarawak**

As at the LPD, our Group manufacturing activities include manufacturing of spun poles and piles, moulds and machinery as well as other metal products (i.e. steel poles and concrete products accessories) with presence in Ipoh, Perak and Kota Kinabalu, Sabah. Our Group plan to establish a new facility to manufacture spun poles and piles in Tanjung Manis, Sarawak.

Our Group intends to allocate RM46.71 million representing approximately 77.00% of the gross proceeds from our Public Issue to construct a new facility to manufacture spun poles and piles as well as office space ("**Tanjung Manis Facility**") to enable us to serve our Sarawak-based customers effectively. The planned Tanjung Manis Facility will have total built-up area of around 60,900 sq. ft. with a covered manufacturing area, as well as office space. In addition, the Tanjung Manis Facility will have an open storage area of approximately 1,202,340 sq. ft. for input materials (such as sand and aggregate) and finished spun poles and piles.

4. PARTICULARS OF OUR IPO (Cont'd)

We intend to install a spun poles and piles manufacturing line at the covered manufacturing area. We intend to manufacture all of the moulds and some of the machinery and equipment required to set up the spun poles and piles manufacturing line with our in-house resources. However, if the market price of the moulds, machinery and equipment is lower than the cost of manufacturing them, the Group may opt to purchase the moulds, machinery and equipment directly.

Our Group intends to commence the manufacturing of spun piles and spun poles at the Tanjung Manis Facility after obtaining the relevant approvals such as building plan approval and CCC as well as the relevant licences and registrations. The new Tanjung Manis Facility expected capacity is illustrated in the table below:

<u>Type of products</u>	<u>Expected annual manufacturing capacity</u> (tonnes)
Spun piles	122,000
Spun poles	6,200

PMW Industries had received a letter dated 9 October 2025 from Sarawak Timber Industry Development Corporation, a corporation established in June 1973 under the Sarawak Timber Industry Development Corporation Ordinance, 1973 enacted by the legislature of Sarawak ("**STIDC**"), stating its decision to participate in the development of the Tanjung Manis Facility through equity involvement ("**Proposed Joint Venture**"). STIDC will participate through, among others, its ownership of an industrial land of approximately 29 acres in Tanjung Manis, Sarawak ("**Tanjung Manis Land**"). In addition, our Group anticipates that a new entity will be incorporated ("**Joint Venture Company**") to undertake the Proposed Joint Venture.

Our Group will enter into a joint venture agreement with STIDC, facilitating both parties' equity participation in the development of the Tanjung Manis Facility after our Listing. The terms of the Proposed Joint Venture will contain, among others, the following:

- (i) The Joint Venture Company shall at all times remain a subsidiary of PMW, by virtue of PMW controlling more than half of the voting power of the Joint Venture Company;
- (ii) STIDC will inject the Tanjung Manis Land or grant developmental rights on the Tanjung Manis Land to the Joint Venture Company in exchange for shares in the Joint Venture Company; and
- (iii) Representations and warranties to be provided by both parties.

Our Group will ensure that the terms of the Proposed Joint Venture will not be detrimental to the interests of our Group and will be implemented in accordance with the Listing Requirements.

As at the LPD, the indicative timeline for the construction of Tanjung Manis Facility is set out below:

<u>Indicative timeline</u>	<u>Details</u>
1 st quarter of 2026	- Finalisation of the Proposed Joint Venture - Engage a consultant to finalise the design of the new facility layout - Submission of relevant approvals, licences and certifications applications to the relevant authorities to construct the new facility
3 rd quarter of 2026	Obtain the approvals, licences and certifications that are required to construct the new facility
4 th quarter of 2026	Commencement of construction work for the new facility
3 rd quarter of 2027	- Submission of CCC applications, relevant licences and other certificates for the new facility - Installation, testing and commissioning the spun pole and spun pile production line
4 th quarter of 2027	- Obtain the CCC, licences and other certifications for the new facility - Commencement of manufacturing activities

4. PARTICULARS OF OUR IPO (Cont'd)

As at the LPD, the estimated cost for the construction of Tanjung Manis Facility and its amenities is as follows:

Description	(1) Estimated cost (RM'000)
Tanjung Manis Facility	
Construction of manufacturing facility, warehouse and office	
- Preliminaries ⁽²⁾	200
- Piling works	129
- Steel structural, wall cladding, gutter, pipes and others	15,134
- Boiler room and air compression room	390
Fittings and fixtures	4,000
Contingencies and other costs	500
	20,353
Cost of manufacturing moulds and machinery	
Moulds	14,428
Machinery and equipment ⁽³⁾	2,979
	17,407
Purchase of machinery, equipment and industrial vehicles	
Machinery and equipment ⁽⁴⁾	9,569
Industrial vehicles ⁽⁵⁾	1,530
Others ⁽⁶⁾	1,390
	12,489
	50,249

Notes:

- (1) Based on quotations received from prospective main contractors and suppliers and our Group's estimates.
- (2) Preliminaries include mobilisation, demobilisation, site clearing, CIDB levy, insurances, surveyor and others.
- (3) Machinery and equipment to be manufactured by the Group includes concrete feeding systems, centrifugal spinning machines and de-moulding machines.
- (4) Machinery and equipment to be purchased includes steel straightening and cutting machines, automated steel caging machines, warm heading machines, demoulding oil application, pre-stressing machines, concrete batching systems and steam curing system.
- (5) Industrial vehicles comprise 1 unit each of mobile crane, shovel loader, industrial sweeper, concrete truck, and forklift.
- (6) Others include workshop tools and machinery, and laboratory equipment.

The total estimated cost for the construction of Tanjung Manis Facility and its amenities is approximately RM50.25 million which will be funded partly via the IPO proceeds and the balance via internally generated funds and/or bank borrowings, as follows:

	Source of funds		
	Total estimated cost	Internally generated funds/bank borrowings	IPO proceeds
	(RM'000)	(RM'000)	(RM'000)
Construction of the building, fittings and fixtures, new moulds, machinery and equipment, contingencies and other costs	50,249	3,541	46,708

4. PARTICULARS OF OUR IPO (Cont'd)

Our Group do not anticipate any significant delay in the Proposed Joint Venture. However, if our Group is unable to proceed with the Proposed Joint Venture, we will explore the purchase of other industrial land within Tanjung Manis vicinity.

Upon completion of the Tanjung Manis Facility, the total workforce required for the commencement of its operation is estimated as follows:

Category	Head Count	Position / Role
Management and professionals	4	General manager, production manager and supply chain manager
Clerical and administrative	13	Account personnel, office executives and administrative clerks
Technical personnel	22	Engineers, production supervisors, quality control personnel and maintenance team
Production workers	121	Machine and process operators, and product loading and unloading
Total	160	

Our Group estimates that the total annual cost of the workforce required for the Tanjung Manis Facility is approximately RM7.15 million, which will be financed via internally generated funds and/or bank borrowings.

(b) Purchase of new machinery and equipment

As part of our business strategy, our Group intends to purchase new machinery and equipment for the manufacturing of moulds and spun poles and piles business operations. Our Group intends to allocate RM0.58 million representing approximately 0.96% of the gross proceeds from our Public Issue to fully fund the purchase of new machinery and equipment. The details of the machinery and equipment that our Group intends to purchase are as follows:

Type of machinery and equipment	No. of units	⁽¹⁾ Total estimated cost (RM'000)
Laser cutting machine	1	256
Shovel loader	1	325
		581

Note:

(1) Based on quotations received from prospective suppliers.

As at the LPD, we own 1 unit of laser cutting machine as well as plasma cutting machines, and 2 units of shovel loaders. Laser and plasma cutting machines are a cutting tool to cut metal sheets and plates into the desired shape. The laser or plasma cutting tool is controlled by computer-coded instructions to achieve a high degree of accuracy and consistency. Our Group plans to install the new laser cutting machine at Ipoh Factory 1. The shovel loader is a type of industrial vehicle with a front-mounted shovel attachment. They are typically used to move materials such as sand and aggregates. Our Group plans to use the new shovel loader at Ipoh Factory 3.

Our Group intends to purchase the new machinery and equipment in order to improve our Group's efficiency and capacity. The new laser cutting machine with higher cutting speed are expected to reduce the cutting cycle time for steel material which is the main material for manufacturing of moulds, as compared to the laser and plasma cutting machines that we currently own and uses.

4. PARTICULARS OF OUR IPO (Cont'd)

As for the shovel loaders, one unit is perpetually out of service, plagued by frequent breakdowns that require extensive and time-consuming repairs. This leaves only a single functioning shovel loader, currently being shared between Ipoh Factory 2 and Ipoh Factory 3, which are located about 5 minutes apart. This sharing arrangement often requires the factories to wait for the shovel loader to arrive in order to load sands and aggregates into the storage hopper for concrete mixer operations for production, causing some production downtime. By adding an additional unit of shovel loader, each factory will have its own dedicated loader which should reduce waiting time.

Our Group intends to purchase these machinery and equipment by fourth quarter of 2025. The machinery and equipment will be procured from local suppliers. The estimated costs for the machinery and equipment are based on our supplier's quotations and is subject to change if the prices are revised subsequently.

(ii) Working capital

Our Group's working capital requirements are expected to increase in tandem with the expected growth in our business. We intend to allocate RM5.70 million representing approximately 9.39% of the gross proceeds from our Public Issue to finance our Group's expected future working capital requirement.

Details	Amounts of proceeds (RM'000)	% of total proceeds (%)
Payments to suppliers ⁽¹⁾	3,500	5.77
Payroll related costs ⁽²⁾	1,000	1.65
Sales/Marketing related cost ⁽³⁾	500	0.82
Training and development costs ⁽⁴⁾	300	0.49
Other general and administration expenses ⁽⁵⁾	396	0.66
	5,696	9.39

Notes:

- (1) The allocated amount will be used as payment to our suppliers for the purpose of purchasing inventories and spare parts such as steel materials, cement, sand, aggregates and lighting accessories. This ensures a stable supply chain, supporting our operational efficiency and business growth.
- (2) Includes existing staff workforce as well as new hiring of personnel for its existing operations. Payroll related costs are expected to increase due to salary increments and performance bonuses/commissions in order to attract and retain talents. We also intend to hire new headcounts for various departments to undertake more workloads and support our Group's revenue growth.
- (3) We intend to participate in more exhibitions and conference, conduct more customer presentation, both in Malaysia and overseas, and enhance digital marketing to further boost our brand visibility and improve market reach. Such initiatives are expected to create awareness of our Group and our products/solutions as well as to create more opportunities to gain acceptance and orders from prospective customers. The proceeds earmarked for this purpose shall be utilised to cover the exhibition/conference fees, booth set-up costs, door gifts, marketing materials costs, travelling and accommodation expenses for our personnel, digital marketing costs and freight/logistics related costs. The target overseas countries are Indonesia, Philippines, Australia, Bangladesh, Sri Lanka, Europe and the United States of America.
- (4) Cost of continuous training and development, conducted by external trainers and professional service providers, for both our existing and new employees. Such training and development ensure our employees stay competitive and adaptable to evolving industry demands and latest developments in technology.
- (5) Other general and administrative expenses are utility charges, audit and tax agent fees, insurance, corporate social responsibility expenses, rental and upkeep of the office.

4. PARTICULARS OF OUR IPO (Cont'd)

Our Group had in the past and currently been funding our working capital via bank borrowings and/or internally generated funds. Therefore, the above working capital allocation from our Public Issue is expected to enhance our Group's liquidity and cash flow position to support the expected growth in our daily operations.

(iii) Estimated listing expenses

The estimated expenses and fees incidental to our Listing amounting to approximately RM7.68 million shall be borne by our Group, the details of which are as follows:

Estimated listing expenses	(RM'000)
Professional fees ⁽¹⁾	5,861
Underwriting, placement and brokerage fees	1,331
Fees to authorities	87
Other miscellaneous expenses and contingencies ⁽²⁾	396
	7,675

Notes:

- (1) *Includes fees for the Principal Adviser, Reporting Accountants, Legal Advisers, Independent Business and Market Research Consultants, Share Registrar, Issuing House and other professional advisers.*
- (2) *Includes any other incidental charges or related expenses in relation to our IPO such as fees paid to translator, investor relations consultant, printing expenses, media related expenses, IPO event expenses and sales and service tax.*

Any shortfall in proceeds allocated to the listing expenses will be funded through internally generated funds and/or bank borrowings. Conversely, any excess in proceeds allocated to the listing expenses shall be channelled towards our working capital.

For the avoidance of doubt, in the event of any material variation to the manner of utilisation of proceeds, we will ensure our compliance with Rule 8.24 of the Listing Requirements.

Pending the eventual use of the gross proceeds from the Public Issue for the above intended purposes, we will place such funds in interest-bearing fixed deposit accounts with licensed financial institutions or in short-term money market instruments as our Directors may deem appropriate. Any interests derived from the fixed deposits accounts and/or any gains arising from the short-term money market instruments will be allocated for working capital of our Group.

The Offer for Sale is expected to raise gross proceeds of approximately RM30.33 million, which will accrue entirely to our Selling Shareholders and we will not receive any of the proceeds. The Selling Shareholders shall bear all expenses relating to the Offer for Sale including, but not limited to, the placement fee in relation to the Offer for Sale, the aggregate of which is estimated to be approximately up to RM0.66 million.

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4. PARTICULARS OF OUR IPO (Cont'd)**4.8 UNDERWRITING COMMISSION, BROKERAGE FEE AND PLACEMENT FEE****(i) Underwriting commission**

KAF IB, as our sole Underwriter, has agreed to underwrite 66,903,900 Issue Shares made available for application by the Malaysian Public and the Eligible Persons under the Pink Form Allocation. We are obligated to pay our Underwriter an underwriting commission at the rate of 2.25% of the total value of the Issue Shares underwritten at the IPO Price.

(ii) Brokerage fee

We will bear the brokerage fees in respect of the 44,602,600 Issue Shares made available for application by the Malaysian Public at the rate of 1.00% of the IPO Price in respect of successful Applications which bear the stamp of participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association in Malaysia or the Issuing House.

(iii) Placement fee

KAF IB, as our Placement Agent, has agreed to place out 111,507,100 Issue Shares to Bumiputera investors approved by MITI and 89,205,000 Offer Shares to selected investors, both by way of private placement.

We will bear the placement fee of up to 2.00% of the total value of the Issue Shares placed out via the private placement by our Placement Agent.

The Selling Shareholders will bear the placement of up to 2.00% of the total value of the Offer Shares placed out via the private placement by our Placement Agent.

4.9 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

The following salient terms are reproduced from the Underwriting Agreement including terms which allow our Underwriter to withdraw from the underwriting obligation after the opening of our IPO. The capitalised terms and numbering references used herein shall have the respective meanings and numbering references as ascribed thereto in the Underwriting Agreement:

- (i) The underwriting obligations of the Underwriter are subject to certain conditions precedent which must be fulfilled or waived on or before the Closing Date as stated in this Prospectus or such later date as may be mutually agreed in writing by the Company and the Underwriter ("**Extended Closing Date**").
- (ii) The Underwriter may by notice in writing given to the Company at any time before the Closing Date or the Extended Closing Date, terminate, cancel or withdraw its commitment to underwrite the 66,903,900 IPO Shares if;
 - (a) any of the approvals from SC and/or Bursa Securities for the Listing is revoked or withdrawn; or
 - (b) there is any breach by the Company of any of the representations, warranties or undertakings set out in the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied to the satisfaction of the Underwriter within such number of days as stipulated in a notice to be made by the Underwriter to the Company of such breach or by the Closing Date or Extended Closing Date, whichever is earlier; or
 - (c) there is withholding of information by the Company which is required to be disclosed to the Underwriter pursuant to the Underwriting Agreement, and if capable of remedy, is not remedied within such number of days as stipulated in a notice to be made by the Underwriter to the Company of such breach, which, in the opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse

4. PARTICULARS OF OUR IPO (Cont'd)

- effect on the business or operations of the Group, the success of the IPO, or the distribution or sale of the Public Issue Shares; or
- (d) there shall have occurred, happened or come into effect any material and adverse change to the business or financial conditions of the Company or the Group; or
 - (e) approval for the IPO is withdrawn, modified and/or subject to terms and conditions not acceptable to the Underwriter and which, in the reasonable opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on and/or materially prejudice the business or the operations of the Company, the success of the IPO, or the distribution or sale of the IPO Shares, or which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or
 - (f) there is a failure on the part of the Company to perform any of its obligations herein contained; or
 - (g) any of the conditions precedent set out in the Underwriting Agreement are not duly satisfied by the Closing Date or Extended Closing Date.
- (iii) Upon such notice(s) being given, the Underwriter shall be released and discharged of its obligations under the Underwriting Agreement without prejudice to its rights whereby the Underwriting Agreement shall be of no further force or effect and neither the Company nor the Underwriter shall be under any liability to each other in respect of the Underwriting Agreement, except that the Company shall remain obligated and liable in respect of the underwriting commission, any antecedent breaches and for the payment of the costs and expenses already incurred up to the date of termination or in connection with such termination and for the payment of any taxes, duties or levies within 7 days from the date of the same being due.
- (iv) It will be an event of force majeure if the Underwriter is unable to perform its obligations stipulated under the Underwriting Agreement, resulting from any event or series of events beyond the reasonable control of the Underwriter ("**Force Majeure**"), including without limitation any of the following;
- (a) acts of God, national disorder, armed conflict or serious threat of the same, hostilities, embargo, detention, revolution, riot, looting or other labour disputes, any unavailability of transportation or severe economic dislocation, earthquake, typhoon, outbreak of war, outbreak of disease, acts of terrorism or the declaration of a state of national emergency;
 - (b) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing which is likely to have a material adverse effect on the stock market in Malaysia. For the avoidance of doubt, if the FTSE Bursa Malaysia KLCI ("**Index**") is at the close of normal trading on Bursa Securities, on any Market Day:
 - (aa) on or after the date of the Underwriting Agreement; and
 - (bb) prior to the Closing Date or Extended Closing Date,
 lower than 85.00% of the Index level at the close of normal trading on the Market Day immediately prior to the date of the Underwriting Agreement and remain at or below that level for 3 or more consecutive Market Days, it shall be deemed a material adverse change in the stock market condition in Malaysia;

4. PARTICULARS OF OUR IPO (Cont'd)

(c) any new law, regulation, directive, policy or ruling or any material change in law, regulation, directive, policy or ruling in any jurisdiction or any change in the interpretation or application thereof by any court or other competent authority which would prohibit or impede the obligations of the Underwriter or any event or series of events beyond the reasonable control of the Underwriter; or

(d) the imposition of any moratorium, suspension or material restriction on trading in all securities generally on Bursa Securities for 1 or more consecutive Market Days;

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

(v) In the event of a Force Majeure, the Underwriter may, subject to prior consultation with the Company, at any time prior to or on the Closing Date or Extended Closing date;

(a) terminate the Underwriting Agreement by giving a notice in writing to the Company; or

(b) request for the Closing Date or Extended Closing Date to be extended to such reasonable date as the Underwriter may decide.

(vi) Upon delivery of the written notice of termination pursuant to a Force Majeure, the Underwriting Agreement will terminate and each of the Company's and Underwriter's rights and obligations will cease and neither the Company nor the Underwriter will have any claim against each other save and except for any antecedent breach, claims in respect of the costs and expenses of the Underwriter and the underwriting commission.

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

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Shareholdings of Promoters and substantial shareholders

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

Promoters and substantial shareholders	Country of incorporation / Nationality	Before our IPO		After our IPO	
		Direct	Indirect	Direct	Indirect
		No. of Shares	(1)(%)	No. of Shares	(2)(%)
Promoters and substantial shareholders					
Lee Hon Hwa	Malaysian	36,323,600	5.09	(3)602,169,216	84.38
Lee Khim Hwa	Malaysian	36,323,600	5.09	(4)602,169,216	84.38
Lee Siew Yoke	Malaysian	7,636,800	1.07	(5)630,856,016	88.40
Substantial shareholders					
Richard Lee	Malaysian	8,921,000	1.25	(7)66,227,000	9.28
Lee United Holding	Malaysia	558,208,816	78.22	-	-
JR Silverline	Malaysia	66,227,000	9.28	-	-
Datuk Brian Lee Cherng Jey	Malaysian	-	-	(8)75,148,000	10.53
Desmond Lee Cherng En	Malaysian	-	-	(8)75,148,000	10.53
Lee Cherng Jer	Malaysian	-	-	(8)75,148,000	10.53

Notes:

- (1) Based on our issued share capital of 713,640,816 Shares as at the LPD.
- (2) Based on our enlarged issued share capital of 892,051,816 Shares upon our Listing.
- (3) Deemed interested by virtue of his interests in Lee United Holding and the shareholdings of his brother and sister, being Lee Khim Hwa and Lee Siew Yoke respectively, pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of his interests in Lee United Holding and the shareholdings of his brother and sister, being Lee Hon Hwa and Lee Siew Yoke respectively, pursuant to Section 8 of the Act.
- (5) Deemed interested by virtue of her interests in Lee United Holding and the shareholdings of her brothers, being Lee Hon Hwa and Lee Khim Hwa respectively, pursuant to Section 8 of the Act.
- (6) Deemed interested by virtue of his/her interests in Lee United Holding pursuant to Section 8 of the Act.

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

- (7) Deemed interested by virtue of his interest in JR Silverline pursuant to Section 8 of the Act.
- (8) Deemed interested by virtue of his interests in JR Silverline and the shareholdings of his father, Richard Lee, pursuant to Section 8 of the Act.
- (9) Deemed interested by virtue of his interests in JR Silverline and the shareholdings of his son, Datuk Brian Lee Cherng Jey, pursuant to Section 8 of the Act.
- (10) Deemed interested by virtue of his interests in JR Silverline and the shareholdings of his brother, Datuk Brian Lee Cherng Jey, pursuant to Section 8 of the Act.

The Shares held by our Promoters and substantial shareholders have the same voting rights as other shareholders of our Company and there is no arrangement with any third parties which may result in a change in control of our Company.

Save for the above, there are no other persons who can, directly or indirectly, jointly or severally, exercise control over our Company.

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

5.1.2 Changes in Promoters' and substantial shareholders' shareholdings

Save as disclosed below, there have been no other changes in the shareholdings of our Promoters and substantial shareholders in our Company since our incorporation on 23 January 2024 up to the LPD:

Promoters and substantial shareholders	As at 23 January 2024			As at 22 January 2025			As at the LPD				
	Direct		Indirect	Direct		Indirect	Direct		Indirect		
	No. of Shares	(1)(%)	No. of Shares	(1)(%)	No. of Shares	(2)(%)	No. of Shares	(3)(%)	No. of Shares	(3)(%)	
Promoters and substantial shareholders											
Lee Hon Hwa	-	-	(4)100	100.00	-	-	(4)68,550,100	100.00	36,323,600	(5)602,169,216	84.38
Lee Khim Hwa	-	-	(4)100	100.00	-	-	(4)68,550,100	100.00	36,323,600	(6)602,169,216	84.38
Lee Siew Yoke	-	-	(4)100	100.00	-	-	(4)68,550,100	100.00	7,636,800	(7)630,856,016	88.40
Substantial shareholders											
Richard Lee	-	-	-	-	-	-	-	-	8,921,000	(8)66,227,000	9.28
Datuk Brian Lee	-	-	-	-	-	-	-	-	-	(9)75,148,000	10.53
Cherng Jey											
Lee United Holding	100	100.00	-	-	68,550,100	100.00	-	-	558,208,816	-	-
JR Silverline	-	-	-	-	-	-	-	-	66,227,000	-	-
Desmond Lee	-	-	-	-	-	-	-	-	-	(9)75,148,000	10.53
Cherng Ern											
Lee Cherng Jer	-	-	-	-	-	-	-	-	-	(9)75,148,000	10.53

Notes:

- (1) Based on our issued share capital of 100 Shares as at 23 January 2024, being the date of our incorporation.
- (2) Based on our issued share capital of 68,550,100 Shares as at 22 January 2025. On 19 February 2025, one (1) Share had been issued to Cheong Hon Choong and subsequent to the completion of the Acquisitions, Cheong Hon Choong has on 12 September 2025, transferred his one (1) Share to Lee United Holding.
- (3) Based on our issued share capital of 713,640,816 Shares as at the LPD.
- (4) Deemed interested by virtue of his/her interests in Lee United Holding pursuant to Section 8 of the Act.
- (5) Deemed interested by virtue of his interests in Lee United Holding and the shareholdings of his brother and sister, being Lee Khim Hwa and Lee Siew Yoke respectively, pursuant to Section 8 of the Act.
- (6) Deemed interested by virtue of his interests in Lee United Holding and the shareholdings of his brother and sister, being Lee Hon Hwa and Lee Siew Yoke respectively, pursuant to Section 8 of the Act.

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

- (7) Deemed interested by virtue of her interests in Lee United Holding and the shareholdings of his brothers, being Lee Hon Hwa and Lee Khim Hwa respectively, pursuant to Section 8 of the Act.
- (8) Deemed interested by virtue of his interest in JR Silverline pursuant to Section 8 of the Act.
- (9) Deemed interested by virtue of his interests in JR Silverline and the shareholdings of his father, Richard Lee, pursuant to Section 8 of the Act.

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

5.1.3 Profiles of Promoters and substantial shareholders

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

(i) **Lee Hon Hwa**

Promoter, substantial shareholder, Executive Director and Chief Executive Officer

Lee Hon Hwa, male, Malaysian, aged 48 years old, is our Executive Director and Chief Executive Officer. He was appointed to our Board on 23 January 2024. He is also our Promoter and substantial shareholder. Lee Hon Hwa has more than 20 years of experience in the business of manufacturing and trading of moulds for concrete poles, pre-stressed spun concrete poles, piles and related machinery. He is principally responsible for overseeing the overall management and business operations of our Group.

Lee Hon Hwa graduated in October 1998 from German-Malaysian Institute, Kuala Lumpur with an Industrial Diploma in Production Technology specialising in mould making. Thereafter, he continued his studies at the University of Hertfordshire, United Kingdom, where he graduated in July 2000 with a degree of Bachelor of Engineering with Second Class Honours (First Division) in Manufacturing System Engineering.

He began his career with PMW Industries in September 2000 as a Sales Manager and he assumed the same role at PMW Marketing in February 2003, where he was responsible for the sales and marketing of pre-stressed spun concrete poles, piles and moulds in both companies.

He was appointed as director of PMW Industries in July 2006, taking on the responsibility of overseeing the company's day-to-day operations and business direction, while retaining his role as Sales Manager in PMW Industries and PMW Marketing. In July 2006, Lee Hon Hwa, together with Richard Lee, collectively acquired all the shares in Mega Summit, thereby acquiring control over Mega Summit's operations and business decision making to expand our Group's business base to Sabah. He was also appointed as a director of Mega Summit in July 2006 upon completion of the acquisition. In August 2013, he was appointed as a director of Kumpulan Asma, PMW Marketing, and TEK Properties. Subsequently, in March 2016, he was appointed as a director of Winabumi Marketing. He was later appointed as a director of PMW Tower and PMW Lighting in November 2021 and May 2024 respectively. As a director, he was mainly responsible for overseeing the overall management and business operations of these companies. Lee Hon Hwa was also responsible for the design, management, installation and commissioning of Ipoh Factory 2, Ipoh Factory 3 and Kota Kinabalu Factory.

Lee Hon Hwa is the sibling of Lee Khim Hwa and Lee Siew Yoke, our Promoters and substantial shareholders.

Save for our Company, he does not sit on the board of directors of any other public listed companies. Kindly refer to Section 5.2.3 (ii) of this Prospectus for his involvement in other companies outside of our Group.

(ii) **Lee Khim Hwa**

Promoter, substantial shareholder, Executive Director and Chief Business Development Officer

Lee Khim Hwa, male, Malaysian, aged 53 years old, is our Executive Director and Chief Business Development Officer. He was appointed to our Board on 23 January 2024. He is also our Promoter and substantial shareholder. He oversees the implementation of our Group's business development strategies including identifying business opportunities, locally and internationally, as well as exploration of new products.

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

Lee Khim Hwa graduated with an Advanced Diploma in Business from the Australian Institute for University Studies in August 1993. He then obtained a Bachelor of Commerce degree from the Australian Institute for University Studies by Curtin University of Technology in February 1995.

He began his career with PMW Marketing in March 1996 as Marketing Executive, and in June 1996, he joined PMW Industries as Marketing Manager, where he was responsible for the sales and promotion of the products and services of both companies including liaising with local and international clients from securing the project until the project execution stage.

Subsequently in March 2005, he was promoted by PMW Industries as Sales Project Manager, where he was responsible for managing production and delivery of contract while retaining his responsibility for the sales and promotion of PMW Marketing's products and services.

He is also appointed by Persatuan Usahawan Maju Malaysia as Perak State Liaison Advisor in August 2024, where he provides advice on business development to committee members.

Lee Khim Hwa is the sibling of Lee Hon Hwa and Lee Siew Yoke, our Promoters and substantial shareholders.

Save for our Company, he does not sit on the board of directors of any other public listed companies. Kindly refer to Section 5.2.3 (iii) of this Prospectus for his involvement in other companies outside of our Group.

(iii) **Lee Siew Yoke**

Promoter, substantial shareholder and Chief Human Resources Officer

Lee Siew Yoke, female, Malaysian, aged 54 years old, is our Chief Human Resources Officer. She is responsible for creating and implementing human resources strategies to support our Group's business plan and goals, including talent management, recruitment and employee benefits.

She graduated from Charles Sturt University, Australia in April 1993 with a Bachelor of Business in Business Management.

She joined as one of the partners of United Bakelite & Plastik Company in June 1992, where she was responsible for managing administrative tasks, coordinating office operations and overseeing production planning. United Bakelite & Plastik Company was terminated in September 1995. In January 1995, she was officially appointed as Office Executive of PMW Industries, PMW Marketing and Kumpulan Asma and was responsible for managing administrative tasks, coordinating office operations, and ensuring smooth day-to-day functioning of the workplace. She was subsequently promoted to Administration Manager of PMW Industries, PMW Marketing and Kumpulan Asma in year 1996 and was responsible for human resource, production planning, manpower arrangement and procurement functions.

She was officially promoted as Chief Human Resources Officer of our Group in January 2025 to manage the human resource and administration function by coordinating office processes and procedures to ensure organisational and operational effectiveness and efficiency in our Group.

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

She oversees our Group's local and foreign employees' welfare including organising blood donation campaign as part of our corporate social responsibility initiatives and involved in the development of employee handbook. She was also involved in providing the locals in Sarawak suburban areas with technical knowledge and expertise training opportunities in our Group's production line. These initiatives are part of our Group's Environment, Social and Governance commitment in contributing to the development of our nation's specialised workforce.

Lee Siew Yoke is the sibling of Lee Hon Hwa and Lee Khim Hwa, our Promoters and substantial shareholders.

Kindly refer to Section 5.5.3 (ii) of this Prospectus for her involvement in other companies outside of our Group.

(iv) **Richard Lee**

Substantial shareholder and co-founder and Managing Director of Winabumi, Winabumi Marketing and Mega Summit

Richard Lee, male, Malaysian, aged 72 years old, is a substantial shareholder of our Company. He is also the co-founder and Managing Director of Winabumi, Winabumi Marketing and Mega Summit and is mainly responsible to oversee the Sabah operations of our Group.

He graduated from National Taiwan University holding a Bachelor Degree in Science under Mechanical Engineering in June 1977. He started his career in October 1977 with Jabatan Kerja Raya Malaysia as a General Engineering Assistant. He left Jabatan Kerja Raya Malaysia in August 1982 when he was holding the position of Head of Project Mechanical Department under the Tambunan-Keningau Road Project Division. He joined Otentik Sdn Bhd in June 1982 as a Quarry Engineer and advanced through various positions, including Quarry Manager, Assistant Manager, and Manager. During his tenure at Otentik Sdn Bhd, he was responsible for managing its accounts and operations in the stone quarry sector. He left Otentik Sdn Bhd in April 1989.

In September 1985, he formed Benagusan Sdn Bhd, a company specialising in civil works in which, as at the LPD, he holds 39.70% of the total shares while Cornerstone Legacy Sdn Bhd and his son, Datuk Brian Lee Cherng Jey holds 50.99% and 9.31% respectively. In June 1995, he established the very first local geotechnical company in Sabah, Ap-Col Geotechnics Sdn Bhd with 2 other partners to undertake slope protection works with specialization in hand-dug caisson installation, guniting, soil nailing, ground anchoring, micro and bore piling foundation works. Ap-Col Geotechnics Sdn Bhd was recognised as Geotechnical Specialist by Jabatan Kerja Raya Malaysia and Jabatan Air Negeri Sabah and the company was awarded with various projects under design and build packages. As at the LPD, he holds 48.00% of the total shares in Ap-Col Geotechnics Sdn Bhd.

Some of the significant projects undertaken by Ap-Col Geotechnics Sdn Bhd were the bored pile foundations for the 30-storey building of the Sabah State Administrative Centre and the 27-storey triplet towers of the Jesselton Residences in Kota Kinabalu. In April 1990, he also co-founded Magisan Sdn Bhd, a company involved in manufacturing and supply of spun concrete pipe culverts, with a partner who is not related to any of our Directors, substantial shareholders and Key Senior Management. He disposed all his entire equity interest in Magisan Sdn Bhd in November 2008 to his co-founder and his co-founder's wife. Nevertheless, these three companies are still actively operating in the market.

He is currently a member of the Board of Governors responsible in public relations for the Sabah Tshung Tsin Secondary School, a prominent private Chinese School in Sabah. His well-established network, exposures, knowledge and experience in the public and private construction and concrete industries contributes to the development and positioning our Group's operation in Sabah.

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

Richard Lee is the father of Datuk Brian Lee Cherng Jey, our substantial shareholder and Chief Operating Officer East Malaysia. Richard Lee is not the Director of our Company and also not the Key Senior Management of our Group. His current responsibilities are mainly to support our Group, whereby Richard Lee assumes advisory roles whenever required for the East Malaysia operations.

(v) Datuk Brian Lee Cherng Jey

Substantial shareholder and Chief Operating Officer East Malaysia

Datuk Brian Lee Cherng Jey, male, Malaysian, aged 43 years old, is our Chief Operating Officer East Malaysia since 1 January 2025 and is primarily responsible for the Group's operation in East Malaysia.

He graduated from University of Bradford in July 2007 with a Bachelor of Engineering degree in Civil and Structural Engineering, earning First Class Honours, and a Master of Engineering degree in the same field, graduating with distinction.

In November 2007, he began his career at JW Geotechnical Consultant as a Civil Engineer, where he was involved in slope remedial projects in Sabah. In January 2009, he joined Benagusan Sdn Bhd as a Project Engineer where he contributed to building construction and civil engineering works for infrastructure and foundation projects in Sabah. He was later appointed as a director in January 2016, a position which he continues to hold to date. As a director, he is only required to attend to board matters and he is not involved in the management and day-to-day operation of Benagusan Sdn Bhd.

In addition to his role at Benagusan Sdn Bhd, he also holds directorships in several companies involved in electrical wiring works, construction material supplies, and housing development. He plays a pivotal role in the strategic planning, business growth and the overall management of these companies.

In December 2018, he was appointed as the director of Winabumi where he is responsible for overseeing the day-to-day operations of Winabumi which supplies pre-cast products, pre-stressed spun concrete poles, piles and related materials to a primary utility company, telecommunication companies, and various construction and housing development projects.

Datuk Brian Lee Cherng Jey is the son of Richard Lee, our Substantial shareholder and co-founder and Managing Director of Winabumi, Winabumi Marketing and Mega Summit.

Details of his involvements in other companies outside of our Group are set out in Section 5.5.3 (iii) of this Prospectus.

(vi) Lee United Holding

Substantial shareholder

Lee United Holding was incorporated in Malaysia on 17 October 2023 as a private limited company. It is principally an investment holding company.

As at the LPD, the share capital of Lee United Holding is RM10,000 comprising 10,000 ordinary shares and its directors together with their respective shareholdings in Lee United Holding are as follows:

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

Name of directors	Nationality	Direct		Indirect	
		No. of shares	⁽¹⁾ (%)	No. of shares	⁽¹⁾ (%)
Lee Hon Hwa	Malaysian	4,000	40.00	⁽²⁾ 6,000	60.00
Lee Khim Hwa	Malaysian	4,000	40.00	⁽³⁾ 6,000	60.00
Lee Siew Yoke	Malaysian	2,000	20.00	⁽⁴⁾ 8,000	80.00

Notes:

- (1) Based on Lee United Holding's issued share capital of 10,000 ordinary shares.
- (2) Deemed interested by virtue of the shareholdings of his brother and sister, being Lee Khim Hwa and Lee Siew Yoke respectively, pursuant to Section 8 of the Act.
- (3) Deemed interested by virtue of the shareholdings of his brother and sister, being Lee Hon Hwa and Lee Siew Yoke respectively, pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of the shareholdings of his brothers, being Lee Hon Hwa and Lee Khim Hwa respectively, pursuant to Section 8 of the Act.

(vii) JR Silverline
Substantial shareholder

JR Silverline was incorporated in Malaysia on 25 May 2006 as a private limited company. It is principally a property investment company.

As at the LPD, the share capital of JR Silverline is RM100,000 comprising 100,000 ordinary shares and its directors together with their respective shareholdings in JR Silverline are as follows:

Name of directors	Nationality	Direct		Indirect	
		No. of shares	⁽¹⁾ (%)	No. of shares	⁽¹⁾ (%)
Richard Lee	Malaysian	50,000	50.00	⁽²⁾ 50,000	50.00
Datuk Brian Lee Cherng Jey	Malaysian	17,000	17.00	⁽³⁾ 83,000	83.00
Desmond Lee Cherng En	Malaysian	16,500	16.50	⁽⁴⁾ 83,500	83.50
Lee Cherng Jer	Malaysian	16,500	16.50	⁽⁵⁾ 83,500	83.50

Notes:

- (1) Based on JR Silverline's issued share capital of 100,000 ordinary shares.
- (2) Deemed interested by virtue of the shareholdings of his sons, being Datuk Brian Lee Cherng Jey, Desmond Lee Cherng En and Lee Cherng Jer, pursuant to Section 8 of the Act.
- (3) Deemed interested by virtue of the shareholdings of his father, being Richard Lee, and his brothers, being Desmond Lee Cherng En and Lee Cherng Jer, pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of the shareholdings of his father, being Richard Lee, and his brothers, being Datuk Brian Lee Cherng Jey and Lee Cherng Jer, pursuant to Section 8 of the Act.
- (5) Deemed interested by virtue of the shareholdings of his father, being Richard Lee, and his brothers, being Datuk Brian Lee Cherng Jey and Desmond Lee Cherng En, pursuant to Section 8 of the Act.

5.1.4 Promoters' and substantial shareholders' remuneration and benefits

Save for the aggregate remuneration and benefits paid or intended to be paid or given to our Promoters and substantial shareholders for services rendered to our Group in all capacities for the FYE 2024 and FYE 2025 as set out in Sections 5.2.4 and 5.5.4 of this Prospectus, there are no other amounts or benefits that have been paid or intended to be paid or given to our Promoters and substantial shareholders within the 2 years preceding the date of this Prospectus.

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

5.2 DIRECTORS

5.2.1 Shareholdings of Directors

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

Name	Designation	Before our IPO		After our IPO	
		Direct	Indirect	Direct	Indirect
		No. of Shares (1)(%)	No. of Shares (1)(%)	No. of Shares (2)(%)	No. of Shares (2)(%)
Ir. Azizi bin A Hadi	Independent Non-Executive Chairman	-	-	(6)100,000	-
Lee Hon Hwa	Executive Director/ Chief Executive Officer	36,323,600	(3)602,169,216	-	(4)558,208,816
Lee Khim Hwa	Executive Director/ Chief Business Development Officer	36,323,600	(3)602,169,216	-	(5)558,208,816
Dr. Rozainun binti Ab Aziz	Independent Non-Executive Director	-	-	(6)25,000	-
Dato' Haji Baderul Sham bin Saad	Independent Non-Executive Director	-	-	(6)50,000	-
Marieta binti Abdull Hamid	Independent Non-Executive Director	-	-	(6)100,000	-

Notes:

Less than 0.01%

(1) Based on our issued share capital of 713,640,816 Shares as at the LPD.

(2) Based on our enlarged issued share capital of 892,051,816 Shares upon our Listing.

(3) Deemed interested by virtue of his interests in Lee United Holding pursuant to Section 8 of the Act.

(4) Deemed interested by virtue of his interests in Lee United Holding and the shareholdings of his brother and sister, being Lee Khim Hwa and Lee Siew Yoke respectively, pursuant to Section 8 of the Act.

(5) Deemed interested by virtue of his interests in Lee United Holding and the shareholdings of his brother and sister, being Lee Hon Hwa and Lee Siew Yoke respectively, pursuant to Section 8 of the Act.

(6) Assuming he/she will fully subscribe for his/her respective allocations under the Pink Form Allocation.

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

5.2.2 Profiles of Directors

Save for the profiles of Lee Hon Hwa and Lee Khim Hwa as set out in Sections 5.1.3 (i) and 5.1.3 (ii) of this Prospectus, the profiles of our other Directors are as follows:

(i) Ir. Azizi bin A Hadi
Independent Non-Executive Chairman

Ir. Azizi bin A Hadi, male, a Malaysian aged 60, is our Independent Non-Executive Chairman. He was appointed to our Board on 12 March 2025.

He graduated with a degree in Bachelor of Science in Electrical Engineering from the Wichita State University in May 1987. In September 1996, he obtained his Master in Business Administration from Universiti Pertanian Malaysia (now known as Universiti Putra Malaysia). In July 2008, he completed Delivering Information Services programme with Harvard Business School. In April 2012, he completed ASEAN Global Leadership Programme with the Cambridge Judge Business School, University of Cambridge. In August 2017, he completed the Innovative Technology Leader programme with the Graduate School of Business, Stanford University.

He began his career with the Malaysian Armed Force as an Engineering Officer from July 1987 to June 1997 and was responsible in planning tactical radio networks, evaluating new equipment and training. In March 1997, he joined Binariang Sdn Bhd (Maxis) as a Senior Engineer in Network Operations and Control Department and was responsible for second level operations of data network.

In July 1997, he was promoted as Assistant Principal Engineer under the technical career structure and was promoted as Manager in June 2000 under the management career structure and was in charge of broadband and fixed line business.

In October 2000, he was promoted as the Senior Manager of the Broadband Business Unit and oversaw Network Engineering and Operations where his responsibilities involved managing and provide leadership to Voice Services Product Section, Data Services Product Section and Business IP Services and Marketing Services product section. He left Binariang Sdn Bhd in April 2006.

In May 2006, he joined Telekom Malaysia Berhad ("TM") as General Manager in Technology and Innovation and was responsible in identifying, formulating, enforcing and planning the group wide policies on technology and innovation in line with the company's vision and strategic business direction. In February 2009, he was promoted as Vice President of Retail Product and was responsible for the development and commercialisation of TM's products and services. In June 2011, he was promoted as Executive Vice President (Small and Medium Enterprise) and was mainly involved in managing and growing the TM's small and medium enterprises and collaborating with internal and external stakeholders in coming up with commercial and technical proposition.

In December 2014, he joined Packet One Networks (Malaysia) Sdn Bhd (now known as TM Technology Services Sdn Bhd), a subsidiary of TM, as Chief Operating Officer and promoted to Chief Executive Officer in June 2017. He was involved in overseeing sales and marketing, account management, product and solution development and management, project management, customer experience, service operations, subsidiaries and stakeholder management. In September 2019, he was appointed as the Chief Technology & Innovation Officer of TM, focusing on the improvement of operations efficiency and modernisation of existing network to support future services that require higher bandwidth and lower latency. In September 2020, he was appointed as the Chief Operating Officer (Commercial and Technology) where he managed 3 line of business, including mass market, business to business market and wholesale market as well as 2 technology units. In January 2023, he was again appointed as the Chief Technology and Information Officer of TM to focus on technology drivers.

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

In August 2023, he retired from Telekom Malaysia Berhad and its subsidiaries. He was appointed as the Chief Development Officer of Malaysian Communications and Multimedia Commission from October 2023 to November 2024. In February 2025, he was appointed as the Chief Executive Officer at Intelligence Netcare Sdn Bhd, where he was responsible for managing the day-to-day operations and projects of the company, in accordance with the policies and procedure established by the board of directors of the company.

He is a registered Professional Engineer with the Board of Engineers Malaysia until December 2025. In February 2018, he was registered as a Professional Technologist with the Malaysian Board of Technologists. In July 2021, he was admitted as an ordinary member of the Institute of Corporate Directors Malaysia. He was also appointed as a committee member of the Industry Advisory Panel in the Faculty of Engineering Technology in Universiti Tun Hussein Onn Malaysia from January 2014 to December 2015. He was also appointed as Adjunct Professor of Multimedia University from March 2022 to March 2024.

Details of his past involvements in other companies outside of our Group are set out in Section 5.2.3 (i) of this Prospectus.

(ii) **Dr. Rozainun binti Ab Aziz** *Independent Non-Executive Director*

Dr. Rozainun binti Ab Aziz, a Malaysian female aged 65, is our Independent Non-Executive Director. She was appointed to our Board on 12 March 2025 and chairs the Audit and Risk Management Committee while also serving as a member of our Remuneration and Nomination Committee.

She obtained a Diploma in Accountancy from Institut Teknologi MARA (now known as Universiti Teknologi MARA ("UiTM")) in September 1981 and completed the examinations of the Institute of Cost and Management Accountants (UK) in May 1985. In October 1994, she commenced a Master of Economic and Social Studies in Accounting and Finance at the University of Wales, Aberystwyth, completed it in October 1995. She later earned a Doctor of Philosophy from the University of Salford in January 2005. In March 2013, she was admitted into the Malaysian Institute of Accountants as a Chartered Accountant. Shortly thereafter, in July 2013, she was admitted as a Fellow of the Chartered Institute of Management Accountants (UK). In May 2016, she was awarded a Fellow of the Certified Practising Accountants (Australia). In April 2025, she was admitted as a Fellow of the Institute of Financial Accountants (UK) and the Institute of Public Accountants (Australia).

In January 1986, she joined UiTM as a lecturer and advanced through various academic positions and achieved the rank of Professor (JUSA Grade B) before her mandatory retirement in July 2020.

Following her retirement from UiTM, she joined the University of Malaya-Wales ("UMW"), formerly known as the International University of Malaya-Wales, as a Professor at the UMW Business School from July 2020 to October 2021.

In November 2021, she was then employed as a Professor and appointed as the Dean of the Faculty of Business and Technology at UNITAR International University. In October 2022, she received an appointment as an external assessor for the Accreditation of Prior Experiential Learning (APEL-Q) from Award of Academic Qualifications Programs at Help University Sdn Bhd, a role she continues to hold. She completed her contract with UNITAR International University in December 2023 and took a break from teaching. She joined Universiti Kuala Lumpur in October 2024 as a Professor under UniKL Business School.

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

Her board experience includes serving as a Board Member of Bank Simpanan Nasional from October 2017 to October 2019, where she was appointed as a member of the Nomination and Remuneration Committee, Investment Committee, Audit Committee, and Risk Committee. Additionally, she served as a Board Member at Kingsley Edugroup Ltd, from 2018 to 2020, holding the position of Chairman of the Audit & Risk Committee and participating in the Nomination and Remuneration Committees.

As a Council Member of the Malaysian Institute of Accountants (“MIA”), she served for two terms, and was on the Financial Statements Review Committee, Education Committee, Investigations Committee, and Disciplinary Appeal Board from 2013 to 2015 and 2015 to 2017.

Details of her involvements in other companies outside of our Group are set out in Section 5.2.3 (iv) of this Prospectus.

(iii) **Dato’ Haji Baderul Sham bin Saad** *Independent Non-Executive Director*

Dato’ Haji Baderul Sham bin Saad, a Malaysian male aged 61, is our Independent Non-Executive Director. He was appointed to our Board on 12 March 2025. He is also a member of our Audit and Risk Management as well as Remuneration and Nomination Committee.

He graduated with a degree in Bachelor of Science in Electrical Engineering from the University of Alabama, United States of America, in December 1986.

He began his career with Lembaga Elektrik Negara, Tanah Melayu (“LLN”) in February 1987 as an Assistant Engineer under the Distribution Department where he was in charge of Customer Service Division. In September 1990, Tenaga Nasional Berhad (“TNB”) was formed pursuant to the Electricity Supply (Successor Company) Act 1990 as the successor to LLN and his employment was transferred to TNB. Throughout his 37-year career with LLN and TNB, he served in various branches where he was mainly responsible for customer service in distribution division.

In June 2006, he served as the Special Officer to the Senior Vice President of TNB, where he was responsible for all matters related to customer service and distribution network under the purview of Senior Vice President of TNB. In March 2007, he was promoted as the General Manager in the Distribution Department of Sabah Electricity Sdn Bhd, in which he was in charge of customer service and distribution network of Sabah Electricity Sdn Bhd. In April 2009, he was promoted as Senior Manager (Customer Service and Marketing) in the Distribution Department of TNB, where he was responsible for customer service matters in Region 1 of TNB’s distribution. He also served as a General Manager for TNB Melaka branch from December 2012 to October 2016, and as a General Manager for TNB Johor branch from October 2016 to July 2020. His responsibilities as a General Manager include all matters of customer service and distribution network in Melaka and Johor.

In July 2020, he was appointed as the Head of Corporate Communication at the TNB headquarters and was in charge of corporate communication in TNB. In December 2020, he was appointed as the State General Manager for State Stakeholder Affairs Pahang where he managed regulatory and stakeholder matters in Pahang. He retired from TNB in April 2024.

Details of his involvements in other companies outside of our Group are set out in Section 5.2.3 (v) of this Prospectus.

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

(iv) **Marieta binti Abdull Hamid**
Independent Non-Executive Director

Marieta binti Abdull Hamid, a Malaysian female aged 41, is our Independent Non-Executive Director. She was appointed to our Board on 12 March 2025 and chairs the Remuneration and Nomination Committee while also serving as a member of our Audit and Risk Management Committee.

She graduated with a double degree in Bachelor of Commerce and Bachelor of Laws from the University of Melbourne, Australia in August 2007. She obtained her Certificate in Legal Practice from the Legal Profession Qualifying Board, Malaysia in September 2009. She was admitted as an Advocate & Solicitor of the High Court of Malaya in February 2012.

In October 2007, she joined Sime Darby Berhad (then known as Sime Darby Holdings Sdn Bhd) ("**Sime Darby**") as an Executive under the Group Legal department. She was later promoted to Senior Executive in July 2010, a position which she held until she joined Messrs Raja, Darryl & Loh ("**RDL**") in February 2011 to undertake her pupillage. Upon completing her nine months' pupillage at RDL, she resumed her role as Senior Executive at Sime Darby in October 2011 until her promotion to Assistant Vice President II, Group Legal in July 2012. She held the same position until her departure from Sime Darby in January 2015.

During her time at Sime Darby, she assisted in various mergers, acquisitions, joint ventures and cross border transactions involving Sime Darby as well as its subsidiaries which were in the plantation, property, motors, healthcare and energy divisions.

In February 2015, she joined Messrs PW Tan & Associates as a Partner, where she advises on a wide range of corporate and commercial related matters including mergers and acquisitions, and joint venture transactions and had acted in major capital expenditure projects, infrastructure projects and concessions.

In August 2022, she was appointed as an independent non-executive director of Able Global Berhad ("**Able Global**"). She is also a member of its Audit Committee, Remuneration Committee and Nomination Committee since August 2022. In March 2023, she was appointed as Chairperson of the Nomination Committee of Able Global.

In October 2024, she was appointed as an independent non-executive director of Cuckoo International (MAL) Berhad ("**Cuckoo**"). She is also a member of Cuckoo's Audit and Risk Management Committee, and Nomination and Remuneration Committee.

In September 2025, she left Messrs PW Tan & Associates and joined Messrs JM Tan & Co in October 2025 as a Partner, where she continues to advise on corporate and commercial related matters including mergers and acquisitions, joint venture transactions, capital expenditure projects as well as infrastructure projects and concessions.

Details of her involvements in other companies and partnership outside of our Group are set out in Section 5.2.3 (vi) of this Prospectus.

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

5.2.3 Involvement of our Directors in other businesses / corporations

Save as disclosed below, none of our Directors have any other principal directorships held and principal business activities performed by them in other businesses or corporations outside our Group within the past 5 years up the LPD:

(i) Ir. Azizi bin A Hadi

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Past Involvement						
Universiti Telekom Sdn Bhd (subsidiary of Telekom Malaysia Berhad, a company listed on the Main Market of Bursa Securities)	Provide academic, tertiary and professional courses. Provide research and development work and experiments in relation to advancement of knowledge. Promote, advance and develop the status of the university as an institution of higher education	Non-Independent, Non-Executive Director	15 August 2019	1 July 2022	-	-
TM Technology Services Sdn Bhd (subsidiary of Telekom Malaysia Berhad, a company listed on the Main Market of Bursa Securities)	Provide network infrastructure facilities. Provide network services. Provide last mile services for fixed and wireless consisting of broadband, messaging and voice	Non-Independent, Non-Executive Director	21 September 2020	1 March 2023	-	-
VADS Berhad (subsidiary of Telekom Malaysia Berhad, a company listed on the Main Market of Bursa Securities)	To carry on the business of an investment holding company. Provision of managed network and information technology services. To provide value added data services to end users in Malaysia including but not limited to database retrieval, data collection and distribution, data processing, consolidation and reporting, preparation of or subcontracting for application services including but not limited to electronic mail and electronic data interchange, provision of enhanced network services including but not limited to network management, network attachment and protocol, code and speed	Non-Independent, Non-Executive Director	15 February 2022	10 March 2023	-	-

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Fiberail Sdn Bhd (subsidiary of Telekom Malaysia Berhad, a company listed on the Main Market of Bursa Securities)	To provide network connectivity & bandwidth services in Malaysia. Provision of project management services relating to telecommunications market. Manage, operate and maintain leased lines and other telecommunication services	Non-Independent, Non-Executive Director	29 October 2019	31 August 2023	-	-
Fibrecomm Network (M) Sdn Bhd (subsidiary of Telekom Malaysia Berhad, a company listed on the Main Market of Bursa Securities)	Provide network facilities such as wavelength service and co-location. To provide network services including bandwidth products comprising dedicated as packet/switched network, professional services including project management and consultancy	Non-Independent, Non-Executive Director	12 November 2019	31 August 2023	-	-
Telekom Research & Development Sdn Bhd (subsidiary of Telekom Malaysia Berhad, a company listed on the Main Market of Bursa Securities)	To identify and undertake research and development activities and to commercialise the researched and developed products and services, in the area of telecommunication and multimedia and use the knowledge and understanding gained from research towards production of useful material, devices and system	Non-Independent, Non-Executive Director	19 August 2022	31 August 2023	-	-
Ori Foods & Beverages Sdn Bhd	Restaurant and food beverages, general trading, building construction (Dissolved on 16 September 2022)	Director and shareholder	8 March 2013	-	30.0	-

(ii) Lee Hon Hwa

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Present involvement Lee Khee Chong Holdings Sdn Bhd	Property and investment holding company ⁽¹⁾	Director and shareholder	22 August 2013	-	40.0	⁽²⁾ 60.0
RM Capital Sdn Bhd	Money lending	Director and shareholder	30 June 2025	-	40.0	⁽²⁾ 60.0

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Decor Poles	Dormant ⁽³⁾	Director and shareholder	20 November 2003	-	40.0	(2)60.0
Banjaran Tetap Sdn Bhd	Activities of holding companies ⁽⁴⁾ ; Real estate activities with own or leased properties	Director and shareholder	15 November 2023	-	40.0	(2)60.0
Harta Bersatu Development Sdn Bhd	Buying, selling, renting and operating of self-owned or leased real estate (residential buildings). Buying, selling, renting and operating of self-owned or leased real estate (non-residential buildings)	Director and shareholder	28 November 2023	-	28.0	(2)42.0
Quik Food Distribution Sdn Bhd	Distributor of food and beverages	Director and shareholder	22 August 2024	-	33.3	-
Leprop Sdn Bhd	Real estate activities with own or leased property. Activities of holding companies ⁽⁵⁾	Director and shareholder	25 August 2020	-	40.0	(2)60.0
Banjaran Mantap Sdn Bhd	Real estate activities with own or leased property. Activities of holding companies ⁽⁶⁾	Director and shareholder	30 June 2021	-	40.0	(2)60.0
Lee United Holding Sdn Bhd	Real estate activities with own or leased property. Activities of holding companies	Director and shareholder	17 October 2023	-	40.0	(2)60.0
PT Tiang	Engaging in the manufacturing industry for various types of cement-based goods for construction needs, such as concrete pipes/poles and prestressed concrete, for structures, civil buildings, and electricity poles	Commissioner and shareholder	8 August 2012	-	20.0	20.0
MISK Investment ⁽⁷⁾	Investment holding company ⁽⁸⁾	Shareholder	-	-	6.1	6.1
Past Involvement Kumait	Manufacturing of pre-stressed spun concrete poles including distribution poles, transmission poles, street lighting poles, telecom poles, railway pole and spun piles	Shareholder	-	-	-	(9)30.0
Borneo Pole Sdn Bhd	Manufacturing, trading of pre-stressed spun concrete poles, concrete products and related accessories	Director and shareholder	18 October 2011	22 November 2024	(10)50.0	(11)50.0

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Oman Poles ⁽⁷⁾	Manufacture of other articles of concrete or cement such as pipes, basins, reservoirs, jars, window frames, statuary and other ornamental articles. Drilling, landfill, levelling and grading of construction sites. Activities of export and import offices	Shareholder	-	-	10.0	10.0
Electrical Insulator Industries LLC ⁽⁷⁾	Manufacture of electrical insulators and insulating fittings of ceramics. Manufacture of appliance cords, extension cords, and other electrical cord sets with insulated wire and connectors. Retail sale in specialised stores of domestic appliance (electronic and electric equipment)	Shareholder	-	-	10.0	10.0

Notes:

- (1) The principal activity involves renting of real estate.
- (2) Deemed interested by virtue of the shareholdings of his brother and sister, being Lee Khim Hwa and Lee Siew Yoke respectively, pursuant to Section 8 of the Act.
- (3) Previously, the principal activities of this company were manufacturing and trading of concrete, decorative, lighting poles and its related products.
- (4) As at the LPD, this company does not have any subsidiary.
- (5) As at the LPD, this company does not have any subsidiary.
- (6) As at the LPD, this company does not have any subsidiary.
- (7) On 4 December 2024, 20.00% of the total shareholdings of Lee Hon Hwa and Lee Khim Hwa in Oman Poles and Electrical Insulator Industries LLC were exchanged with 12.20% of total shareholdings in MISK Investment, an Omani company which holds 99.00% equity interest in Oman Poles and Electrical Insulator Industries LLC.
- (8) The principal activities of its subsidiaries include trading, services and manufacturing of concrete products, metal products and oil and gas.
- (9) Deemed interested by virtue of his direct shareholding in Decor Poles pursuant to Section 8 of the Act. Decor Poles had on 12 August 2025 disposed its 30.00% shareholdings, representing its entire equity interest in Kumait, to the local Saudi Arabian partner.
- (10) He had ceased to be a shareholder of Borneo Pole Sdn Bhd on 21 November 2024.
- (11) Deemed interested by virtue of the shareholdings of his brother, being Lee Khim Hwa pursuant to Section 8 of the Act. Lee Khim Hwa had also ceased to be a shareholder of Borneo Pole Sdn Bhd on 21 November 2024.

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

(iii) Lee Khim Hwa

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Present involvement Lee Khue Chong Holdings Sdn Bhd	Property and investment holding company ⁽¹⁾	Director and shareholder	22 August 2013	-	40.0	(2)60.0
RM Capital Sdn Bhd	Money lending	Director and shareholder	30 June 2025	-	40.0	(2)60.0
Decor Poles	Dormant ⁽³⁾	Director and shareholder	20 November 2003	-	40.0	(2)60.0
Banjaran Tetap Sdn Bhd	Activities of holding companies ⁽⁴⁾ ; Real estate activities with own or leased properties	Director and shareholder	15 November 2023	-	40.0	(2)60.0
Harta Bersatu Development Sdn Bhd	Buying, selling, renting and operating of self-owned or leased real estate (residential buildings). Buying, selling, renting and operating of self-owned or leased real estate (non-residential buildings)	Director and shareholder	28 November 2023	-	28.0	(2)42.0
Leprop Sdn Bhd	Real estate activities with own or leased property. Activities of holding companies ⁽⁵⁾	Director and shareholder	25 August 2020	-	40.0	(2)60.0
Banjaran Mantap Sdn Bhd	Real estate activities with own or leased property. Activities of holding companies ⁽⁶⁾	Director and shareholder	30 June 2021	-	40.0	(2)60.0
Lee United Holding Sdn Bhd	Real estate activities with own or leased property. Activities of holding companies	Director and shareholder	17 October 2023	-	40.0	(2)60.0
Fabulous Construction Sdn Bhd	Housing developer and building contractor	Director and shareholder	24 July 2023	-	15.0	-
OYL Development Sdn Bhd	Buying, selling, renting and operating of self-owned or leased real estate (non-residential buildings). Buying, selling, renting and operating of self-owned or leased real estate (residential buildings)	Director and shareholder	12 March 2024	-	10.0	-
Garuda Binajaya Sdn Bhd	Trading of timber and timber logging	Shareholder	-	-	11.1	-

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
OYL Builder Sdn Bhd	Construction of buildings. Residential buildings	Director and shareholder	18 November 2024	-	12.0	-
PT Tiang	Engaging in the manufacturing industry for various types of cement-based goods for construction needs, such as concrete pipes/poles and prestressed concrete, for structures, civil buildings, and electricity poles.	Commissioner and shareholder	8 August 2012	-	20.0	20.0
MISK Investment ⁽⁷⁾	Investment holding company ⁽⁸⁾	Shareholder	-	-	6.1	6.1
Past Involvement Kumait	Manufacturing of pre-stressed spun concrete poles including distribution poles, transmission poles, street lighting poles, telecom poles, railway pole and spun piles	Shareholder	-	-	-	⁽⁹⁾ 30.0
Permata Agresif Sdn Bhd	Restaurants, activities of holding companies ⁽¹⁰⁾	Director	15 December 2020	8 December 2021	-	-
Borneo Pole Sdn Bhd	Manufacturing, trading of pre-stressed spun concrete poles, concrete products and related accessories	Director and shareholder	18 October 2011	22 November 2024	⁽¹¹⁾ 50.0	⁽¹²⁾ 50.0
Oman Poles ⁽⁷⁾	Manufacture of other articles of concrete or cement such as pipes, basins, reservoirs, jars, window frames, statuary and other ornamental articles. Drilling, landfill, levelling and grading of construction sites. Activities of export and import offices	Shareholder	-	-	10.0	10.0
Electrical Industries ⁽⁷⁾	Manufacture of electrical insulators and insulating fittings of ceramics. Manufacture of appliance cords, extension cords, and other electrical cord sets with insulated wire and connectors. Retail sale in specialised stores of domestic appliance (electronic and electric equipment)	Shareholder	-	-	10.0	10.0

Notes:

- (1) The principal activity involves renting of real estate.
- (2) Deemed interested by virtue of the shareholdings of his brother and sister, being Lee Hon Hwa and Lee Siew Yoke respectively, pursuant to Section 8 of the Act.

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

- (3)

Previously, the principal activities of this company were manufacturing and trading of concrete, decorative, lighting poles and its related products.
- (4)

As at the LPD, this company does not have any subsidiary.
- (5)

As at the LPD, this company does not have any subsidiary.
- (6)

As at the LPD, this company does not have any subsidiary.
- (7)

On 4 December 2024, 20.00% of the total shareholdings of Lee Hon Hwa and Lee Khim Hwa in Oman Poles and Electrical Insulator Industries LLC were exchanged with 12.20% of total shareholdings in MISK Investment, an Omani company which holds 99.00% equity interest in Oman Poles and Electrical Insulator Industries LLC.
- (8)

The principal activities of its subsidiaries include trading, services and manufacturing of concrete products, metal products and oil and gas.
- (9)

Deemed interested by virtue of his direct shareholding in Decor Poles pursuant to Section 8 of the Act. Decor Poles had on 12 August 2025 disposed its 30.00% shareholdings, representing its entire equity interest in Kumait, to the local Saudi Arabian partner.
- (10)

As at the LPD, this company does not have any subsidiary.
- (11)

He had ceased to be a shareholder of Borneo Pole Sdn Bhd on 21 November 2024.
- (12)

Deemed interested by virtue of the shareholdings of his brother, being Lee Hon Hwa pursuant to Section 8 of the Act. Lee Hon Hwa had also ceased to be a shareholder of Borneo Pole Sdn Bhd on 21 November 2024.

(iv) Dr. Rozainun binti Ab Aziz

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Present involvement Ketika Studio Sdn Bhd	Motion picture, video and television programme production activities	Shareholder	-	-	50.0	-
K' Plus Sdn Bhd	Trader, distributor and supplier of rice and other products	Director and shareholder	24 June 1997	-	#	-

Note:

Less than 0.01%.

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

(v) Dato' Haji Baderul Sham bin Saad

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
<u>Present involvement</u> Tenagasparx Consultant Sdn Bhd	Other management consultancy activities n.e.c; engineering services. Electrical wiring and fittings	Director and shareholder	24 July 2024	-	25.0	-
Drillmatic Sdn Bhd	To carry on business as engineering services, temporary employment agency activities and construction of buildings	Director and shareholder	4 December 2024	-	10.0	-
Bestsparx Green Technology Sdn Bhd	Manufacture of electricity distribution and control apparatus. Manufacture of other components for electronic applications. Wholesale of electrical and electronics goods	Director and shareholder	30 December 2024	-	51.0	-

(vi) Marieta binti Abdull Hamid

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
<u>Present involvement</u> Able Global Bhd (a company listed on the Main Market of Bursa Securities)	Investment holding & provision of management services ⁽¹⁾	Independent Non-Executive Director	19 August 2022	-	-	-
Cuckoo International (Mal) Bhd (a company listed on the Main Market of Bursa Securities)	Manufacturer, trading, sales and distribution, rental and sales of home appliances and accessories, mattress, and furniture of all kind. Importer and exporter, or sale, trading of skin care and cosmetic products, beauty specialists related services. Cleaning and maintenance related services. Professional homecare service and investment holding	Independent Non-Executive Director	15 October 2024	-	-	-

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
All Series Sdn Bhd	To provide consultancy, data and management services and information technology. To procure the advice and assistance of consultants & experts. Human resource consultant	Shareholder	-	-	50.0	-
Myseminars Sdn Bhd	Publisher of law books, newspapers, journals, reviews, magazines, books. Conducting post-graduate studies and provide academic consulting. Seminars and workshops in the areas of human resources	Shareholder	-	-	80.0	-
Data Solutions Sdn Bhd	To provide consultancy, data in information technology based products, computer hardware and software. E-commerce related business and research development of technical knowledge and call centre operations. Seminar and workshops in the areas of human resources	Shareholder	-	-	40.0	-
Effectus Sdn Bhd	Provide management and consultancy services. Others education. Activities of employment placement agencies	Shareholder	-	-	95.0	-
Messrs JM Tan & Co	Provision of legal services	Partner	1 October 2025	-	N/A	N/A
Past involvement Ahlan Trading Sdn Bhd	Dormant ⁽²⁾ (dissolved on 22 April 2022)	Director and shareholder	26 January 2016	-	50.0	-
Messrs PW Tan & Associates	Provision of legal services	Partner	4 February 2015	30 September 2025	N/A	N/A

Notes:

- The principal activities of its subsidiaries include manufacturing of various tins, cans and other container and providing tinplates printing services; and manufacturing and selling of milk and other related dairy products, as well as packing and trading of all types of dairy products.
- Prior to its dissolution, the principal activities of this company included the retail sale of mobile phone accessories.

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

As at the LPD, all of our Directors are in compliance with Rule 15.06 of the Listing Requirements as none of our Directors hold more than 5 directorships in public listed companies on Bursa Securities.

Our Board is of the view that the involvement of our Directors mentioned above in the other principal business activities outside our Group does not preclude them from allocating or committing their time and effort to our Group in their respective roles as our Directors, as:

- (i) the involvement of our Independent Non-Executive Directors will not affect their contributions to our Group as they only attend board meetings to provide oversight and check-and-balance to our Group's affairs. Their roles are to ensure that our Group has the proper corporate governance in conducting our business activities from time to time; and
- (ii) the involvement of our Executive Directors in those business activities do not require significant amount of their management time as they are not involved in the management and day-to-day operations of these business, other than attending meetings of the board of directors on which they serve. Such businesses do not require their involvement on a daily basis as these businesses are managed by their respective management.

Based on the above considerations, our Board is of the view that the involvements of the Directors in other companies do not affect their abilities to perform their roles and responsibilities to our Group. Our Executive Directors spend most of their time in the operations and affairs of our Group. As such, their involvements in other businesses and operations outside of our Group are not expected to have any effect on their contribution to our Group.

Save as disclosed in Section 11.1 of this Prospectus, there is no conflict of interest or potential conflict of interest identified based on the present and past involvements of our Directors outside of our Group as set out above in view that their present and past involvements as directors and in other business activities outside our Company are not similar to our Group's business.

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

5.2.4 Directors' remuneration and benefits

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

FYE 2024 (paid)	Salary (RM'000)	Director's Fee (RM'000)	Bonus (RM'000)	Allowances (RM'000)	(1)Statutory Contribution (RM'000)	Benefits-in- kind (RM'000)	Total (RM'000)
Executive Director							
Lee Hon Hwa	284	-	102	-	74	14	474
Lee Khim Hwa	284	-	102	-	74	28	488
FYE 2025 (proposed)							
	Salary (RM'000)	Director's Fee (RM'000)	Bonus ⁽³⁾ (RM'000)	Allowances (RM'000)	(1)Statutory Contribution (RM'000)	Benefits-in- kind (RM'000)	Total (RM'000)
Executive Director							
Lee Hon Hwa	466	-	-	-	90	26	582
Lee Khim Hwa	458	-	-	-	89	28	575
Non-Executive Directors							
Ir. Azizi bin A Hadji ⁽²⁾	-	57	-	3	-	-	60
Dr. Rozainun binti Ab Aziz ⁽²⁾	-	48	-	3	-	-	51
Dato' Haji Baderul Sham bin Saad ⁽²⁾	-	48	-	3	-	-	51
Marieta binti Abdull Hamid ⁽²⁾	-	48	-	3	-	-	51

Notes:

- (1) Comprising contributions to the Employees Provident Fund Board, Social Security Organisation and Employment Insurance System, where applicable.
- (2) Appointed on 12 March 2025.
- (3) Excluding bonuses for FYE 2025 which will be determined at a later date based on their respective performance review, subject to the recommendation of our Remuneration and Nomination Committee and approval of our Board.

The remuneration of our Directors including salaries, fees, bonuses, other emoluments and benefits-in-kind are based on individual contributions to our Group's overall performance and value. Such remuneration must be considered and recommended by our Remuneration and Nomination Committee and subsequently be approved by our Board. The Directors' fees and any benefits payable to our Directors shall be subject to approval by our shareholders pursuant to an ordinary resolution to be passed at a general meeting in accordance with our Constitution.

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

5.3 BOARD PRACTICES

5.3.1 Term of office

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

Name	Designation	Date of appointment	Date of expiration of the current term of office	Duration in office as at LPD (years)
Ir. Azizi bin A Hadi (M)	Independent Non-Executive Chairman	12 March 2025	Subject to retirement at the AGM in year 2025	Less than 1
Lee Hon Hwa (M)	Executive Director / Chief Executive Officer	23 January 2024	Subject to retirement at the AGM in year 2025	1
Lee Khim Hwa (M)	Executive Director / Chief Business Development Officer	23 January 2024	Subject to retirement at the AGM in year 2025	1
Dr. Rozainun binti Ab Aziz (F)	Independent Non-Executive Director	12 March 2025	Subject to retirement at the AGM in year 2025	Less than 1
Dato' Haji Baderul Sham bin Saad (M)	Independent Non-Executive Director	12 March 2025	Subject to retirement at the AGM in year 2025	Less than 1
Marieta binti Abdull Hamid (F)	Independent Non-Executive Director	12 March 2025	Subject to retirement at the AGM in year 2025	Less than 1

Notes:

(M) Male.

(F) Female.

In accordance with our Constitution, all the Directors shall retire from office at the first AGM of our Company and 1/3 (or the number nearest to 1/3) of our Directors for the time being, shall retire by rotation at the AGM of our Company in every subsequent year and shall be eligible for re-election provided always that all the Directors shall retire at least once in each 3 years but shall be eligible for re-election. Any Director appointed either to fill a casual vacancy or as an addition to the existing Directors shall hold office only until the next AGM and shall then be eligible for re-election. None of our Directors has been appointed for a fixed term.

5.3.2 Responsibility of our Board

Subject to the limitations of our Constitution, our Board has adopted a charter ("**Board Charter**"), which sets out, among others the following principal responsibilities of our Board for effective discharge of its functions:

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

(1) Ethics and Compliance

- (i) The Board is charged with leading and managing the Group in an effective and responsible manner. Each Director has a legal duty to act in the best interest of the Group. The Directors are, collectively and individually, aware of their responsibilities to the shareholders and stakeholders for the manner in which the affairs of the Company are managed. The Board sets the Group's values and standards and ensures that its obligations to its stakeholders are understood and met;
- (ii) All Directors observe high ethical business standards, honesty and integrity and to apply these values to all aspects of the Group's business and professional practice and act in good faith in the best interests of the Group and its stakeholders;
- (iii) The Board understands that the responsibility for good corporate governance rests with them and therefore strives to comprehend and apply the principles and practices stated in MCCG. The Board includes a narrative statement in the Annual Report of the Company on the extent of compliance with the principles and best practices in corporate governance pursuant to the Listing Requirements;
- (iv) The Board shall meet at least once every quarter to facilitate the discharge of their responsibilities. The meetings of the Board may be conducted by means of telephone conference, video conference or any other form of audio or audio-visual instantaneous communication and the participation in the meeting pursuant to this provision shall constitute presence in person of such meeting. Members of the Management who are not Directors may be invited to attend and speak at meetings on matters relating to their sphere of responsibility;
- (v) The Board establishes the corporate vision and mission, as well as the philosophy of the Group to ensure that necessary resources are in place for the Group to meet its objective setting the aims of the management and monitoring the performance of the Management;
- (vi) The Board oversees the business and affairs of the Company and will assume, amongst others, the following duties and responsibilities in meeting the goals and objectives of the Company:
 - (a) reviewing, approving and monitoring the overall strategies and direction of the Group and to ensure that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
 - (b) overseeing and evaluating the conduct and performance of the Group's businesses, including its internal control and accountability systems;
 - (c) together with senior management, promoting good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviours;
 - (d) identifying and, understanding principal risks of the Group's business and recognising that business decisions involve the taking of appropriate risks;
 - (e) developing and implementing an investor relations programme or shareholders' communications policy for the Group to enable effective communication with stakeholders;
 - (f) reviewing the adequacy of the Group's internal control policy;
 - (g) reviewing and providing input into and final approval of the annual business plan, financial statements and annual report;
 - (h) reviewing and approving major capital expenditure, capital management and acquisitions/divestitures;
 - (i) reviewing and monitoring systems of risk management to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks and internal compliance and controls, codes of conduct, continuous disclosure, legal compliance and other significant corporate policies;

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

- (j) ensuring that senior management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of the Board and senior management;
- (k) undertaking a formal and objective annual evaluation to determine the effectiveness of the Board, the Board Committees and each individual Director;
- (l) ensuring there is an orderly succession of senior management positions who are of high calibre and have the necessary skills and experience. The Board delegates to the Remuneration and Nomination Committee to review succession plans and remuneration packages for the Directors. The Board also ensures that there are appropriate policies for training, appointment and performance monitoring of management positions;
- (m) ensuring that the all the Directors of the Company are able to understand financial statements and form a view on the information presented; and
- (n) ensuring the integrity of the Company's financial and non-financial reporting.

(2) Policies and Strategies

- (i) The Board has established written procedures (such as the Constitution of the Company and other documents) to determine issues that require a decision of the full Board and issues that can be delegated to Board Committees or Management.
- (ii) The Board oversees the Company's policies as a whole. This includes the Code of Conduct and Ethics ("**Code**"), Anti-Fraud and Whistleblowing Policy ("**Whistleblowing Policy**") and other significant policies recommended under MCCG. The Code promotes ethical values and standards in the workplace while ensuring appropriate internal control systems are in place to support, promote and ensure its compliance. The Whistleblowing Policy and Procedures sets the appropriate communication channels to facilitate whistleblowing by employees, customers, suppliers and other stakeholders.
- (iii) The Board reserves full decision-making powers, amongst others, on the following matters (save to the extent that the Board resolves that determination and/or approval of any such matter shall be delegated to the Board Committees or Management):
 - (a) Conflict of interest issues relating to a substantial shareholder or a Director;
 - (b) Material acquisitions and disposals of undertakings and properties;
 - (c) Investments in capital projects;
 - (d) Limit of authority levels;
 - (e) Risk management policies;
 - (f) Key human resource issues;
 - (g) Declaration of dividend and Directors' fees;
 - (h) Strategic issues and planning, including sustainability;
 - (i) Budget and performance reviews;
 - (j) Quarterly financial results and audited financial statements;
 - (k) Material borrowings;
 - (l) Treasury policies;
 - (m) Proposed appointment of external auditors and their audit fees;
 - (n) Related party transactions ("**RPT**"), recurrent RPT and conflict of interest situation that may arise within the Company or the Group, including any transaction, procedures or course of conduct that raises question on management integrity and any recommendations relating thereto as set out in the terms of reference of the Audit and Risk Management Committee ("**ARMC**"); and

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

(o) New venture.

(3) Internal Controls and Risk Management

- (i) The Board oversees, reviews and monitors the operation, adequacy and effectiveness of Group's system of internal controls;
- (ii) The Board shall ensure that Management has in place appropriate processes for risk management, assessing its effectiveness and reviewing any major/significant risk faced by the Group;
- (iii) The Group has internal audit function, which critically reviews all aspects of the Group's activities and its internal controls. Comprehensive audits of the practices, procedures, expenditure and internal controls of all business and support units and subsidiaries are undertaken by the Internal Auditors on a regular basis; and
- (iv) Internal Auditors shall have direct access to the Board through the Chairperson of ARMC.

5.3.3 Audit and Risk Management Committee

Our Audit and Risk Management Committee comprises the following members:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Dr. Rozainun binti Ab Aziz	Chairperson	Independent Non-Executive Director
Dato' Haji Baderul Sham bin Saad	Member	Independent Non-Executive Director
Marieta binti Abdull Hamid	Member	Independent Non-Executive Director

The Audit and Risk Management Committee's duties and responsibilities as stated in its terms of reference include, among others, the following:

Financial and Audit related matters

- (i) To review the following and report the same to the Board of the Company:
 - with the external auditor, the audit plan;
 - with the external auditor, his/her evaluation of the system of internal controls and accounting policies;
 - with the external auditor, his/her audit report; and
 - the assistance given by the employees of the Company and the Group to the external auditor or disputes with management encountered during the audit.
- (ii) To do the following and report the same to the Board of the Company, in relation to the internal audit function:
 - review the adequacy of the internal audit plan, scope, functions, competency and resources of the internal audit function, and whether it has the necessary authority to carry out its work independently and objectively;
 - review the internal audit programme, processes and results of the internal audit programme, the effectiveness of the internal audit function, processes or investigation undertaken and, where necessary, ensure that appropriate action is taken on the recommendations of the internal audit function; and
 - review the performance appraisal/assessment of the internal auditors.
- (iii) To review the quarterly results and annual financial statements of the Company before the approval by the Board, focusing particularly on:
 - any change in or implementation of major accounting policy;

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

- significant adjustment arising from the audit;
 - any significant matters highlighted including financial reporting issues, significant judgments made by management, significant and unusual events or transactions, and how these matters are addressed;
 - the going concern assumption and major judgement areas; and
 - compliance with accounting standards and other legal requirements.
- (iv) To review any related-party transactions and potential conflict of interest situation that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- (v) To monitor and ensure that proper processes and procedures are in place to comply with all laws, regulations and rules (including relevant tax laws, regulations and rules) established by all relevant regulatory bodies;
- (vi) To consider and report the same to the Board of the Company the appointment, nomination, resignation and dismissal of external auditors and their respective audit fees;
- (vii) To review and report the same to the Board of the Company on the following:
- the policies and procedures for assessment of suitability, objectivity, and independence of external auditors; and
 - the policies and procedures governing the provision of non-audit services by external auditors;
- (viii) To review any letter of resignation from the external auditors of the Company;
- (ix) To review and report the same to the Board of the Company whether there is reason (supported by grounds) to believe that the Company's external auditor is not suitable for re-appointment;
- (x) To recommend the nomination of a person or persons as external auditors of the Company;
- (xi) To discuss with the external auditor before the audit commences, the nature and scope of the audit, competency and resources of the external audit and ensure co-ordination where more than one audit firm is involved;
- (xii) To review and discuss any management letter sent by the external auditors to the Company and the Management's response to such letter;
- (xiii) To consider the report, major findings and Management's response thereto on any internal investigations carried out by the internal auditors;
- (xiv) To review all financial related reports/statements as required by the Listing Requirements, for inclusion in the Annual Report of the Company;
- (xv) To review the allocation of options pursuant to the share issuance scheme (if any) and make such statement to be included in the Annual Report of the Company in relation to an employees' share options scheme (if any); and
- (xvi) To oversee the internal control framework to ensure operational effectiveness and adequate protection of the Group's assets.

Risk Management related matters

- (i) To review all areas of significant risk and the arrangements in place to contain those risks to acceptance levels;
- (ii) To oversee on the establishment and implementation of a risk management framework, policies, which include identifying, managing, monitoring, treating and mitigating significant risks relating the Group, to ensure the adequacy of risk management policy and infrastructure of the Group;
- (iii) To review the Group's risk profiles and evaluate the measures taken to mitigate the business risks of the Group;

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

- (iv) To evaluate the effectiveness of the Enterprise Risk Management structure and support system to identify, assess, monitor and manage the Group's key risks and to ensure it is continuously improved as the business environment changes;
- (v) To review the Statement on Risk Management and Internal Control for inclusion in the Annual Report of the Company, and recommend for approval by the Board;
- (vi) To ensure that the key risks relating to the Group are effectively managed in accordance with the Group's risk management policies and strategies;
- (vii) To review the adequacy of resources for managing the risk management framework;
- (viii) To report to the Board with such recommendations as the Committee deemed appropriate; and
- (ix) To carry out other responsibilities, functions or assignments as may be mutually agreed by the Committee and the Board from time to time.

Others related matters

- (i) To assist the Board in applying principles and good practices of corporate governance, sustainability and corporate responsibility towards the Group's stakeholders and to ensure compliance with applicable regulatory and legal requirement.

5.3.4 Remuneration and Nomination Committee

Our Remuneration and Nomination Committee comprises the following members:

Name	Designation	Directorship
Marieta binti Abdull Hamid	Chairperson	Independent Non-Executive Director
Dr. Rozainun binti Ab Aziz	Member	Independent Non-Executive Director
Dato' Haji Baderul Sham bin Saad	Member	Independent Non-Executive Director

The Remuneration Committee's duties as stated in its terms of reference include, among others, the following:

- (i) to support the Board in actively overseeing the design and operation of the Group remuneration system to ensure corporate accountability and governance;
- (ii) to review and recommend to the Board on the remuneration of Non-Executive Directors, particularly on whether the remuneration remains appropriate to each Director's contribution, by taking into account, amongst others, the level of expertise, commitment and responsibilities undertaken;
- (iii) to review and recommend to the Board on the total individual remuneration package for Managing Director/Chief Executive Officer, Executive Directors and Senior Management personnel including, where appropriate, salaries, bonuses, directors' fee, allowances, incentive payments, options or benefit-in-kinds within the terms of agreed remuneration policy and based on individual contributions to the Group overall performance and value instead of depending on short term performance to avoid any incentives for excessive risk-taking;
- (iv) to ensure that the remuneration package should be structured such that it is competitive and balance which should be sufficient to attract and retain Executive Directors and Senior Management of calibre, and yet not excessive;
- (v) to ensure the establishment of a formal and transparent procedure for developing policies, strategies and framework for the remuneration of the Group Managing Director, Executive Directors and the senior management. The framework should encourage Executive Directors to act in ways that enhance the Group's long-term profitability and value. Implementation of the policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of the Board and the senior management;

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

- (vi) to review the policies and procedures on remuneration of the Group, including reviewing and recommending matters relating to the remuneration of Directors and Senior Management to the Board for approval;
- (vii) the Committee may draw advice and enlist the professional services of expert;
- (viii) to review compensation policy of Directors and senior management, and ensure the compensations offered are in line with market practice (if any);
- (ix) to ensure fees and benefits payable to Directors, and any compensation for loss of employment of Executive Directors are approved by shareholders at general meetings of the Company; and
- (x) to carry out other responsibilities, functions or assignments as may be agreed by the Board from time to time.

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

- (i) to establish an appropriate selection criteria and processes, recruitment process and to recommend to the Board, candidates for all directorships of the Company and members of the relevant Board Committees;
- (ii) to establish the mechanisms for the formal assessment on the performance and effectiveness of the Board as a whole, the effectiveness of each Director; the effectiveness of the Board Committees and the performance of the Group Managing Director. The annual assessment to be conducted would be based on objective performance criteria as approved by the Board. All assessments and evaluation carried out by the Committee in the discharge of its duties shall be disclosed in the Annual Report;
- (iii) to establish the minimum requirements or criteria to be used in the annual assessment of Directors, the Group Managing Director and senior management in ensuring the Board is of an effective composition, size, and commitment to adequately discharge its responsibilities and duties;
- (iv) to establish the minimum requirements or criteria to be used in the annual review of the required mix of skills and experience and other qualities, including core competencies which Non-Executive Directors, Executive Directors and senior management should have;
- (v) to establish a policy formalising its approach to boardroom diversity, including gender diversity;
- (vi) to evaluate the ability of the Independent Non-Executive Directors to discharge such responsibilities/functions as expected from them;
- (vii) to establish the requirements or criteria to be used in the annual assessment as to whether the Independent Directors of the Company is independent as defined in Listing Requirements and any other regulations;
- (viii) to review and assess the independence of Independent Directors on an annual basis;
- (ix) to recommend to the Board the removal of a Director or the Group Managing Director or senior management if he/she is ineffective, errant or negligent in discharging his/her responsibilities;
- (x) to assess and recommend to the Board, the terms of reference of Board Committees and to review the adequacy of committee structure of Board Committees;
- (xi) to establish an appropriate framework and succession planning for the Board, including the Managing Director/Chief Executive Officer, Executive Directors, and Senior Management;
- (xii) to oversee the appointment, management succession planning and performance evaluation of the Senior Management;
- (xiii) to conduct the fit and proper assessment prior to the appointment of any candidate as a Director or making recommendation for the re-election of an existing Director at annual general meeting of the Company;

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

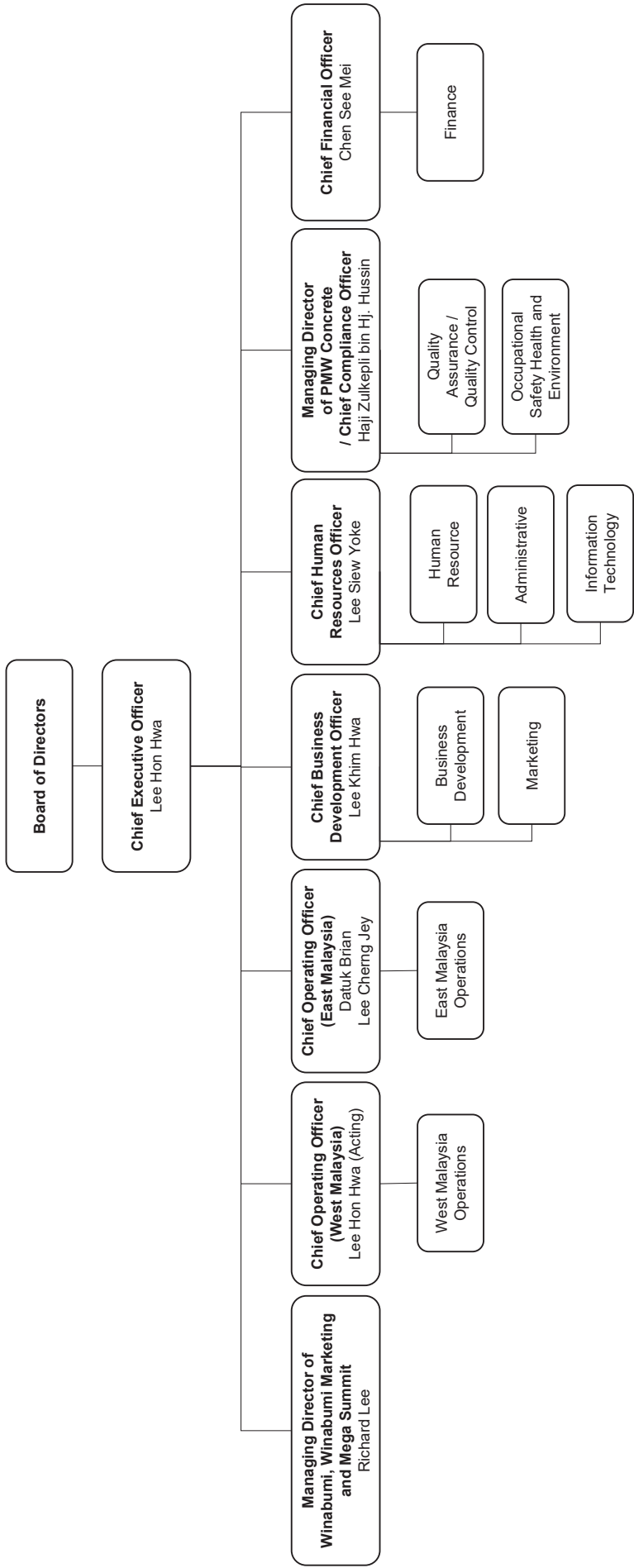
- (xiv) to recommend to the Board the re-election/re-appointment of Director who retired by rotation pursuant to the provisions in the Company's Constitution or relevant provisions of the Companies Act 2016;
- (xv) to review the tenure of each Director and annual re-election of a Director should be contingent on satisfactory evaluation of the Director's performance and contribution to the Board;
- (xvi) to ensure that orientation and education programmes are provided for new members of the Board;
- (xvii) to consider and examine such other matters as the Committee considers appropriate or delegated by the Board from time to time;
- (xviii) in identifying candidates for appointment of Directors, the Committee shall not solely rely on recommendations from existing Board members, management or major shareholders. The Board shall utilise independent sources to identify suitably qualified candidates;
- (xix) if the selection of candidates was solely based on recommendations made by the existing Board members, management or major shareholders, the Committee should explain why other sources were not used;
- (xx) to undertake an annual review of the training programmes attended by the Directors for each financial year as well as the training programmes required to aid the Directors in the discharge of their duties as Directors and to keep abreast with industry developments and trends;
- (xxi) to report and summarise its activities for the year in compliance with the MCGG, Listing Requirements and any relevant regulations. The report can be incorporated into the Corporate Governance Statement in the Annual Report or included as a separate report;
- (xxii) to review annually the term of office, effectiveness and performance of the Audit and Risk Management Committee and each of its members to determine whether the Audit and Risk Management Committee and its members have carried out their duties in accordance with their terms of reference;
- (xxiii) to review the application of the Company's fit and proper policy in the nomination and election of its Directors into the Remuneration and Nomination Committee Statement in the Annual Report; and
- (xxiv) to carry out such other duties or functions as may be delegated by the Board from time to time or required by the regulatory authority

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

5.4 MANAGEMENT REPORTING STRUCTURE

Our management reporting structure is as follows:



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

5.5 KEY SENIOR MANAGEMENT

5.5.1 Shareholdings of Key Senior Management

Save for the shareholdings of Lee Siew Yoke and Datuk Brian Lee Cherng Jey which are as set out in Section 5.1.1 of this Prospectus, the details of our other Key Senior Management and their respective shareholdings in our Company before and after our IPO are as follows:

Name	Before our IPO				After our IPO ⁽¹⁾			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Haji Zulkepli bin Hj. Hussin	-	-	-	-	⁽²⁾ 1,219,300	0.14	-	-
Chen See Mei	-	-	-	-	⁽³⁾ 800,000	0.09	-	-

Notes:

- (1) Based on our enlarged issued share capital of 892,051,816 Shares upon our Listing.
- (2) Assuming he will fully subscribe for his allocations of 800,000 Shares under the Pink Form Allocation and 419,300 Shares under the private placement to Bumiputera investors approved by MITI.
- (3) Assuming she will fully subscribe for her allocation under the Pink Form Allocation.

5.5.2 Profiles of Key Senior Management

The profiles of Lee Hon Hwa, Lee Khim Hwa, Lee Siew Yoke and Datuk Brian Lee Cherng Jey are as set out in Sections 5.1.3 (i), 5.1.3 (ii), 5.1.3 (iii) and 5.1.3 (v) of this Prospectus.

The profiles of our other Key Senior Management are as follows:

(i) Haji Zulkepli bin Hj. Hussin

Managing Director of PMW Concrete/ Chief Compliance Officer

Haji Zulkepli bin Hj. Hussin, male, Malaysian, aged 64 years old, is our Chief Compliance Officer since 1 January 2025 and is primarily responsible for compliance of Quality Assurance and Quality Control and Occupational Safety, Health and Environment of the Company operation and any other related compliance issue.

He graduated from University of London with a Diploma in Banking (Finance) in December 1982. Thereafter, he completed his Master in Business Administration from Pacific Western University in April 1990.

In August 1983, he joined Supreme Finance (M) Berhad (later taken over by Maybank Finance Berhad) and he left Supreme Finance (M) Berhad in October 1990. In November 1990, he joined Zen Concrete Industries Sdn Bhd as Group Sales Marketing Manager. He was responsible for sales and marketing of concrete products across Peninsular Malaysia market, managing four regional sales and marketing offices (North, Central, Eastern and Southern regions) as well as the company's international business. In July 2004, he left Zen Concrete Industries Sdn Bhd when the company entered into receivership.

He was also appointed as Director/ Executive Chairman/ Managing Director of Fair Scale Holdings Sdn Bhd since September 1994, which was a dormant company during the time of his appointment. After he left Zen Concrete Industries Sdn Bhd in July 2004, he undertook an executive role in Fair Scale Holdings Sdn Bhd which has then commenced business in general construction and consultancy where he oversaw the operations of Fair Scale Holdings Sdn Bhd.

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

In September 2005, he stepped down from his executive role in Fair Scale Holding Sdn Bhd and joined PMW Concrete as Managing Director, a position which he continues to hold to date. He is responsible for overseeing the operation and management of PMW Concrete. He was briefly appointed as Director of PMW Industries from April 2006 to July 2006. In January 2025, he was also appointed as Chief Compliance Officer of our Group while retaining his role as Managing Director of PMW Concrete.

Details of his involvements in other companies outside of our Group are set out in Section 5.5.3 (i) of this Prospectus.

(ii) Chen See Mei
Chief Financial Officer

Chen See Mei, female, Malaysian, aged 32 years old, is our Chief Financial Officer. She is responsible for handling our Group's overall finance functions including monitoring of financial performance and results, financial reporting, treasury management, tax compliance and internal audit.

She graduated from Universiti Tunku Abdul Rahman with Bachelor of Commerce (Hons) Accounting in August 2015. She passed the examinations of Association of Chartered Certified Accountants ("**ACCA**") in January 2018 and obtained her ACCA membership in May 2020. She is also a member of Malaysian Institute of Accountants since October 2020.

In October 2015, she joined KPMG PLT as an Audit Associate and was involved in statutory audit and agreed-upon procedures assignments for businesses in different industries such as manufacturing, construction, property development, trading and retail. She was then promoted to Senior Audit Associate in July 2017. She was promoted to Audit Manager in January 2020.

She left KPMG PLT in December 2020 and joined Raki, CS Tan & Ramanan in January 2021 as Audit Manager. She was involved in various audit and tax assignments together with technical consultation of the firm.

In August 2021, she departed from Raki, CS Tan & Ramanan and joined PMW Industries in September 2021 as a Finance Manager. Her responsibilities include leading the finance department and the development of the internal control function and implementation of the enterprise resource planning of our Group. She is also responsible for improving the reporting structure and template of the departments in our Group for the data analysis of our Group. In February 2024, she was redesignated as our Chief Financial Officer.

Details of her involvements in other companies outside of our Group are set out in Section 5.5.3 (iv) of this Prospectus.

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

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

Save as disclosed in Sections 5.2.3 (ii) and 5.2.3 (iii) and below, none of our Key Senior Management have any other principal directorships held and principal business activities performed by them in other businesses or corporations outside our Group within the past 5 years up to the LPD:

(i) Haji Zulkepli bin Hj. Hussin

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Present involvement Fair Scale Holdings Sdn Bhd	General construction and consultancy	Director and shareholder	10 September 1994	-	60.0	-
Banjaran Kinta Hydro Sdn Bhd	Setting up power generating stations, supply and generate electrical power and general trading	Director and shareholder	21 August 2014	-	50.0	-
Kosmonas Development Sdn Bhd	Housing developer	Director	29 April 2016	-	-	-
Tenaga Bkh Sdn Bhd	Electrical installation n.e.c.; manufacture of electricity distribution and control apparatus	Director and shareholder	7 May 2024	-	50.0	-
Royal Perak Golf Club Bhd	Operation and management of golf and recreational club	Director	13 August 2020	-	-	-

(ii) Lee Siew Yoke

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Present involvement Banjaran Tetap Sdn Bhd	Activities of holding companies ⁽¹⁾ ; Real estate activities with own or leased properties	Director and shareholder	15 November 2023	-	20.0	⁽²⁾ 80.0
RM Capital Sdn Bhd	Money lending	Director and shareholder	30 June 2025	-	20.0	⁽²⁾ 80.0
Banjaran Mantap Sdn Bhd	Real estate activities with own or leased property. Activities of holding companies ⁽³⁾	Director and shareholder	30 June 2021	-	20.0	⁽²⁾ 80.0

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Lee United Holding Sdn Bhd	Real estate activities with own or leased property. Activities of holding companies	Director and shareholder	17 October 2023	-	20.0	(2)80.0
Harta Bersatu Sdn Bhd	Buying, selling, renting and operating of self-owned or leased real estate (residential buildings). Buying, selling, renting and operating of self-owned or leased real estate (non-residential buildings)	Director and shareholder	4 October 2024	-	14.0	(2)56.0
Decor Poles	Dormant ⁽⁴⁾	Shareholder	-	-	20.0	(2)80.0
Lee Khee Chong Holdings Sdn Bhd	Property and investment holding company ⁽⁵⁾	Shareholder	-	-	20.0	(2)80.0
Leprop Sdn Bhd	Real estate activities with own or leased property. Activities of holding companies ⁽⁶⁾	Shareholder	-	-	20.0	(2)80.0
Past Involvement Kumait	Manufacturing of pre-stressed spun concrete poles including distribution poles, transmission poles, street lighting poles, telecom poles, railway pole and spun piles	Shareholder	-	-	-	(7)30.0

Notes:

- (1) As at the LPD, this company does not have any subsidiary.
- (2) Deemed interested by virtue of the shareholdings of his brothers, being Lee Hon Hwa and Lee Khim Hwa, pursuant to Section 8 of the Act.
- (3) As at the LPD, this company does not have any subsidiary.
- (4) Previously, the principal activities of this company were manufacturing and trading of concrete, decorative, lighting poles and its related products.
- (5) The principal activity involves renting of real estate.
- (6) As at the LPD, this company does not have any subsidiary.
- (7) Deemed interested by virtue of her direct shareholding in Decor Poles pursuant to Section 8 of the Act. Decor Poles had on 12 August 2025 disposed its 30.00% shareholdings, representing its entire equity interest in Kumait to the local Saudi Arabian partner.

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

(iii) Datuk Brian Lee Cherng Jey

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
<u>Present involvement</u> Apcol Piling Sdn Bhd	Construction of buildings. Construction of motorways, streets, roads, other vehicular and pedestrian ways. Construction of foundations, including pile driving	Director and shareholder	13 May 2015	-	9.8	(1)90.2
JR Silverline	Property investment	Director and shareholder	19 January 2016	-	17.0	(2)83.0
Cornerstone Legacy Sdn Bhd	Construction of other engineering projects. Activities of holding companies ⁽³⁾ . Construction of buildings	Director and shareholder	22 August 2025	-	23.0	(2)77.0
Benagusan Sdn Bhd	Construction of buildings. Construction of foundations, including pile driving	Director and shareholder	19 January 2016	-	9.3	(1)90.7
Saga Majujuta Sdn Bhd	Supply of construction materials	Director and shareholder	15 February 2016	-	50.0	-
Slp Tech Sdn Bhd	Engaged in all aspects of all electrical wiring works contractor	Director and shareholder	28 February 2017	-	35.0	-
Jayabina Holdings Sdn Bhd	Construction of buildings. Buying, selling, renting and operating of self-owned or leased real estate – residential and non-residential buildings	Director and shareholder	13 November 2018	-	100.0	-
Green Borneast Sdn Bhd	Carrying business as construction of civil work, infrastructure, road construction, road rehabilitation, road maintenance, drain maintenance and machinery. Carrying business as construction of all types of building	Director and shareholder	16 November 2021	-	40.0	-
BBJ Devgreen Sdn Bhd	Construction of buildings	Director and shareholder	16 March 2023	-	30.0	-
Iconic Bbj Sdn Bhd	Real estate activities with own or leased property. Activities of holding companies. Management of real estate on a fee or contract basis	Director	15 May 2023	-	-	-

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

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
North Urban Sdn Bhd	Residential buildings	Director and shareholder	15 May 2024	-	34.0	-
Sedia Cekap Sdn Bhd	Electrical installation. Installation of non-electric solar energy collectors. Electrical wiring and fittings	Shareholder	-	-	13.0	-
Hawan Maju Sdn Bhd	Activities of amusement parks and theme parks. Mobile food carts. Personal development course/motivational	Shareholder	-	-	7.2	-
Past Involvement Colleen Sdn Bhd	General contractor	Director	28 November 2007	1 February 2021	-	-
R&W Machinery Rental Bhd	Hiring of machinery and equipment	Director	13 May 2015	1 November 2021	-	-

Notes:

- (1) Deemed interested by virtue of his interest in Cornerstone Legacy Sdn Bhd and the shareholding of his father, being Richard Lee, pursuant to Section 8 of the Act.
- (2) Deemed interested by virtue of the shareholding of his father, being Richard Lee, and his brothers, being Lee Cheng Jer and Desmond Lee Cheng En, pursuant to Section 8 of the Act.
- (3) The principal activities of its subsidiaries include constructions and hiring of machinery and equipment.

(iv) Chen See Mei

Company	Principal activities	Involvement	Date of appointment	Date of resignation	% of shareholdings held	
					Direct	Indirect
Present involvement CYT Farm Sdn Bhd	Mixed farming	Director and shareholder	20 September 2022	-	10.0	(1)90.0

Note:

- (1) Deemed interested by virtue of the shareholding of her father, being Chen Yow Teck, pursuant to Section 8 of the Act.

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

Our Board is of the view that the involvement of our Key Senior Management mentioned above in the other principal business activities outside our Group does not preclude them from allocating or committing their time and effort to our Group in their respective roles as our Key Senior Management, as the involvement of our Key Senior Management in those business activities:

- (i) where they are shareholders, they are merely investors; and
- (ii) where they are directors, do not require significant amount of their management time as they are not involved in the management and day-to-day operations of these business, other than attending meetings of the board of directors on which they serve. Such businesses do not require their involvement on a daily basis as these businesses are managed by their respective management.

Based on the above considerations, our Board is of the view that the involvements of the Key Senior Management in other companies do not affect their abilities to perform their roles and responsibilities to our Group. Our Key Senior Management spend most of their time in the operations and affairs of our Group. As such, their involvements in other businesses and operations outside of our Group are not expected to have any effect on their contribution to our Group.

There is no conflict of interest or potential conflict of interest identified based on the present and past involvements of our Key Senior Management outside of our Group as set out above in view that their present and past involvements as directors and in other business activities outside our Company are not similar to our Group's business.

5.5.4 Key Senior Management's remuneration and benefits

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our other Key Senior Management for services rendered in all capacities to our Group for the FYE 2024 and FYE 2025 (in the bands of RM50,000) are as follows:

Key Senior Management	Remuneration band	
	FYE 2024 (paid)	⁽¹⁾ FYE 2025 (proposed)
Haji Zulkepli bin Hj. Hussin	150,000 – 200,000	150,000 – 200,000
Lee Siew Yoke	250,000 – 300,000	300,000 – 350,000
Datuk Brian Lee Cherng Jey	⁽²⁾ -	100,000 – 150,000
Chen See Mei	300,000 – 350,000	250,000 – 300,000

Notes:

- (1) Excluding bonuses for FYE 2025 which will be determined at a later date based on their respective performance review, subject to the recommendation of our Remuneration and Nomination Committee and approval of our Board.
- (2) No remuneration was paid in FYE 2024.

The remuneration of our Key Senior Management, which includes salaries, bonus, other emoluments and benefits-in-kind, must be considered and recommended by our Remuneration and Nomination Committee and subsequently approved by our Board.

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

5.6 FAMILY RELATIONSHIPS AND ASSOCIATIONS

Save as disclosed below, there are no other relations or association between our Promoters, substantial shareholders, Directors and Key Senior Management in our Group:

Name	Position/Designation	Nature of relations or associations
Lee Hon Hwa ⁽¹⁾	Promoter / substantial shareholder / Executive Director / Chief Executive Officer	Shareholder and director of Lee United Holding
Lee Khim Hwa ⁽¹⁾	Promoter / substantial shareholder / Executive Director / Chief Business Development Officer	Shareholder and director of Lee United Holding
Lee Siew Yoke ⁽¹⁾	Promoter / substantial shareholder / Chief Human Resources Officer	Shareholder and director of Lee United Holding
Lee United Holding	Substantial shareholder	A company in which Lee Hon Hwa, Lee Khim Hwa and Lee Siew Yoke are the directors and shareholders
Richard Lee ⁽²⁾	Substantial shareholder / Co-founder and Managing Director of Winabumi, Winabumi Marketing and Mega Summit	Shareholder and director of JR Silverline
Datuk Brian Lee Cherng Jey ⁽²⁾	Substantial shareholder / Chief Operating Officer East Malaysia	Shareholder and director of JR Silverline
JR Silverline	Substantial shareholder	A company in which Richard Lee and Datuk Brian Lee Cherng Jey are the directors and shareholders

Notes:

(1) Lee Hon Hwa, Lee Khim Hwa and Lee Siew Yoke are siblings.

(2) Richard Lee is the father of Datuk Brian Lee Cherng Jey.

5.7 EXISTING AND PROPOSED SERVICE AGREEMENTS

As at the LPD, none of our Directors and/or Key Senior Management has any existing or proposed service agreement which provide for benefits upon termination of employment with our Group.

5.8 DECLARATIONS BY OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

None of our Promoters, Directors and Key Senior Management is or was involved in any of the following events, whether within or outside Malaysia:

- (i) a petition under any bankruptcy or insolvency law was filed (and not struck out) against such person or any partnership in which he or she was a partner, or any corporation of which he or she was a director or member of key senior management in the last 10 years;
- (ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (iii) charged or convicted in a criminal proceeding, or is a named subject of a pending criminal proceedings in the last 10 years;
- (iv) any judgment was entered against such person, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his or her part, involving a breach of any law or regulatory requirement that relates to the capital market in the last 10 years;

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

- (v) the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his or her part that relates to the capital market in the last 10 years;
- (vi) the subject of any order, judgment or ruling of any court, government, or regulatory authority or body, temporarily enjoining him or her from engaging in any type of business practice or activity;
- (vii) reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency in the last 10 years; and
- (viii) any unsatisfied judgment against such person.

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6. INFORMATION ON OUR GROUP

6.1 OVERVIEW OF THE GROUP

6.1.1 History and background

Our Company was incorporated in Malaysia under the Act on 23 January 2024 as a private limited company under the name of PMW International Sdn Bhd. On 7 March 2025, it was converted into a public limited company and we assumed our present name.

Our Company is an investment holding company and was incorporated to facilitate our Listing on Bursa Securities. Through our Subsidiaries, our principal business activities during the Financial Periods Under Review were trading of construction materials, spun poles and piles, and other concrete products; manufacturing of spun poles and piles; moulds, machinery, and metal products; and rental of moulds and machinery.

United Bakelite & Plastik Company was registered as a sole proprietorship by the late Lee Khee Chong in 1981, and the company was involved in manufacturing parts and accessories for spun poles. In 1994, UBP Industri Sdn Bhd (UBP Industri, and now known as PMW Marketing) was incorporated and the late Lee Khee Chong and the late Tan Eng Kim (who was the spouse of the late Lee Khee Chong) each held 50.00% equity interest in the company. In 1994, UBP Industri commenced business operations in manufacturing and dealers of metal and mechanical engineering products by taking over the business of United Bakelite & Plastik Company. United Bakelite & Plastik Company subsequently ceased operations in 1995.

Kumpulan Asma was incorporated in 1984 by Asma Bt Mohd. Kassim and Ng Tay Hin @ Ng Tek Hing (who are independent third-parties). They subsequently disposed of their entire equity interests in the company to Lim Chip Boon and Chia Sia Theng (who are independent third-parties) in 1987. In 1991, the late Lee Khee Chong and the late Tan Eng Kim then acquired the entire equity interest in Kumpulan Asma and their equity interests in the company was 79.00% and 21.00% respectively at the time of acquisition. Kumpulan Asma owned Lot 133077, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak (the land where Ipoh Factory 1 and Ipoh Factory 2 are located) at the time of the acquisition, and Kumpulan Asma also commenced business as a property holding company in 1991. Subsequently, in 2013, the late Lee Khee Chong and the late Tan Eng Kim disposed of their entire equity interests in Kumpulan Asma to Lee Hon Hwa, Lee Khim Hwa and Lee Siew Yoke. Pursuant to the Acquisitions, as at the LPD, our Company held 100.00% of the equity interest in Kumpulan Asma.

PMW Industries was incorporated in 1992 by the late Lee Khee Chong and the late Tan Eng Kim, who each held 50.00% equity interest in the company. The company commenced business in the same year (1992) in the manufacturing of moulds and machinery for spun poles and piles, and spun pole accessories at Ipoh Factory 1.

Subsequently, in 2013, the late Lee Khee Chong and the late Tan Eng Kim transferred their entire equity interests in UBP Industri (now known as PMW Marketing) and PMW Industries to Lee Hon Hwa, Lee Khim Hwa and Lee Siew Yoke. Pursuant to the Acquisitions, as at the LPD, our Company held 100.00% of the equity interest in PMW Marketing and PMW Industries.

PMW Concrete was incorporated in 2005 by Lee Hon Hwa and Lee Khim Hwa who each held 50.00% equity interest in the company. This was followed by the issuance of new PMW Concrete shares to Zulkepli Bin Hussin, Muhidin Bin Asli (an independent third-party) and PMW Industries, as well as the sale of Lee Hon Hwa and Lee Khim Hwa's equity interests in PMW Concrete to PMW Industries, later in 2005, which resulted in Zulkepli Bin Hussin and Muhidin Bin Asli each held 35.00% of the equity interest in PMW Concrete with the remaining 30.00% of equity interest held by PMW Industries. PMW Concrete commenced business in 2006 in manufacturing concrete products. In 2006, PMW Industries disposed of its 30.00% equity interest in PMW Concrete to Decor Poles. Thereafter, following the subsequent issuance of new PMW Concrete shares and sale of Muhidin Bin Asli's entire equity interest in PMW Concrete to Yusof Bin Yeop Ahmat in 2017, Zulkepli Bin Hussin and Yusof Bin Yeop Ahmat each held 35.00% of the equity interest with Decor Poles holding the remaining 30.00% equity interest. Pursuant to the Acquisitions as at the LPD, our Company, Zulkepli Bin Hussin and Yusof Bin Yeop Ahmat held 49.00%, 35.00%, and 16.00% of the equity interest in PMW Concrete respectively.

6. INFORMATION ON OUR GROUP (Cont'd)

Winabumi was incorporated in 2005 as a shelf company. After several rounds of restructuring of equity interests, as at the LPD, Lee Hon Hwa, Lee Khim Hwa, and Richard Lee respectively held 35.00%, 35.00%, and 30.00% of the equity interests in Winabumi. Winabumi commenced business in 2007 in manufacturing concrete products at a manufacturing facility (inclusive of the moulds and machinery) at Inanam, Sabah that it rented from Mega Summit. In 2017, Winabumi had secured more orders that exceeded the capacity of the Inanam manufacturing facility and it consequently entered into an agreement with Mega Summit to rent the Kota Kinabalu Factory, inclusive of the moulds and machinery. Winabumi continued to operate the manufacturing facility at Inanam and the Kota Kinabalu Factory concurrently until 2023, after which it shut down the Inanam manufacturing facility and transferred its operations to the Kota Kinabalu Factory. Pursuant to the Acquisitions, as at the LPD, our Company held 100.00% of the equity interest of Winabumi as at the LPD.

In 2006, Mega Summit, a shelf company, was acquired by Lee Hon Hwa, Lee Khim Hwa and Richard Lee (the Executive Director of Mega Summit), who held 35.00%, 35.00% and 30.00% equity interest in the company respectively at the time of the acquisition. The late Lee Khee Chong was acquainted with Richard Lee through an alumni association in Sabah. As Richard Lee had experience in manufacturing precast concrete products in Sabah, the late Lee Khee Chong introduced him to Lee Hon Hwa and Lee Khim Hwa to explore the opportunity to jointly manufacture concrete products in Sabah. In 2007, Mega Summit commenced business in the trading of concrete poles and construction materials, as well as the rental of moulds and machinery which comprised the rental of a concrete products manufacturing facility (inclusive of moulds and machinery) located in Inanam, Sabah to Winabumi. Subsequently in 2014, Mega Summit commenced manufacturing concrete products following the establishment of the Kota Kinabalu Factory. On 31 December 2016, Mega Summit ceased manufacturing concrete products and on 1 January 2017 rented the Kota Kinabalu Factory (inclusive of moulds and machinery) to Winabumi. The concrete products manufacturing facility at Inanam was subsequently shut down in 2023. Pursuant to the Acquisitions, as at the LPD, our Company held 100.00% of the equity interest in Mega Summit.

TEK Properties was incorporated in 2012 by the late Lee Khee Chong and the late Tan Eng Kim who each held 50.00% equity interest in the company. TEK Properties commenced operations in 2012 in property holdings when it acquired Lot 66140, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak (the land where Ipoh Factory 3 is located) and rented the land to PMW Concrete (TEK Properties then rented this land to PMW Industries starting in 2014). In 2013, the late Lee Khee Chong and the late Tan Eng Kim transferred their entire equity interests in TEK Properties to Lee Hon Hwa, Lee Khim Hwa and Lee Siew Yoke. Pursuant to the Acquisitions, as at the LPD, our Company held 100.00% of the equity interest in TEK Properties.

In 2016, Winabumi Marketing was incorporated by Lee Hon Hwa, Lee Khim Hwa and Richard Lee who held 33.40%, 33.30% and 33.30% of equity interest respectively. Lee Hon Hwa, Lee Khim Hwa, and Richard Lee decided to use the "Winabumi" name for this new company to establish the brand in Sabah. The company commenced business in the same year and is involved in the trading of spun piles, square piles and related products. Winabumi Marketing is focused on serving the market in Sabah. Pursuant to the Acquisitions, as at the LPD, our Company held 100.00% of the equity interest in Winabumi Marketing.

PMW Tower was incorporated in 2021 by Lee Hon Hwa, Lee Khim Hwa, and Lee Siew Yoke who held 40.00%, 40.00% and 20.00% of equity interest respectively. In 2022, Lee Hon Hwa, Lee Khim Hwa and Lee Siew Yoke respectively disposed of 16.00%, 16.00%, and 8.00% equity interests in PMW Tower to Puncak Menara Global Sdn Bhd. After this, Puncak Menara Global Sdn Bhd, Lee Hon Hwa, Lee Khim Hwa, and Lee Siew Yoke respectively held 40.00%, 24.00%, 24.00%, and 12.00% of the equity interests of PMW Tower. Subsequently in 2023, Puncak Menara Global Sdn Bhd disposed of its entire equity interests in PMW Tower to Lee Hon Hwa, Lee Khim Hwa, and Lee Siew Yoke, and their respective equity interests in the company were 40.00%, 40.00%, and 20.00% as at the LPD. PMW Tower commenced business in 2023 in the trading of concrete products. As its intention is to venture into rental of communication tower, it has subsequently novated the contracts with its customers for the supply of concrete products to PMW Marketing in March 2024 which is more in line with PMW Marketing's principal activities. PMW Tower is dormant as at the LPD. Pursuant to the Acquisitions, as at the LPD, our Company held 100.00% of the equity interest in PMW Tower.

6. INFORMATION ON OUR GROUP (Cont'd)

With respect to when our Promoters and substantial shareholders joined our Group:

- Lee Hon Hwa, our Executive Director and Chief Executive Officer, joined PMW Industries as a Sales Manager in 2000. He was appointed to our Board in 2024;
- Lee Khim Hwa, our Executive Director and Chief Business Development Officer, joined PMW Marketing in 1996 as a Marketing Executive. He was appointed to our Board in 2024; and
- Lee Siew Yoke, our Chief Human Resources Officer, was officially appointed as Office Executive of PMW Industries, PMW Marketing and Kumpulan Asma in 1995. She was promoted as Chief Human Resources Officer of our Group in 2025.

Lee Hon Hwa, Lee Khim Hwa and Lee Siew Yoke are siblings. The late Lee Khee Chong and the late Tan Eng Kim were husband and wife, and the parents of Lee Hon Hwa, Lee Khim Hwa and Lee Siew Yoke.

The key events and milestones of our business operations are as follows:

Year	Key events and milestones
1991	• Kumpulan Asma, a company incorporated in Malaysia in 1984, was acquired by the late Lee Khee Chong and the late Tan Eng Kim in 1991 and commenced business as a property holding company.
1992	• PMW Industries, a company incorporated in Malaysia in 1992, commenced business operations in the same year in manufacturing of moulds and machinery for spun poles and piles, and spun pole accessories at our Ipoh Factory 1, which was completed in the same year.
1994	• UBP Industri, a company incorporated in Malaysia in 1994, commenced business in the same year when it took over the business of UBP, which was involved in manufacturing and dealers of metal and mechanical engineering products. UBP Industri changed its name to PMW Marketing in 2016. • In 1994, our Ipoh Factory 2 was completed and we expanded our manufacturing of moulds and machinery for spun poles and piles, spun poles accessories there in the same year.
2005	• PMW Concrete, a company incorporated in Malaysia in 2005, commenced business operations in 2006 in manufacturing concrete products. • Winabumi, a company incorporated in Malaysia in 2005, commenced business operations in 2007 in the manufacturing of concrete products initially at a rented manufacturing facility at Inanam, Sabah.
2006	• Mega Summit, a company incorporated in Malaysia in 2006, commenced business operations in 2007 initially in the trading of concrete poles and construction materials, and rental of moulds and machinery (comprising a concrete products manufacturing facility that it rented to Winabumi). • In 2006, PMW Industries secured a contract to supply standard poles and commenced manufacturing the product at Ipoh Factory 2 (which had been converted to a spun products manufacturing facility). • In 2006, PMW Industries transferred the spun products manufacturing business and rented Ipoh Factory 2 (including the moulds and machinery) to PMW Concrete, which then commenced business operations in manufacturing spun products. Following this, PMW Industries commenced our rental of moulds and machinery business.
2012	• TEK Properties was incorporated in Malaysia on 5 March 2012 and commenced operations in 2012 in property holdings. • PMW Industries completed the construction of the Kuching Factory and we commenced manufacturing of standard poles there in 2012. We subsequently ceased manufacturing operations at the Kuching Factory in 2024 and have disposed of the Kuching operations to non-related parties.
2013	• PMW Industries secured a non-recurring contract to manufacture, install, and commission the moulds and machinery for a spun pole manufacturing plant in Nigeria. The contract does not specify duration as it is non-recurring.

6. INFORMATION ON OUR GROUP (Cont'd)

Year	Key events and milestones
2014	- Mega Summit expanded its business activities when it commenced manufacturing of concrete products in 2014 following the establishment of the Kota Kinabalu Factory. On 31 December 2016, Mega Summit ceased manufacturing concrete products and on 1 January 2017 rented the Kota Kinabalu Factory, including moulds and machinery, to Winabumi who utilises them to manufacture spun products. - PMW Industries secured non-recurring purchase orders from Oman Poles to manufacture, install, and commission the moulds and machinery for their concrete products manufacturing plant in Sumail, Oman which became operational in 2015. The purchase orders do not specify duration as they are non-recurring. We have subsequently received additional non-recurring purchase orders from Oman Poles to manufacture moulds and machinery for them as and when required.
2016	- Winabumi Marketing was incorporated in Malaysia in 2016 and commenced business operations in the same year. The company's business activity is in the trading of spun piles, square piles and related products. - PMW Industries secured a non-recurring purchase order to manufacture standard pole moulds and accessories for a customer in Batam, Indonesia. The purchase order does not specify duration as it is non-recurring.
2018	PMW Industries expanded our export markets through securing a non-recurring purchase order to manufacture moulds and machinery for a spun pole manufacturing plant from a customer in the Philippines in 2018. The purchase order does not specify duration as it is non-recurring.
2019	In 2019, PMW Industries secured non-recurring purchase orders from our related party, Kumait, to manufacture and supervise the installation and commissioning of moulds and machinery for their spun pole manufacturing plant in Saudi Arabia. The purchase orders do not specify duration as they are non-recurring.
2021	- PMW Tower was incorporated in Malaysia in November 2021. The company commenced business in 2023 in the trading of concrete products. - PMW Industries secured non-recurring purchase orders to manufacture moulds to produce spun pole for a major customer, in the USA, namely Customer Group A. The purchase orders do not specify duration as they are non-recurring.
2022	- PMW Industries completed the construction of a new manufacturing plant located in Ipoh (Ipoh Factory 3) in 2022. The factory commenced manufacturing operations in 2023 after the testing and commissioning of the manufacturing lines was completed. - PMW Industries expanded its export market to Poland through a non-recurring purchase order to manufacture moulds and machinery for a spun pole manufacturing plant from a customer in the Poland in 2022. The purchase order does not specify duration as it is non-recurring.
2024	- Our Company was incorporated in Malaysia in 2024, commenced business operations in the same year as an investment holding company. - PMW Lighting, a company incorporated in Malaysia in 2024, commenced business in the same year in the trading of lighting fixtures.
2025	- As at the LPD, the principal business activity of this company is to manufacture lighting fixtures which commenced in May 2025. - Pursuant to the Acquisitions, the acquisition of 49.00% equity interest in PMW Concrete was completed in May 2025 and the acquisition of 100.00% equity interest in Winabumi was completed in September 2025. Please refer to Sections 6.6 (i) and 6.6 (ii) of this Prospectus for additional information on the Acquisitions.

6. INFORMATION ON OUR GROUP (Cont'd)**6.1.2 Principal place of business**

As at LPD, the Group's offices and operational facilities are set out in the table below:

Subsidiaries	Main Functions	Approximate built-up area (sq. ft)	Ownership	Address
PMW Industries, PMW Concrete, PMW Marketing, PMW Tower, TEK Properties, and Kumpulan Asma	Group head office and manufacturing facilities (Ipoh Factory 1 and Ipoh Factory 2 ⁽¹⁾)	105,070	Owned	Lot 133077, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak
PMW Industries	Manufacturing facility (Ipoh Factory 3)	45,958	Owned	Lot 66140, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak
PMW Concrete and Kumpulan Asma	Open storage area (Bemban Land) ⁽²⁾	⁽²⁾ N/A	Owned	Lot No. 378559, Lorong Bemban, Kawasan Perindustrian Bemban 3, 31000 Batu Gajah, Perak
Winabumi, Winabumi Marketing and Mega Summit	Office and manufacturing facility (Kota Kinabalu Factory) ⁽³⁾	103,517	Owned	Lots 5, 6 and 7, Lorong 2A-1, KKIP Timur Industrial Zone 12, Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah
Mega Summit	Office	1,200	Owned	DBKK 9-3. 3 rd Floor, Lot 21, Block C, Lintas Square, 88300 Kota Kinabalu
Winabumi ⁽⁵⁾	Open storage area	⁽⁴⁾ N/A	Rented	Lot 2, Industrial Zone 10, Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah
Mega Summit	Open storage area	⁽⁴⁾ N/A	Rented	Lot 1, Jalan 2A-1, KKIP Timur Industrial Zone 12, Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah
PMW Lighting	Manufacturing facility ⁽⁶⁾ (Ipoh Factory 4)	13,020	Rented	Block B Plot 15, Hala Perusahaan Menglembu 12, 31450 Menglembu, Perak
PMW Marketing	Sales Office	8,712	Rented	31, Jalan 22/5, Seksyen 22, 40300 Shah Alam, Selangor

Notes:

- (1) Ipoh Factory 2 is owned by Kumpulan Asma and rented to PMW Concrete.
- (2) Bemban Land is a vacant land intended for storage purposes and yet to be utilised by the Group.
- (3) Kota Kinabalu Factory is owned by Mega Summit and rented to Winabumi.
- (4) This vacant land is rented by Mega Summit for storage purposes.
- (5) Based on the Deed of Novation between Alfa Steel Sdn Bhd, Mega Summit and Winabumi dated 1 September 2025, Mega Summit's rights and obligations under the Tenancy Agreement between Alfa Steel Sdn Bhd and Mega Summit dated 18 June 2024 have been novated to Winabumi.
- (6) PMW Lighting commenced manufacturing activity in May 2025.

6. INFORMATION ON OUR GROUP (Cont'd)**6.2 SHARE CAPITAL**

As at the LPD, the share capital of our Company is RM89,205,102 comprising 713,640,816 Shares. The changes in the share capital of our Company since incorporation up to the LPD are as follows:

Date of allotment	No. of Shares allotted	Type of Issue / Consideration	No. of cumulative Shares	Cumulative share capital (RM)
23 January 2024	100	Cash / Subscriber's share	100	100
31 December 2024	63,550,000	Otherwise than cash / Shares issued pursuant to capitalisation of amount owing to Lee United Holding	63,550,100	63,550,100
22 January 2025	5,000,000	Otherwise than cash / Shares issued pursuant to capitalisation of amount owing to Lee United Holding	68,550,100	68,550,100
19 February 2025	1	Cash	68,550,101	68,550,101
25 August 2025	20,655,001	Otherwise than cash / Consideration for the Acquisition of Existing Shares in Subsidiaries	89,205,102	89,205,102
23 September 2025	624,435,714	Share Split	713,640,816	89,205,102

As at the LPD, our Company does not have any outstanding warrants, options, convertible securities or uncalled capital. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

Upon completion of our IPO, our Company's existing issued share capital will increase from RM89,205,102 comprising 713,640,816 Shares to RM147,274,966 comprising 892,051,816 Shares.

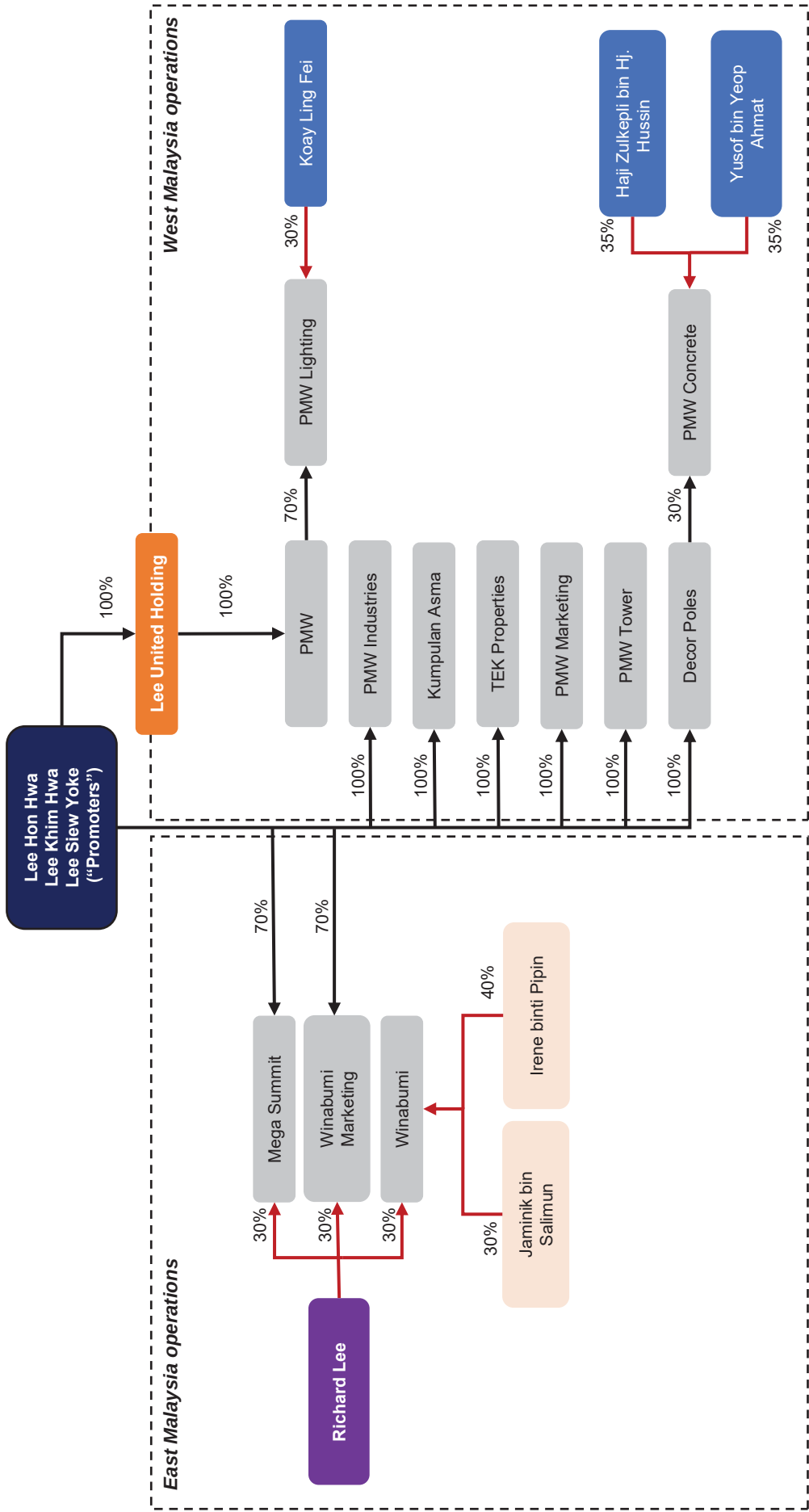
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6. INFORMATION ON OUR GROUP (Cont'd)

6.3 GROUP STRUCTURE

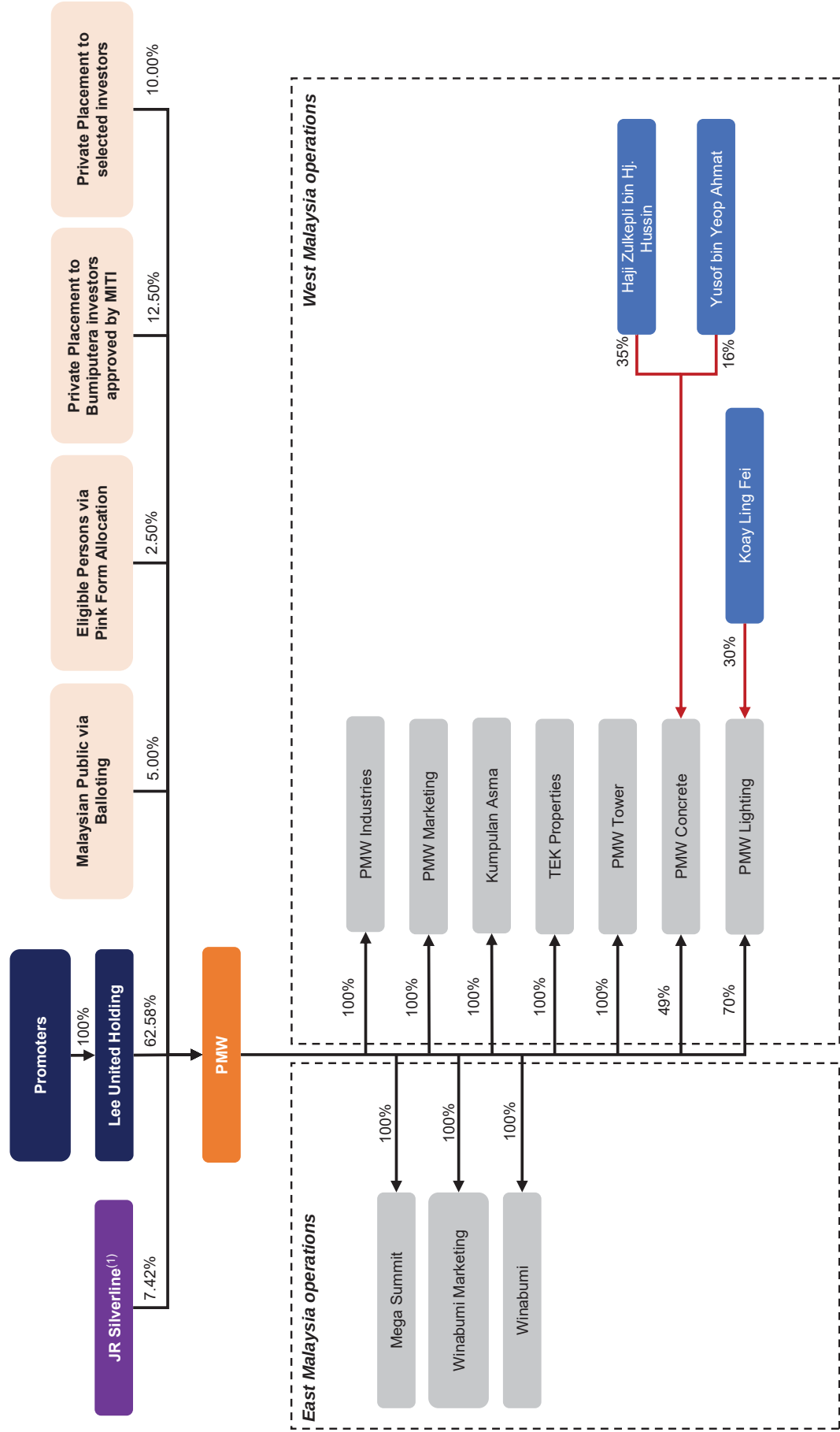
Our Group structure is as follows:

Before our Pre-IPO Internal Restructuring Exercise



6. INFORMATION ON OUR GROUP (Cont'd)

After our IPO



6. INFORMATION ON OUR GROUP (Cont'd)**6.4 INFORMATION ON OUR SUBSIDIARIES**

The details of our Subsidiaries as at the LPD is summarised as follows:

Name and Registration number	Date / Country of incorporation	Principal place of business	Effective equity interest (%)	Principal activities
Kumpulan Asma (198401007036 (119551-D))	12 May 1984 / Malaysia	Malaysia	100.00	Rental of properties
Mega Summit (200601018365 (738118-A))	19 June 2006 / Malaysia	Malaysia	100.00	Trading of construction materials and concrete poles; Rental of properties and machinery
PMW Concrete (200501015120 (692167-W))	19 May 2005 / Malaysia	Malaysia	⁽¹⁾ 49.00	Manufacturing and trading of pre-stressed spun concrete poles, concrete products and steel poles ⁽³⁾
PMW Industries (199201015793 (247297-K))	20 August 1992 / Malaysia	Malaysia	100.00	Manufacturing of moulds for concrete poles and piles, and related machinery and parts; Manufacturing or trading of pre-stressed spun concrete poles, concrete piles, steel poles, concrete products and its related materials; Rental of properties and machinery ⁽³⁾
PMW Lighting (202401017270 (1563120-V))	2 May 2024 / Malaysia	Malaysia	⁽²⁾ 70.00	Manufacturing and trading of lighting equipment
PMW Marketing (199401008191 (293870-H))	5 April 1994 / Malaysia	Malaysia	100.00	Trading of concrete poles and tower products
PMW Tower (202101039447 (1439747-W))	23 November 2021 / Malaysia	Malaysia	100.00	Dormant ⁽⁴⁾
TEK Properties (201201007393 (980913-M))	5 March 2012 / Malaysia	Malaysia	100.00	Rental of properties
Winabumi (200501032815 (714955-H))	15 November 2005 / Malaysia	Malaysia	100.00	Manufacturing and trading of prestressed spun concrete poles, concrete piles and concrete products
Winabumi Marketing (201601010993 (1181924-X))	31 March 2016 / Malaysia	Malaysia	100.00	Trading of concrete piles and its related building material

Notes:

- (1) Following the completion of the Acquisition of PMW Concrete on 5 May 2025, our Company owns 49.00% of the equity interest in PMW Concrete. The remaining 51.00% of the equity interest in PMW Concrete are held by Haji Zulkepli Bin Hj. Hussin and Yusof Bin Yeop Ahmat who have been shareholders since October 2005 and January 2017 respectively. PMW Concrete is also required to maintain its recognition as a Bumiputera company pursuant to the Sijil Akuan Pendaftaran Syarikat Bumiputera issued by the MOF.

6. INFORMATION ON OUR GROUP (Cont'd)

- (2) *The remaining 30.00% of equity interest in PMW Lighting is held directly by Koay Ling Fei as he does not wish to participate in the listing exercise as he is of the view that his expertise is mainly on lighting products and not poles or piles.*
- (3) *PMW Concrete and PMW Industries do not share manufacturing facilities or processes including direct labour. PMW Concrete and PMW Industries only share administrative facilities such as office building, security systems, rest areas, training and meeting rooms, information technology (IT) systems and human resources (HR) functions.*
- (4) *PMW Tower commenced business in 2023 in the trading of concrete products. As its intention is to venture into rental of communication tower, it has subsequently novated the contracts with its customers for the supply of concrete products to PMW Marketing in March 2024 which is more in line with PMW Marketing's principal activities.*

6.4.1 Kumpulan Asma**(i) Background and history**

Kumpulan Asma was incorporated in Malaysia under the Companies Act 1965 on 12 May 1984 as a private limited company and is deemed registered under the Act. Kumpulan Asma is principally involved in the rental of properties.

(ii) Share capital

As at the LPD, the issued share capital of Kumpulan Asma is RM8,250,000 comprising 8,250,000 ordinary shares.

The changes in the issued share capital of Kumpulan Asma during the Financial Periods Under Review and up to the LPD are as follows:

<u>Date of allotment</u>	<u>No. of Kumpulan Asma shares allotted</u>	<u>Type of Issue / Consideration</u>	<u>No. of cumulative shares</u>	<u>Cumulative share capital (RM)</u>
31 December 2024	7,800,000	Otherwise than cash / Shares Dividend	8,250,000	8,250,000

(iii) Substantial shareholder and directors

Kumpulan Asma is our wholly-owned direct subsidiary. The directors of Kumpulan Asma are Lee Hon Hwa, Lee Khim Hwa and Lee Siew Yoke.

(iv) Subsidiary, associate company and joint venture

Kumpulan Asma does not have any subsidiary, associate company or joint venture as at LPD.

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

6.4.2 Mega Summit**(i) Background and history**

Mega Summit was incorporated in Malaysia under the Companies Act 1965 on 19 June 2006 as a private limited company and is deemed registered under the Act. Mega Summit is principally involved in the trading of construction materials and concrete poles, and rental of properties and machinery.

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

As at the LPD, the issued share capital of Mega Summit is RM21,000,000 comprising 21,000,000 ordinary shares.

The changes in the issued share capital of Mega Summit during the Financial Periods Under Review and up to the LPD are as follows:

<u>Date of allotment</u>	<u>No. of Mega Summit shares allotted</u>	<u>Type of Issue / Consideration</u>	<u>No. of cumulative shares</u>	<u>Cumulative share capital (RM)</u>
31 December 2024	20,000,000	Otherwise than cash / Shares Dividend	21,000,000	21,000,000

(iii) Substantial shareholder and directors

Mega Summit is our wholly-owned direct subsidiary. The directors of Mega Summit are Lee Hon Hwa, Lee Khim Hwa and Richard Lee.

(iv) Subsidiary, associate company and joint venture

Mega Summit does not have any subsidiary, associate company or joint venture as at LPD.

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

6.4.3 PMW Concrete**(i) Background and history**

PMW Concrete was incorporated in Malaysia under the Companies Act 1965 on 19 May 2005 as a private limited company and is deemed registered under the Act. PMW Concrete is principally involved in manufacturing and trading of pre-stressed spun concrete poles, concrete products and steel poles.

(ii) Share capital

As at the LPD, the issued share capital of PMW Concrete is RM1,000,000 comprising 1,000,000 ordinary shares. There has been no change in the issued share capital of PMW Concrete for the past 3 years preceding the LPD.

(iii) Substantial shareholder and directors

As at the LPD, our Company owns 49.00% of the equity interest in PMW Concrete and the remaining 35.00% and 16.00% are owned by Haji Zulkepli bin Hj. Hussin and Yusof bin Yeop Ahmat, respectively. The directors of PMW Concrete are Haji Zulkepli bin Hj. Hussin Muhamad Ikhwan bin Muhamad Azizie and Azaniyatun Adawiyah binti Abdul Aziz.

(iv) Subsidiary, associate company and joint venture

PMW Concrete does not have any subsidiary, associate company or joint venture as at LPD.

6. INFORMATION ON OUR GROUP (Cont'd)**(v) Financial information of PMW Concrete**

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	29,406	⁽¹⁾ 47,571	⁽²⁾ 51,680	⁽³⁾ 60,126	22,636	⁽⁴⁾ 26,165
Cost of sales	(25,794)	(40,473)	(43,569)	(51,338)	(18,771)	(20,451)
GP	3,612	7,098	8,111	8,788	3,865	5,714
Other income	173	106	91	67	93	35
Administrative expenses	(4,027)	⁽⁵⁾ (5,782)	⁽⁶⁾ (5,393)	⁽⁷⁾ (6,050)	(2,386)	⁽⁸⁾ (2,297)
Results from operating profit	(242)	1,422	2,809	2,805	1,572	3,452
Finance income	5	10	13	29	6	11
Finance costs	(19)	(17)	(26)	(21)	(8)	(8)
PBT / (LBT)	(256)	⁽⁹⁾ 1,415	⁽¹⁰⁾ 2,796	⁽¹¹⁾ 2,813	1,570	⁽¹²⁾ 3,455
Tax expense	(124)	(454)	(726)	(694)	(393)	(853)
PAT / (LAT)	(380)	⁽⁹⁾ 961	⁽¹⁰⁾ 2,070	⁽¹¹⁾ 2,119	1,177	⁽¹²⁾ 2,602

Notes:

- (1) The revenue increased from RM29.41 million in FYE 2021 to RM47.57 million in FYE 2022, representing an increase of RM18.16 million or 61.77%, mainly due to higher demand of wire cage which sold to Decor Poles for its use of the purpose of manufacturing of decorative pole. There was also increase in the demand of concrete pole which sold to Decor Poles, TNB Group, TM Group and PMW Marketing.
- (2) The revenue increased from RM47.57 million in FYE 2022 to RM51.68 million in FYE 2023, representing an increase of RM4.11 million or 8.64%, mainly due the higher demand of concrete pole from TNB Group increased from RM17.87 million in FYE 2022 to RM20.95 million in FYE 2023 and higher demand of steel pole from TM Group increased from RM4.17 million in FYE 2022 to RM6.33 million in FYE 2023.
- (3) The revenue increased from RM51.68 million in FYE 2023 to RM60.13 million in FYE 2024, representing an increase of RM8.45 million or 16.34%, mainly due to the increase in demand of concrete pole supplied to TNB Group from RM20.95 million in FYE 2023 to RM28.75 million in FYE 2024. The increase in revenue in FYE 2024 was also partially offset by the decrease of sales to Decor Poles, which turned into dormant in FYE 2024.
- (4) The revenue increased from RM22.64 million in FPE 2024 to RM26.17 million in FPE 2025, representing an increase of RM3.53 million or 13.49%, mainly due to the increase in demand of concrete pole supplied to PMW Marketing from RM6.35 million in FPE 2024 to RM8.63 million in FPE 2025 and contribution from TM Group from 2.39 million in FPE 2024 to RM3.49 million in FPE 2025. The growth in revenue was further supported by price revisions implemented during the year, resulting in higher average selling prices and contributing to the overall increase.
- (5) The administrative expense increased from RM4.03 million in FYE 2021 to RM5.78 million in FYE 2022, representing an increase of RM1.76 million or 43.56%, mainly due to the management fees charged by PMW Industries, started from January 2022 at the rate of RM0.04 million per month. There was also increase of both recruitment expenses and sales commission expenses which was in line with the increase in the revenue in FYE 2022.
- (6) The administrative expense decreased from RM5.78 million in FYE 2022 to RM5.39 million in FYE 2023, representing a decrease of RM0.39 million or 6.71%, mainly due to lower recruitment expenses from RM0.31 million in FYE 2022 to RM0.11 million in FYE 2023 as there was a decline in foreign worker recruitment activity during FYE 2023.
- (7) The administrative expense increased from RM5.39 million in FYE 2023 to RM6.05 million in FYE 2024, representing an increase of RM0.66 million or 12.18%, mainly due to the increase in the sales commission expense from RM2.00 million in FYE 2023 to RM2.62 million in FYE 2024, which was in line with the increase in revenue in FYE 2024.

6. INFORMATION ON OUR GROUP (Cont'd)

- (8) The administrative expenses decreased from RM2.39 million in FPE 2024 to RM2.30 million in FPE 2025, representing a decrease of RM0.09 million or 3.87%, mainly due to the management fee previously charged by PMW Industries has been ceased as a result of the internal restructuring within the Group.
- (9) The PBT increased from LBT of RM0.26 million in FYE 2021 to PBT of RM1.42 million in FYE 2022, and the PAT was also increased from LAT of RM0.38 million in FYE 2021 to PAT of RM0.96 million in FYE 2022. The increases in PBT and PAT were mainly due to the increase in revenue as mentioned above.
- (10) The PBT increased from RM1.42 million in FYE 2022 to RM2.81 million in FYE 2023, and the PAT was also increased from RM0.96 million in FYE 2022 to RM2.07 million in FYE 2023. The increases in PBT and PAT were mainly due to the increased revenue and decreased administrative expenses as mentioned above.
- (11) The PBT increased from RM2.80 million in FYE 2023 to RM2.81 million in FYE 2024, and the PAT also increased from RM2.07 million in FYE 2023 to RM2.12 million in FYE 2024. The increases in PBT and PAT were mainly due to the increased revenue and offset by increased administrative expenses as mentioned above.
- (12) The PBT increased from RM1.57 million in FPE 2024 to RM3.46 million in FPE 2025, and the PAT also increased from RM1.18 million in FPE 2024 to RM2.60 million in FPE 2025. The increases in PBT and PAT were mainly due to the increased revenue and offset by decreased administrative expenses as mentioned above.

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

6.4.4 PMW Industries**(i) Background and history**

PMW Industries was incorporated in Malaysia under the Companies Act 1965 on 20 August 1992 as a private limited company and is deemed registered under the Act. PMW Industries is principally involved in manufacturing of moulds for concrete poles and piles, and related machinery and parts, manufacturing or trading of pre-stressed spun concrete poles, concrete piles, steel poles, concrete products and its related materials, and rental of properties and machinery.

(ii) Share capital

As at the LPD, the issued share capital of PMW Industries is RM34,000,002 comprising 34,000,002 ordinary shares.

The changes in the issued share capital of PMW Industries during the Financial Periods Under Review and up to the LPD are as follows:

<u>Date of allotment</u>	<u>No. of PMW Industries shares allotted</u>	<u>Type of Issue / Consideration</u>	<u>No. of cumulative shares</u>	<u>Cumulative share capital (RM)</u>
31 December 2024	33,000,000	Otherwise than cash / Shares Dividend	34,000,002	34,000,002

(iii) Substantial shareholder and directors

PMW Industries is our wholly-owned subsidiary. The directors of PMW Industries are Lee Hon Hwa, Lee Khim Hwa and Lee Siew Yoke.

(iv) Subsidiary, associate company and joint venture

PMW Industries does not have any subsidiary, associate company or joint venture as at LPD.

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

6. INFORMATION ON OUR GROUP (Cont'd)**6.4.5 PMW Lighting****(i) Background and history**

PMW Lighting was incorporated in Malaysia under the Act on 2 May 2024 as a private limited company. PMW Lighting is principally involved in manufacturing and trading of lighting equipment.

(ii) Share capital

As at the LPD, the issued share capital of PMW Lighting is RM100,000 comprising 100,000 ordinary shares.

The changes in the issued share capital of PMW Lighting during the Financial Periods Under Review and up to the LPD are as follows:

<u>Date of allotment</u>	<u>No. of PMW Lighting shares allotted</u>	<u>Type of Issue / Consideration</u>	<u>No. of cumulative shares</u>	<u>Cumulative share capital (RM)</u>
2 May 2024	2	Cash / Subscriber's shares	2	2
11 June 2024	99,998	Cash / Acquisition of shares	100,000	100,000

(iii) Substantial shareholder and directors

As at the LPD, our Company owns 70.00% of the equity interest in PMW Lighting and the remaining 30.00% is owned by Koay Ling Fei. The directors of PMW Lighting are Lee Hon Hwa, Lee Khim Hwa and Koay Ling Fei.

(iv) Subsidiary, associate company and joint venture

PMW Lighting does not have any subsidiary, associate company or joint venture as at LPD.

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

6.4.6 PMW Marketing**(i) Background and history**

PMW Marketing was incorporated in Malaysia under the Companies Act 1965 on 5 April 1994 as a private limited company under the name of UBP Industri Sdn Bhd and is deemed registered under the Act. It subsequently changed its name to PMW Marketing on 2 March 2016. PMW Marketing is principally involved in trading of concrete poles and tower products.

(ii) Share capital

As at the LPD, the issued share capital of PMW Marketing is RM2,400,002 comprising 2,400,002 ordinary shares.

The changes in the issued share capital of PMW Marketing during the Financial Periods Under Review and up to the LPD are as follows:

<u>Date of allotment</u>	<u>No. of PMW Marketing shares allotted</u>	<u>Type of Issue / Consideration</u>	<u>No. of cumulative shares</u>	<u>Cumulative share capital (RM)</u>
31 December 2024	2,000,000	Otherwise than cash / Shares Dividend	2,400,002	2,400,002

6. INFORMATION ON OUR GROUP (Cont'd)**(iii) Substantial shareholder and directors**

PMW Marketing is our wholly-owned direct subsidiary. The directors of PMW Marketing are Lee Hon Hwa, Lee Khim Hwa and Lee Siew Yoke.

(iv) Subsidiary, associate company and joint venture

PMW Marketing does not have any subsidiary, associate company or joint venture as at LPD.

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

6.4.7 PMW Tower**(i) Background and history**

PMW Tower was incorporated in Malaysia under the Act on 23 November 2021 as a private limited company. PMW Tower is currently dormant. PMW Tower intends to venture into rental of communication towers, either through collaboration or joint venture arrangement with a licensed network facility provider or through rental arrangement with any licensed network facility providers.

(ii) Share capital

As at the LPD, the issued share capital of PMW Tower is RM100 comprising 100 ordinary shares. There has been no change in the issued share capital of PMW Tower for the past 3 years preceding the LPD.

(iii) Substantial shareholder and directors

PMW Tower is our wholly-owned direct subsidiary. The directors of PMW Tower are Lee Hon Hwa, Lee Khim Hwa and Lee Siew Yoke.

(iv) Subsidiary, associate company and joint venture

PMW Tower does not have any subsidiary, associate company or joint venture as at LPD.

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

6.4.8 TEK Properties**(i) Background and history**

TEK Properties was incorporated in Malaysia under the Companies Act 1965 on 5 March 2012 as a private limited company and is deemed registered under the Act. TEK Properties is principally involved in rental of properties.

(ii) Share capital

As at the LPD, the issued share capital of TEK Properties is RM7,200,000 comprising 7,200,000 ordinary shares.

6. INFORMATION ON OUR GROUP (Cont'd)

The changes in the issued share capital of TEK Properties during the Financial Periods Under Review and up to the LPD are as follows:

<u>Date of allotment</u>	<u>No. of TEK Properties shares allotted</u>	<u>Type of Issue / Consideration</u>	<u>No. of cumulative shares</u>	<u>Cumulative share capital (RM)</u>
31 December 2024	2,100,000	Otherwise than cash / Shares issued pursuant to capitalisation of amount owing to shareholders	2,200,000	2,200,000
22 January 2025	5,000,000	Otherwise than cash / Shares Dividend	7,200,000	7,200,000

(iii) Substantial shareholder and directors

TEK Properties is our wholly-owned direct subsidiary. The directors of TEK Properties are Lee Hon Hwa and Lee Khim Hwa.

(iv) Subsidiary, associate company and joint venture

TEK Properties does not have any subsidiary, associate company or joint venture as at LPD.

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

6.4.9 Winabumi**(i) Background and history**

Winabumi was incorporated in Malaysia under the Companies Act 1965 on 15 November 2005 as a private limited company and is deemed registered under the Act. Winabumi is principally involved in manufacturing and trading of prestressed spun concrete poles, concrete piles and concrete products. Richard Lee became a shareholder of Winabumi on 6 August 2008 while Lee Hon Hwa and Lee Khim Hwa became a shareholder of Winabumi on 13 January 2025.

(ii) Share capital

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

The changes in the issued share capital of Winabumi for the Financial Periods Under Review and up to the LPD are as follows:

<u>Date of allotment</u>	<u>No. of Winabumi shares allotted</u>	<u>Type of Issue / Consideration</u>	<u>No. of cumulative shares</u>	<u>Cumulative share capital (RM)</u>
19 September 2025	900,000	Cash	1,000,000	1,000,000

(iii) Substantial shareholder and directors

Winabumi is our wholly-owned direct subsidiary. The directors of Winabumi are Lee Hon Hwa, Lee Siew Yoke, Richard Lee and Datuk Brian Lee Cherng Jey.

6. INFORMATION ON OUR GROUP (Cont'd)**(iv) Subsidiary, associate company and joint venture**

Winabumi does not have any subsidiary, associate company or joint venture as at LPD.

(v) Financial information of Winabumi

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	25,813	⁽¹⁾ 40,168	⁽²⁾ 46,363	⁽³⁾ 57,862	21,178	⁽⁴⁾ 24,245
Cost of sales	(24,835)	(36,551)	(43,407)	(51,826)	(20,688)	(20,571)
GP	978	3,617	2,956	6,036	490	3,674
Other income	⁽⁵⁾ 566	-	78	13	6	35
Administrative expenses	(1,477)	(1,546)	⁽⁶⁾ (2,197)	⁽⁷⁾ (2,595)	(858)	⁽⁸⁾ (1,480)
Net loss on impairment of financial instruments	-	-	⁽⁹⁾ (164)	164	-	-
Results from operating profit	67	2,071	673	3,618	(362)	2,229
Finance income	2	4	14	14	7	9
Finance costs	(301)	(192)	(136)	(126)	(54)	(45)
PBT / (LBT)	(232)	⁽¹⁰⁾ 1,883	⁽¹¹⁾ 551	⁽¹²⁾ 3,506	(409)	⁽¹³⁾ 2,193
Tax expense	(36)	(412)	(301)	(1,169)	-	(536)
PAT / (LAT)	(268)	⁽¹⁰⁾ 1,471	⁽¹¹⁾ 250	⁽¹²⁾ 2,337	(409)	⁽¹³⁾ 1,657

Notes:

- (1) The revenue increased from RM25.81 million in FYE 2021 to RM40.17 million in FYE 2022, representing an increase of RM14.36 million or 55.61%, mainly due to higher demand of spun pole from Sabah Electricity Sdn Bhd from RM5.84 million in FYE 2021 to RM16.68 million in FYE 2022. In addition, the demand of spun pole from TM Group was also increased from RM4.25 million in FYE 2021 to RM11.44 million in FYE 2022. The increase in revenue was partially affected by the reduction in demand from Mega Summit from RM15.39 million in FYE 2021 to RM10.45 million in FYE 2022.
- (2) The revenue increased from RM40.17 million in FYE 2022 to RM46.36 million in FYE 2023, representing an increase of RM6.20 million or 15.42%, mainly due to higher demand from Mega Summit from RM10.45 million in FYE 2022 to RM23.03 million in FYE 2023. In addition, there was also higher demand from Celcom Timur (Sabah) Sdn Bhd that increased demand of spun poles from RM0.95 million in FYE 2022 to RM8.00 million in FYE 2023. The increase in revenue was also partially offset against the reduction in order from TM Group from RM11.44 million in FYE 2022 to RM0.48 million in FYE 2023.
- (3) The revenue increased from RM46.36 million in FYE 2023 to RM57.86 million in FYE 2024, representing an increase of RM11.50 million or 24.80%, mainly due to higher demand from Celcom Timur (Sabah) Sdn Bhd from RM8.00 million in FYE 2023 to RM22.46 million in FYE 2024 and Mega Summit from RM23.03 million in FYE 2023 to RM30.34 million in FYE 2024. The increase in revenue was also partially affected by the reduction in order from Sabah Electricity Sdn Bhd from RM14.86 million in FYE 2023 to RM2.98 million in FYE 2024.
- (4) The revenue increased from RM21.18 million in FPE 2024 to RM24.25 million in FPE 2025, representing an increase of RM3.07 million or 12.65%, mainly driven by higher demand from Mega Summit and Winabumi Marketing, rising from RM13.18 million in FPE 2024 to RM15.36 million in FPE 2025, supported by price revisions implemented at the beginning of the financial year 2025. In addition, Sabah Electricity Sdn Bhd and TM Group contributed RM5.93 million and RM1.70 million respectively in FPE 2025 compared to no sales to these two customers in FPE 2024. This is also partially affected by the reduction of sales demand from Celcom Timur (Sabah) Sdn Bhd from RM8.00 million in FPE 2024 to RM1.18 million in FPE 2025.
- (5) Included in the other operating income of FYE 2021 was a wage subsidy of RM0.44 million from the government.

6. INFORMATION ON OUR GROUP (Cont'd)

- (6) *The administrative expense increased from RM 1.55 million in FYE 2022 to RM2.20 million in FYE 2023, representing an increase of RM0.65 million or 42.11%, mainly due to the increase in the payroll expenses attributed by the increased headcount of the employee from 18 employees in FYE 2022 to 23 employees in FYE 2023.*
- (7) *The administrative expense increased from RM 2.20 million in the FYE 2023 to RM2.60 million in the FYE 2024, representing an increase of RM0.40 million or 18.17%, mainly due to the increase in the payroll expenses attributed by the increased headcount of the employee from 21 employees in FYE 2023 to 28 employees in FYE 2024.*
- (8) *The administrative expenses increased from RM 0.86 million in FPE 2024 to RM1.48 million in FPE 2025, representing an increase of RM0.62 million or 41.15%, mainly due to the increase in the payroll expenses resulting from the salary increment of the employees effective from February 2025.*
- (9) *Included in net loss on impairment in financial instruments in FYE 2023 was an impairment on amount owing by Sabah Electricity Sdn Bhd, which subsequently recovered in FYE 2024.*
- (10) *The PBT increased from LBT of RM0.23 million in FYE 2021 to PBT of RM1.88 million in FYE 2022, and the PAT increased from LAT of RM0.27 million in FYE 2021 to PAT of RM1.47 million in FYE 2022. The increases in PBT and PAT were mainly due to the increase in the revenue as mentioned above.*
- (11) *The PBT decreased from RM1.88 million in FYE 2022 to RM0.55 million in FYE 2023, and the PAT decreased from RM1.47 million in FYE 2022 to RM0.25 million in FYE 2023. The decreases in PBT and PAT were mainly due to the increased direct labour cost from RM6.33 million in FYE 2022 to RM7.17 million in FYE 2023 and increased administrative expenses as mentioned above.*
- (12) *The PBT increased from RM0.55 million in FYE 2023 to RM3.62 million in FYE 2024, and the PAT increased from RM0.25 million in FYE 2023 to RM 2.34 million in FYE 2024. The increases in PBT and PAT were mainly due to the increase in the revenue as mentioned above.*
- (13) *The PBT increased from LBT of RM0.41 million in FPE 2024 to PBT of RM2.19 million in FPE 2025, and the PAT increased from LAT of RM0.41 million in FPE 2024 to PAT of RM 1.66 million in FPE 2025. The increases in PBT and PAT were mainly due to the increase in the revenue as mentioned above.*

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

6.4.10 Winabumi Marketing**(i) Background and history**

Winabumi Marketing was incorporated in Malaysia under the Companies Act 1965 on 31 March 2016 as a private limited company and is deemed registered under the Act. Winabumi Marketing is principally involved in trading of concrete piles and its related building material.

(ii) Share capital

As at the LPD, the issued share capital of Winabumi Marketing is RM50,100 comprising 50,100 ordinary shares. There has been no change in the issued share capital of Winabumi Marketing for the past 3 years preceding the LPD.

(iii) Substantial shareholder and directors

Winabumi Marketing is our wholly-owned direct subsidiary. The directors of Winabumi Marketing are Lee Hon Hwa, Lee Khim Hwa and Richard Lee.

(iv) Subsidiary, associate company and joint venture

Winabumi Marketing does not have any subsidiary, associate company or joint venture as at LPD.

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

6. INFORMATION ON OUR GROUP (Cont'd)**6.5 PRE-IPO INTERNAL RESTRUCTURING EXERCISE****(i) Capitalisation of the Amount Owing to our Promoters****(a) Declaration of dividend and allotment of shares to PMW**

The following subsidiaries had, on 31 December 2024, declared and credited dividends to its respective shareholders. The dividend amount which was credited to our Promoters was then transferred to Lee United Holding and subsequently transferred from Lee United Holding to PMW. The following subsidiaries then issue and allot new ordinary shares to PMW, as illustrated in the table below:

Subsidiary	Dividends credited to Promoters (RM'000)	Issue price (RM)	Number of new shares issued to PMW (‘000)	Date of issuance and allotment of new ordinary shares
PMW Industries	33,000	1.00	33,000	31 December 2024
Kumpulan Asma	7,800	1.00	7,800	31 December 2024
PMW Marketing	2,000	1.00	2,000	31 December 2024
Mega Summit	14,000	1.00	14,000	31 December 2024
TEK Properties	5,000	1.00	5,000	22 January 2025
	61,800			

(b) Capitalisation of shares on amount owing to Lee United Holding

In respect to the amount owing to Lee United Holding arising from the dividend amount transferred from Lee United Holding to PMW, PMW then capitalised the total amount owing to Lee United Holding of RM68.55 million arising from the following:

(i) RM61.80 million from the dividend amount utilised for the allotment of shares in the abovementioned subsidiaries; and

(ii) RM6.75 million from advances received from Lee United Holding.

The said capitalisation was made by the issuance of 63,550,000 new Shares on 31 December 2024 and 5,000,000 new Shares on 22 January 2025, both at RM1.00 per Share to Lee United Holding.

The internal restructuring exercise above enabled the Promoters to reinvest the dividend receivable into PMW and subsidiaries without multiple cash transfers between the shareholders and PMW.

6.6 LISTING SCHEME

In conjunction with and as an integral part of our Listing, our Company undertook a Listing Scheme which involved the following:

(i) Acquisition of PMW Concrete

Our Company had, on 13 March 2025 entered into a conditional share sale and purchase agreement with Decor Poles and Yusof Bin Yeop Ahmat to acquire 49.00% of the issued share capital of PMW Concrete comprising 490,000 ordinary shares for a purchase consideration of approximately RM2.99 million, which was fully satisfied by cash as illustrated in the table below:

Vendor	Unaudited NA of PMW Concrete as at 31 December 2024 (RM'000)	% of shareholding to be acquired by PMW (%)	Cash consideration to be paid (RM'000)
Decor Poles	6,099	30.00	1,830
Yusof Bin Yeop Ahmat	6,099	19.00	1,159
		49.00	2,989

6. INFORMATION ON OUR GROUP (Cont'd)

The purchase consideration of approximately RM2.99 million was arrived at on a “willing-buyer willing seller” basis after taking into consideration the unaudited NA of PMW Concrete as at 31 December 2024 of approximately RM6.10 million.

The shareholdings of PMW Concrete before and after the Acquisition of PMW Concrete is as stated in the table below:

Shareholders	Proposed Acquisition of PMW Concrete			
	Before		After	
	Number of PMW Concrete shares	(%)	Number of PMW Concrete shares	(%)
Haji Zulkepli bin Hj. Hussin	350,000	35.00	350,000	35.00
Yusof Bin Yeop Ahmat	350,000	35.00	160,000	16.00
Decor Poles	300,000	30.00	-	-
PMW	-	-	490,000	49.00
	1,000,000	100.00	1,000,000	100.00

The Acquisition of PMW Concrete was completed on 5 May 2025. Despite our Company owned 49.00% shareholding in PMW Concrete, PMW Concrete became our subsidiary by virtue of our right to appoint the majority directors in PMW Concrete pursuant to the shareholders' agreement entered into between our Company and the existing shareholders of PMW Concrete, namely Haji Zulkepli Bin Hj. Hussin and Yusof Bin Yeop Ahmat on 16 June 2025.

(ii) Acquisition of Existing Shares in Subsidiaries

Our Company had, on 13 March 2025 entered into a conditional share sale and purchase agreement with the Promoters and Richard Lee to acquire:

- (a) The existing issued shares in PMW Industries not owned by our Company comprising 1,000,002 ordinary shares for a purchase consideration of approximately RM1.09 million, which was fully satisfied by the issuance of 1,088,000 new Shares at an issue price of RM1.00 per Share.

The purchase consideration of approximately RM1.09 million was arrived at on a “willing-buyer willing seller” basis after taking into consideration the unaudited NA of PMW Industries as at 31 December 2024 of approximately RM36.89 million.

- (b) The existing issued shares in Kumpulan Asma not owned by our Company comprising 450,000 ordinary shares for a purchase consideration of approximately RM0.47 million, which was fully satisfied by the issuance of 467,000 new Shares at an issue price of RM1.00 per Share.

The purchase consideration of approximately RM0.47 million was arrived at on a “willing-buyer willing seller” basis after taking into consideration the unaudited NA of Kumpulan Asma as at 31 December 2024 of approximately RM8.57 million.

- (c) The existing issued shares in TEK Properties not owned by our Company comprising 2,200,000 ordinary shares for a purchase consideration of approximately RM2.24 million, which was fully satisfied by the issuance of 2,236,000 new Shares at an issue price of RM1.00 per Share.

The purchase consideration of approximately RM2.24 million was arrived at on a “willing-buyer willing seller” basis after taking into consideration the unaudited NA of TEK Properties as at 31 December 2024 of approximately RM7.32 million.

- (d) The existing issued shares in PMW Marketing not owned by our Company comprising 400,002 ordinary shares for a purchase consideration of approximately RM0.984 million, which was fully satisfied by the issuance of 983,000 new Shares at an issue price of RM1.00 per Share.

6. INFORMATION ON OUR GROUP (Cont'd)

The purchase consideration of approximately RM0.98 million was arrived at on a “willing-buyer willing seller” basis after taking into consideration the unaudited NA of PMW Marketing as at 31 December 2024 of approximately RM5.90 million.

- (e) The entire issued shares in PMW Tower comprising 100 ordinary shares for a purchase consideration of RM1.00, which was fully satisfied by the issuance of 1 new Share at an issue price of RM1.00 per Share.

The purchase consideration of RM1.00 was arrived at on a “willing-buyer willing seller” basis after taking into consideration the unaudited NA of PMW Tower as at 31 December 2024 of approximately RM0.02 million.

- (f) The entire issued shares in Winabumi comprising 100,000 ordinary shares for a purchase consideration of approximately RM4.54 million, which was fully satisfied by the issuance of 4,538,000 new Shares at an issue price of RM1.00 per Share.

The purchase consideration of approximately RM4.54 million was arrived at on a “willing-buyer willing seller” basis after taking into consideration the unaudited NA of Winabumi as at 31 December 2024 of approximately RM4.54 million.

- (g) The entire issued shares in Winabumi Marketing comprising 50,100 ordinary shares for a purchase consideration of approximately RM3.63 million, which was fully satisfied by the issuance of 3,625,000 new Shares at an issue price of RM1.00 per Share.

The purchase consideration of approximately RM3.63 million was arrived at on a “willing-buyer willing seller” basis after taking into consideration the unaudited NA of Winabumi Marketing as at 31 December 2024 of approximately RM3.63 million.

- (h) The existing issued shares in Mega Summit not owned by our Company comprising 7,000,000 ordinary shares for a purchase consideration of approximately RM7.72 million, which was fully satisfied by the issuance of 7,718,000 new Shares at an issue price of RM1.00 per Share.

The purchase consideration of approximately RM7.72 million was arrived at on a “willing-buyer willing seller” basis after taking into consideration the unaudited NA of Mega Summit as at 31 December 2024 of approximately RM23.15 million.

The Acquisition of Existing Shares in Subsidiaries were completed on 8 September 2025 and PMW Industries, Kumpulan Asma, TEK Properties, PMW Marketing, Winabumi, Winabumi Marketing and Mega Summit became our wholly-owned subsidiaries on 5 September 2025 and PMW Tower became our wholly-owned subsidiary on 8 September 2025.

The new Shares issued pursuant to the Acquisition of Existing Shares in Subsidiaries rank equally in all respects with our existing Shares including voting rights and are entitled to all rights and dividends and/or other distributions, the entitlement date of which is subsequent to the date of issuance of the new Shares.

(iii) Share Split

On 23 September 2025, our Company undertook a subdivision of one (1) existing Share into eight (8) Shares to enhance the liquidity of our Shares at the of Listing. Based on the illustrative share split, the total issued Shares will become 713,640,816 Shares and the shareholding structure of our Company before and after the Share Split is as follows:

	Before the Share Split		After the Share Split	
	No. of Shares	%	No. of Shares	%
PMW	89,205,102	100.00	713,640,816	100.00

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

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

(v) Listing of and quotation for our Shares

Upon completion of our Listing Scheme, our Company will be admitted to the Official List and our entire enlarged issued share capital of 892,051,816 Shares shall be listed and quoted on the ACE Market.

6.7 MATERIAL INVESTMENTS AND DIVESTITURES**6.7.1 Material investments**

Save as disclosed below, our Group has not made any other material investments during the Financial Periods Under Review and up to the LPD:

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025	1 June 2025 and up to LPD
Capital expenditure	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Buildings	265	2,182	1,090	2,270	1,215	200
Machinery and equipment	2,694	3,117	2,696	4,766	1,370	2,596
Furniture, fittings and equipment	62	452	756	688	337	215
Motor vehicles	766	93	1,476	1,518	-	-
Capital work-in-progress	318	9,353	10	1,278	855	1,148
	4,105	15,197	6,028	10,520	3,777	4,159

The above capital expenditure was financed by a combination of loans and borrowings (including hire purchases) and internally generated funds.

For FYE 2021, our capital expenditure was RM4.10 million which mainly comprised the following:

- RM2.70 million for the purchase of machinery and equipment for Ipoh Factory 1 and Kota Kinabalu Factory; and
- RM0.77 million for the purchase of motor vehicles, namely 3 units of passenger cars.

For FYE 2022, our capital expenditure was RM15.20 million which mainly comprised the following:

- RM9.35 million for capital work-in-progress which were mainly for the construction as well as machinery and equipment for Ipoh Factory 3;
- RM3.12 million for the purchase of machinery and equipment mainly for Kota Kinabalu Factory and Ipoh Factory 3; and
- RM2.18 million for buildings mainly including the extension of the Kota Kinabalu Factory and Kuching Factory as well as the purchase of an apartment.

For FYE 2023, our capital expenditure was RM6.03 million which mainly comprised the following:

- RM2.70 million for purchase of machinery and equipment mainly for Kota Kinabalu Factory and Ipoh Factory 3;
- RM1.48 million for the purchase of motor vehicles, namely 5 units of passenger cars and 1 unit of truck; and
- RM1.09 million for buildings mainly including the purchase of 1 unit of shop lot in Sabah and renovation for Ipoh Factory 3.

6. INFORMATION ON OUR GROUP (Cont'd)

For FYE 2024, our capital expenditure was RM10.52 million which mainly comprised the following:

- RM4.77 million for purchase of machinery and equipment mainly for Kota Kinabalu Factory, Ipoh Factory 1 and Ipoh Factory 3;
- RM2.27 million for buildings mainly extension of the Kota Kinabalu Factory, renovation of our office at Lintas Square, Kota Kinabalu, extension of Ipoh Factory 1 as well as additional works done for Ipoh Factory 3;
- RM1.52 million for purchase of motor vehicles, namely 9 units of passenger cars; and
- RM1.28 million for capital work-in-progress which were mainly the downpayment for the solar PV system for our Ipoh Factory 1 and Ipoh Factory 3, site clearing works on Bemban land and a land in Bukit Merah for the use as open storage area, as well as downpayment for renovation of sales office at Shah Alam, Selangor.

For FPE 2025, our capital expenditure was RM3.78 million which mainly comprised the following:

- RM1.37 million for purchase of machinery and equipment mainly for Kota Kinabalu Factory and Ipoh Factory 1;
- RM1.22 million for buildings mainly extension of the Kota Kinabalu Factory, renovation of our office at Lintas Square, Kota Kinabalu, extension of Ipoh Factory 1 as well as additional works done for Ipoh Factory 3; and
- RM0.86 million for capital work-in-progress which were mainly the machinery and equipment, site clearing works on Bemban land and a land in Bukit Merah for the use as open storage area.

Between 1 June 2025 and up to the LPD, our capital expenditure was RM4.16 million which mainly comprised the following:

- RM2.60 million for purchase of machinery and equipment mainly for Kota Kinabalu Factory, Ipoh Factory 1 and Ipoh Factory 3; and
- RM1.15 million for capital work-in-progress mainly extension of the Kota Kinabalu Factory.

6.7.2 Material divestitures

Save as disclosed below, our Group has not made any other material divestitures for the Financial Periods Under Review up to the LPD:

Capital divestitures (at cost)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	1 June 2025 and up to LPD (RM'000)
Buildings	-	-	-	1,020	-	-
Machinery and equipment	213	-	1,452	3,233	15	434
Furniture, fittings and equipment	-	-	44	112	-	1
Motor vehicles	801	98	115	526	-	5
	1,014	98	1,611	4,891	15	440

For FYE 2021, our capital divestitures of RM1.01 million mainly comprised the disposal of 4 units of passenger cars.

For FYE 2022, our capital divestitures of RM0.01 million comprised the disposal of 2 units of passenger cars.

For FYE 2023, our capital divestitures of RM1.61 million mainly comprised the disposal of old machinery and equipment.

6. INFORMATION ON OUR GROUP (Cont'd)

For FYE 2024, our capital divestitures of RM4.89 million which mainly comprised the following:

- RM1.02 million for disposal of Kuching Factory buildings;
- RM3.23 million for disposal of machinery and equipment at Kuching Factory; and
- RM0.53 million for disposal of 6 units of passenger cars.

For FPE 2025, our capital divestitures of RM0.02 million mainly comprised the disposal of old machinery and equipment.

Between 1 June 2025 and up to the LPD, our capital divestitures of RM0.43 million mainly comprised the disposal of old machinery and equipment.

6.8 PUBLIC TAKE-OVERS

During the last financial year and the current financial year up to the LPD, there were:

- (i) no public take-over offers by third parties in respect of our Shares; and
- (ii) no public take-over offers by our Company in respect of other companies' shares.

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7. BUSINESS OVERVIEW

7.1 PRINCIPAL ACTIVITIES AND PRODUCTS

7.1.1 Our business model

Our business model during the Financial Periods Under Review is depicted in the following diagram:

Business activities and revenue streams	Geographical markets	Distribution channel and customer base	Mode of operations
Principal activities  Trading: - Construction materials and other products ⁽¹⁾ - Spun poles and piles - Other concrete products ⁽²⁾ - Lighting fixtures ⁽³⁾  Manufacturing: - Spun poles and piles - Moulds, machinery, and metal products ⁽⁴⁾ - Other concrete products ⁽⁵⁾  Rental of moulds and machinery ⁽⁶⁾	Principal market  Other markets - USA - Saudi Arabia - Others ⁽⁷⁾	Main channel - direct - Manufacturers of concrete products - Telecommunications companies - Others ⁽⁸⁾ Complementary channel - indirect - Contractors - Construction companies - Distributors and Others ⁽⁹⁾	Non-recurrent revenue - Lump sum ⁽¹⁰⁾ contracts or purchase orders - Lump sum ⁽¹⁰⁾ contracts with schedule of prices - Lump sum ⁽¹⁰⁾ contracts with schedule of prices and price adjustment mechanism - Umbrella ⁽¹¹⁾ contract Recurrent revenue - Variable monthly charges subject to minimum annual charge - Fixed monthly charges

Notes:

- (1) Other products include concrete additives, diesel and fuel oil, metal and plastic accessories for concrete products (such as end plates and pointed shoes), and welding consumables and hand tools.
- (2) Other concrete products traded by our Group mainly comprised square piles, as well as a small proportion of kicking blocks.
- (3) Includes a small proportion of revenue (approximately 0.38%) from manufacturing lighting fixtures, which commenced in May 2025.
- (4) Includes steel poles, moulds and machinery parts and accessories.
- (5) Other concrete products manufactured by our Group during the Financial Periods Under Review are kicking blocks.
- (6) Includes a small proportion of revenue from the provision of maintenance and repair services for moulds and machinery that which amounted to less than 1.00% of total revenue in any single financial year or financial period during the Financial Periods Under Review.
- (7) Others include Bulgaria, Indonesia, Kuwait, Myanmar, Nigeria, Oman, the Philippines, Poland, Singapore and Vietnam.
- (8) Others mainly include manufacturers of other products such as steel poles, and lighting and decorative poles.
- (9) Others mainly include engineering service and project management companies.
- (10) Under "lump sum" contracts and purchase orders, the value is specified and the customer has committed to purchasing the types and quantities of products specified in the contract or purchase order by the delivery date or during the contract duration period.
- (11) The "umbrella" contract does not specify the contract value and does not commit the customer to purchasing any products from us.

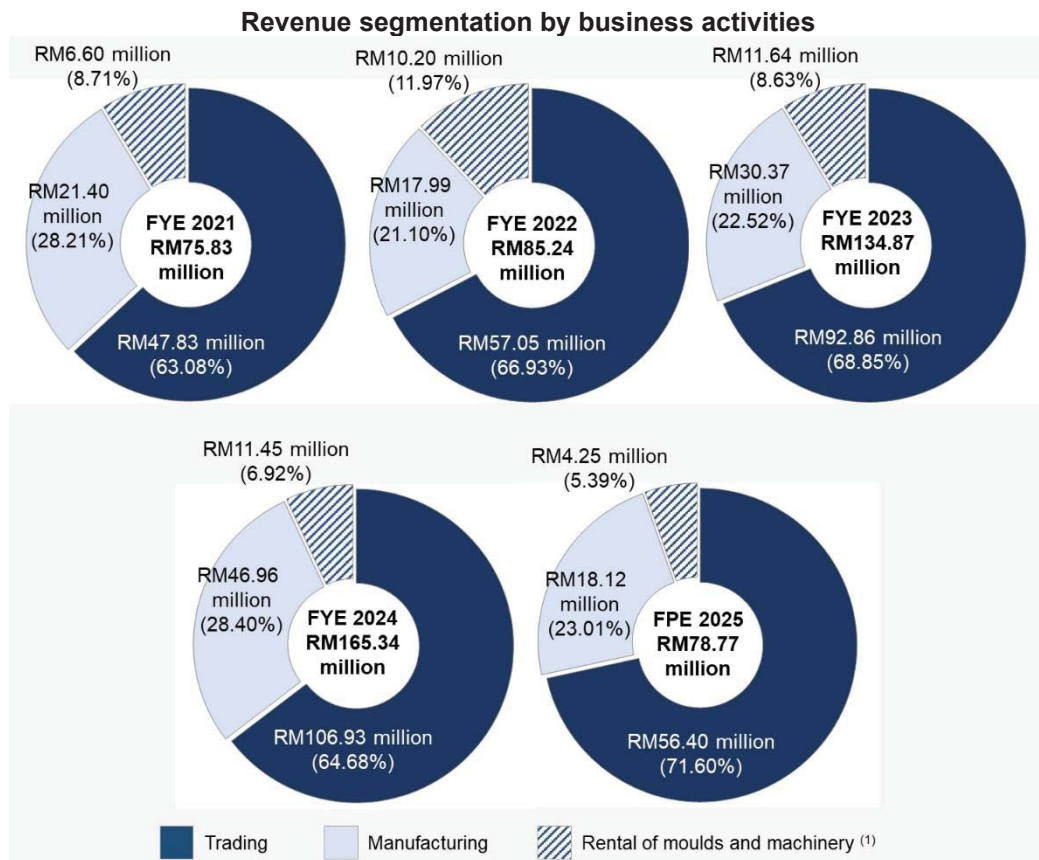
7.1.2 Business activities and revenue streams

During the Financial Periods Under Review, we were involved in the following business activities:

- trading of construction materials and other products, spun poles and piles, and other concrete products;
- manufacturing of spun poles and piles; moulds, machinery, and metal products; as well as other concrete products; and
- rental of moulds and machinery.

7. BUSINESS OVERVIEW (Cont'd)

For the Financial Periods Under Review, our revenue segmentation by business activities is as follows:



Note:

- (1) Includes a small proportion of revenue from other activities such as providing maintenance and repair services.

Further details of our revenue segmentation by business activities and types of products are provided in the following table:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Trading	47,828	63.08	57,046	66.93	92,862	68.85	106,933	64.68	56,402	71.60
Construction materials and other products ⁽¹⁾	26,657	35.16	35,938	42.16	43,965	32.60	47,470	28.71	17,579	22.32
Spun poles and piles ⁽²⁾	19,257	25.40	14,630	17.17	37,334	27.68	42,156	25.50	22,794	28.94
Other concrete products ⁽³⁾	1,914	2.52	6,478	7.60	11,563	8.57	13,368	8.09	11,719	14.87
Lighting fixtures ⁽⁴⁾	-	-	-	-	-	-	3,939	2.38	4,310	5.47
Manufacturing	21,395	28.21	17,988	21.10	30,373	22.52	46,956	28.40	18,121	23.01
Spun poles and piles ⁽⁵⁾	5,000	6.59	7,111	8.34	17,029	12.63	27,712	16.76	12,394	15.74

7. BUSINESS OVERVIEW (Cont'd)

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Moulds, machinery, and metal products ⁽⁶⁾	16,044	21.16	10,441	12.25	13,088	9.70	18,966	11.47	5,727	7.27
Other concrete products ⁽⁷⁾	351	0.46	436	0.51	256	0.19	278	0.17	-	-
Rental of moulds and machinery⁽⁸⁾	6,603	8.71	10,201	11.97	11,634	8.63	11,448	6.92	4,247	5.39
	75,826	100.00	85,235	100.00	134,869	100.00	165,337	100.00	78,770	100.00

Notes:

- (1) Other products include concrete additives, diesel and fuel oil, metal and plastic accessories for concrete products (such as end plates and pointed shoes), and welding consumables and hand tools.
- (2) We traded standard poles, monopoles, decorative poles and spun piles throughout the Financial Periods Under Review.
- (3) Traded other concrete products comprises mainly concrete square piles, and a small proportion of kicking blocks.
- (4) Includes a small proportion of revenue (approximately 0.38%) from manufacturing lighting fixtures, which commenced in May 2025.
- (5) We manufactured standard poles, monopoles, and decorative poles throughout the Financial Periods Under Review, while the manufacturing of spun piles commenced in FYE 2024.
- (6) Includes steel poles, moulds and machinery parts and accessories.
- (7) Other concrete products manufactured by our Group for the Financial Periods Under Review are kicking blocks.
- (8) Includes a small proportion of revenue from the provision of maintenance and repair services for moulds and machinery that amounted to less than 1.00% of total revenue in any single financial year or financial period during the Financial Periods Under Review.

(a) Trading

This business mainly involved the trading of the following types of construction materials and other products, spun poles and piles as well as other concrete products:

- Trading of construction materials;
 - cement;
 - steel in the form of rods and wires;
 - sand; and
 - aggregates, referring to broken or crushed rocks.
- Trading of other products;
 - concrete additives, which are chemicals added to concrete to alter their properties, such as accelerators to reduce curing time;
 - diesel and fuel oil, which are mainly used to operate vehicles and as fuel for machinery such as boilers;
 - metal and plastic accessories for concrete products such as end plates, pointed shoes, spacers, lamp holders, and service doors; and
 - welding consumables and hand tools.
- Trading of spun poles and piles.
- Trading of other concrete products, which mainly comprised square piles and a small proportion of kicking blocks.

7. BUSINESS OVERVIEW (Cont'd)

- Trading of lighting fixtures (including a small proportion from manufacturing of lighting fixtures which commenced in May 2025).

During the Financial Periods Under Review, most of our revenue from the trading of construction materials and other products was from sales to Winabumi and PMW Concrete, as well as Decor Poles (a related party which application to strike off Decor Poles from the CCM register is intended to commence in 2026). Our revenue from the trading of these construction materials and other products to Winabumi and PMW Concrete ceased when they became subsidiary companies of our Group after the Acquisitions as such sales will be deemed as inter-company transactions. The revenue from trading of these construction materials and other products to Winabumi and PMW Concrete amounted to around 34.67% (RM26.29 million), 40.24% (RM34.30 million), 32.15% (RM43.35 million), 27.87% (RM46.08 million), and 20.27% (RM15.97 million) for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively.

During the Financial Periods Under Review, most of our revenue from the trading of spun poles and piles, and other concrete products mainly comprised products manufactured by Winabumi and PMW Concrete and supplied to our Group, which we subsequently sold to our third-party customers. We buy our spun poles, piles, and other concrete products from Winabumi and PMW Concrete because we rent our factories to them and are confident in their timely delivery of quality products.

After the Acquisitions, Winabumi and PMW Concrete became our subsidiary companies. As Winabumi and PMW Concrete are subsidiary companies of our Group, as at the LPD we no longer have revenue from the trading of spun poles and piles, and other concrete products as the revenue from the sale of these products manufactured by them are captured under our manufacturing of spun poles and piles, and other concrete products business activities. The revenue from trading spun poles and piles, and other concrete products manufactured by Winabumi and PMW Concrete and supplied to our Group amounted to around 27.94% (RM21.18 million), 24.91% (RM21.21 million), 36.30% (RM48.93 million), 33.61% (RM55.57 million), and 42.98% (RM33.85 million) for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively.

(b) Manufacturing

We manufactured a range of spun poles and piles, including standard poles, monopoles, decorative poles, and spun piles. We manufactured standard poles, monopoles, and decorative poles throughout the Financial Periods Under Review, while the manufacturing of spun piles commenced in FYE 2024. These products are made from concrete reinforced with a steel cage, and the manufacturing process involves prestressing the steel rods and spinning the steel cage-reinforced concrete within a mould.

In addition, the moulds and machinery that we manufactured during the Financial Periods Under Review were for the manufacturing of concrete products such as spun poles (including standard poles, monopoles, and decorative poles) and spun piles, as well as square piles. We manufacture the moulds and machinery based on its in-house engineering designs.

We also manufacture other metal products such as the following:

- steel poles designed for telecommunication; and
- other metal products mainly concrete product accessories such as sockets and bolts, and moulds and machinery parts and accessories.

(c) Rental of moulds and machinery

Our revenue from this business activity comprised the rental of moulds and machinery which are used to manufacture spun poles (comprising standard poles and decorative poles), spun piles, and square piles, as well as material handling equipment.

7. BUSINESS OVERVIEW (Cont'd)

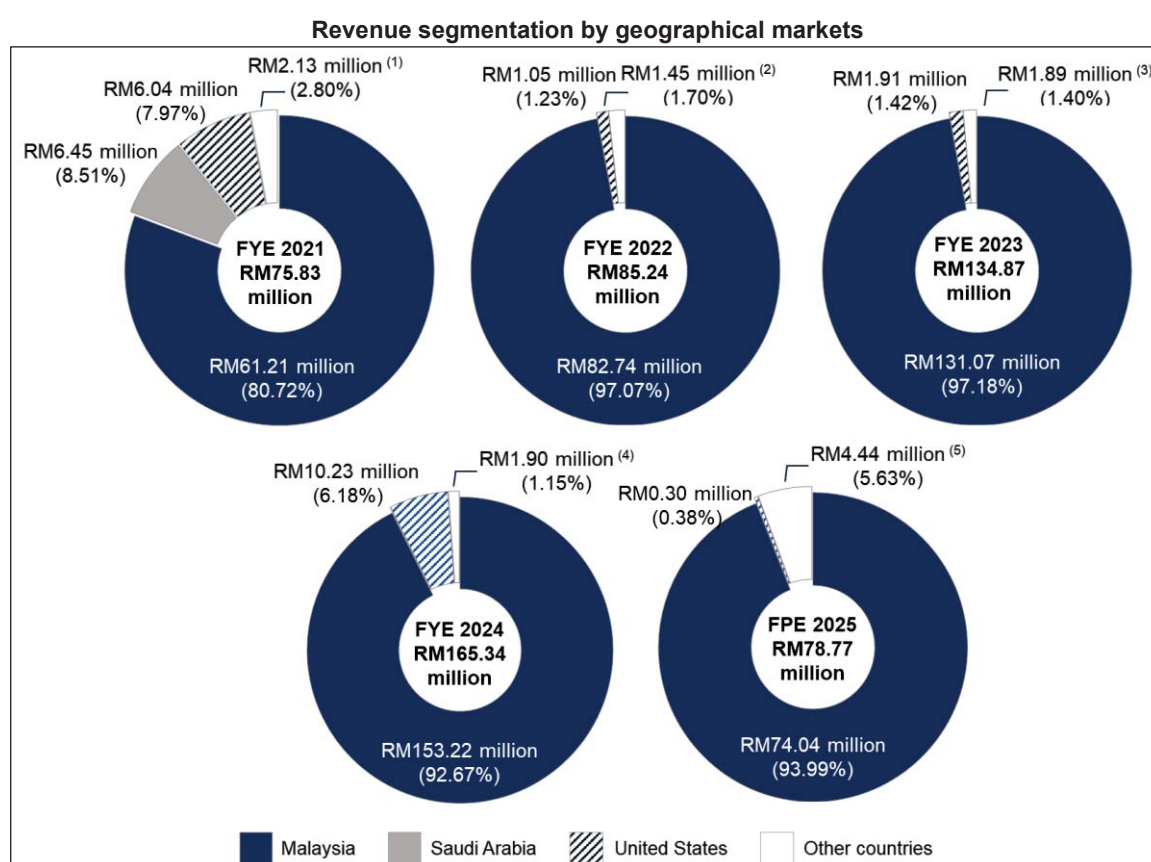
A small proportion of our revenue from this business activity was from providing repair and maintenance services for moulds and machinery, which amounted to 0.24% (RM0.18 million), 0.33% (RM0.28 million), 0.29% (RM0.39 million), less than 0.01% (less than RM0.01 million), and nil for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively.

Our revenue from the rental moulds and machinery to Winabumi and PMW Concrete ceased when they became subsidiary companies of our Group after the Acquisitions.

7.1.3 Geographical markets and operational facilities

We operate in Malaysia, with our head office presently located in Ipoh, Perak. As at the LPD, we have four manufacturing facilities at two locations, namely at Ipoh, Perak and Kota Kinabalu, Sabah, to supply products to customers throughout Malaysia.

The revenue segmentation by geographical markets based on the geographical location of customers for the Financial Periods Under Review are as follows:



Notes:

- (1) In FYE 2021, other countries included Indonesia, Oman and the Philippines, none of which accounted for more than 2.00% of our total revenue.
- (2) In FYE 2022, other countries included Indonesia, Oman, the Philippines, and Poland, none of which accounted for more than 2.00% of our total revenue.
- (3) In FYE 2023, other countries included Indonesia, Nigeria, Oman, Saudi Arabia and the Philippines, none of which accounted for more than 2.00% of our total revenue.
- (4) In FYE 2024, the other countries include Bulgaria, Oman, the Philippines, Singapore and Vietnam, none of which accounted for more than 2.00% of our total revenue.
- (5) In FPE 2025, the other countries include Indonesia, Kuwait, Myanmar, Nigeria, the Philippines, Singapore and Vietnam, none of which accounted for more than 2.00% of our total revenue respectively.

7. BUSINESS OVERVIEW (Cont'd)

7.1.4 Distribution channel and customer base

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

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Direct	53,054	69.97	63,173	74.12	79,218	58.73	105,223	63.65	45,254	57.45
Manufacturers of concrete products ⁽¹⁾	51,683	68.16	58,690	68.86	69,379	51.44	81,456	49.27	32,595	41.38
Telecommunications companies	1,358	1.79	3,794	4.45	9,199	6.82	19,819	11.99	10,326	13.11
Others ⁽²⁾	13	0.02	689	0.81	640	0.47	3,947	2.39	2,333	2.96
Indirect	22,772	30.03	22,062	25.88	55,651	41.27	60,114	36.35	33,516	42.55
Contractors	8,643	11.40	8,128	9.54	29,220	21.67	26,995	16.33	15,809	20.07
Construction companies	6,165	8.13	4,715	5.53	8,147	6.04	13,604	8.22	10,246	13.01
Distributors	6,761	8.92	7,299	8.56	9,139	6.77	10,983	6.64	3,723	4.73
Others ⁽³⁾	1,203	1.58	1,920	2.25	9,145	6.79	8,532	5.16	3,738	4.74
	75,826	100.00	85,235	100.00	134,869	100.00	165,337	100.00	78,770	100.00

Notes:

- (1) Comprised sales mainly to Winabumi and PMW Concrete, as well as third-party concrete product manufacturers.
- (2) Other direct distribution channel customers mainly include manufacturers of steel poles, and lighting and decorative poles.
- (3) Other indirect distribution channel mainly includes engineering service and project management companies.

7.1.5 Mode of operations

7.1.5.1 Overview

Our mode of operations is based on non-recurrent revenue contracts and purchase orders, and recurrent revenue contracts. For the Financial Periods Under Review, our revenue segmentation by non-recurrent revenue contracts and purchase orders, and recurrent revenue contracts are as follows:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Non-recurrent	69,223	91.29	75,034	88.03	123,235	91.37	153,889	93.08	74,523	94.61
Recurrent	6,603	8.71	10,201	11.97	11,634	8.63	11,448	6.92	4,247	5.39
	75,826	100.00	85,235	100.00	134,869	100.00	165,337	100.00	78,770	100.00

For the Financial Periods Under Review, the business activities that operate under non-recurrent revenue contracts and purchase orders comprise the following:

- trading of construction materials and other products, spun poles and piles, and other concrete products; and
- manufacturing of spun poles and piles, moulds, machinery, and metal products, and other concrete products.

For the Financial Periods Under Review, the rental of moulds and machinery operated under recurrent revenue contracts.

7. BUSINESS OVERVIEW (Cont'd)

7.1.5.2 Non-recurrent revenue contracts and purchase orders

During the Financial Periods Under Review and up to the LPD, we had the following types of non-recurrent revenue contracts and purchase orders:

- lump sum contracts or purchase orders;
- lump sum contracts with schedule of prices;
- lump sum contracts with schedule of prices and price adjustment mechanism; and
- umbrella contract with schedule of prices and price adjustment mechanism.

Non-recurrent revenue contracts and purchase orders are those where the agreed value is paid in full upon completion, subject to any retention sums or adjustments.

(a) Lump sum contracts or purchase orders

We have lump sum contracts/purchase orders for the trading of construction materials and other products, trading of concrete products, manufacture of concrete products, and manufacture of moulds, machinery and steel poles. These contracts/purchase orders are issued as and when required by our customers, and the customer chooses whether to issue contracts or purchase orders to us.

A lump sum contract/purchase order will specify, among others, the scope of work or deliverables, types and quantities of products ordered, agreed prices, delivery schedules and locations, payment terms, and conditions for liquidated ascertained damages (LAD), defect liability period (DLP) and/or warranty terms, where relevant. As they are for orders of specified types and quantities of products our lump sum contracts/purchase orders typically include an expected or specified delivery date, while contract duration, extension and renewal are not applicable.

We require payment of downpayment equivalent to 10.00% to 50.00% of the total purchase order value upon confirmation of the purchase order for contracts/purchase orders of products that are manufactured based on customer specifications (such as moulds and machinery) products that require customisation or modification, or from customers that meet certain credit-related criteria. We will invoice the customer for the remaining value of the purchase order upon delivery of the products.

For customers to whom we sell products without requiring a downpayment, we would normally invoice the full amount of the delivered products upon delivery of the products ordered.

(b) Lump sum contracts with schedule of prices

We use lump sum contracts with a schedule of prices for the manufacture of concrete products and steel poles. These contracts specify, among others, the deliverables, product types and quantities, contract duration, delivery lead times, payment terms, and conditions related to LAD, DLP, and warranties, where applicable. In addition, it includes a fixed schedule of prices for the products covered, which remains unchanged throughout the contract duration, unless there is mutual agreement between both parties to revise the prices. Unlike standard lump sum contracts or purchase orders, these contracts do not outline specific delivery schedule or locations. Depending on the contract, the Group's lump sum contracts with schedule of prices have contract duration of up to 44 months, and the contracts may also include an extension or renewal option.

Under this mode of operation, a customer has committed to purchase the specified types and quantities of products from us at agreed prices reflected in the schedule of prices, within the contract duration period as specified in the respective contract. As and when the customer requires the products, they will issue a purchase order to us that specifies the types and quantity of products required and the delivery location. We will then manufacture and deliver the products ordered to the location within the delivery lead time. Downpayment is not specified in our lump sum contracts with schedule of prices. We will invoice the customer based on the quantity and schedule of prices of the products once the products are delivered to the specified location.

7. BUSINESS OVERVIEW (Cont'd)

(c) Lump sum contracts with schedule of prices and price adjustment mechanism

Our lump sum contracts with a schedule of prices and a price adjustment mechanism apply to some of our manufacture of concrete products and steel poles. These contracts are similar to our lump sum contracts with a schedule of prices, but include a price adjustment mechanism based on factors such as the following:

- the market price of steel at the time the customer issues a purchase order; and
- the market price of similar products in a specified geographical region of Malaysia.

The customer has committed to purchasing specified types and quantities of products from us, at prices determined by the schedule of prices subject to the price adjustment mechanism outlined in the respective contract. When the customer requires the products, they will issue a purchase order detailing the types, quantities and prices (calculated using the price adjustment mechanism) of products, and the delivery location. We will deliver the products to the specified location within the agreed lead time and invoice the customer based on the quantity delivered and the prices stated in the purchase order. Downpayment is not specified in our lump sum contracts with schedule of prices and price adjustment mechanism. We will invoice the customer based on the quantity and schedule of prices of the products once they are delivered to the specified location.

(d) Umbrella contract with schedule of prices and price adjustment mechanism

We have an umbrella contract for our contract manufacturing of spun piles. This contract does not specify the contract value and does not commit our customer to purchase any products from us. The umbrella contract will specify, among others, the following:

- scope of services that we will provide to the customer;
- technical specifications of the spun piles covered by the contract;
- unit prices of the products covered by the contract (the unit prices can be revised with the mutual agreement of both parties);
- payment terms;
- initial contract duration and the terms for extending the contract; and
- terms and conditions for product replacement in the event of defects.

When the customer requires the products, they will issue a purchase order to us that specifies the types, quantity and prices (based on the agreed unit prices) of products required, total purchase order value, delivery schedule and requirements (if applicable). Upon our acceptance of the purchase order, they will pay us 50.00% of the total purchase order value (as specified in the contract). We will manufacture the products according to the schedule and invoice the customer for the remaining value of the purchase order upon delivery or collection of the products.

The umbrella contract is categorised as non-recurrent as the customer has to issue a purchase order to us whenever they want to order products from us, and the contract does not specify the contract value and does not commit the customer to purchase any products from us.

7.1.5.3 Recurrent revenue contracts

During the Financial Periods Under Review and up to the LPD, our recurrent revenue contracts are based on the following:

- variable monthly charges subject to minimum annual charge; and
- fixed monthly charges.

7. BUSINESS OVERVIEW (Cont'd)

(a) Variable monthly charges subject to minimum annual charge

Part of our rental of moulds and machinery business activity is based on variable monthly charges subject to a minimum annual charge. Under this mode of operation, the contract will specify, among others, the types and number of moulds and machinery that we rent to the customer, the schedule of rates, minimum annual charge, contract duration period, and payment terms. The variable monthly charges subject to minimum annual charge reflects the investment cost, maintenance services and upgrades (from time to time) that we provide for the rented moulds and machinery.

The schedule of rates in these contracts list down the per unit charges that are applicable for each type of concrete products manufactured by the customer using our moulds and machinery.

At the end of each month, we will invoice our customer for the monthly charge for the rental of moulds and machinery, which is calculated based on the number of units of each product type that was manufactured during the month multiplied by the corresponding per unit charge.

If the sum of monthly charges for an annual period is less than the agreed minimum annual charge specified in the contract, the customer will have to pay us the difference.

(b) Fixed monthly charges

Our rental of moulds and machinery business activity is based on fixed monthly charges. Under this mode of operation, the contract will specify, among others, the types and number of moulds and machinery that we rent to the customer, fixed machinery and equipment rental charges, contract duration period, and payment terms. The monthly charges are fixed as no maintenance or related services are provided apart from the rented moulds and machinery.

The fixed moulds and machinery rental charges specify the fixed monthly charges for each type and unit of moulds and machinery rented to the customer. The charges are not dependent on the number of concrete products manufactured by the customer.

At the end of each month, we will invoice customer for the fixed monthly charge.

7.1.5.4 Product warranty and defective products

During the Financial Periods Under Review and up to the LPD, we provide product warranty for specific types of concrete products (comprising standard poles for telecommunications and electricity distribution, and monopoles for telecommunications) and lighting fixtures, which is specified in the contract or purchase order with the respective customer. We do not provide product warranty for the other types of products. The product warranty period is specified in the contract or purchase order with the respective customer. The product warranty periods are summarised in the following table:

Type of product	Typical warranty period
Standard poles for telecommunications	1 year from date of customer acceptance
Standard poles for electricity distribution	1 and 3 years from date of delivery to the customer
Monopoles for telecommunications	Ranges between 25 and 50 years ⁽¹⁾
Steel poles	1 year
Moulds, machinery, and equipment	1 year
Lighting fixtures	2 to 5 years

Note:

- (1) The warranty period is 50 years from the date of final customer acceptance for the design and materials of the monopole, 25 years from the date of final customer acceptance for the galvanised parts, and 5 years from the date of final customer acceptance for the painting of the monopole.

7. BUSINESS OVERVIEW (Cont'd)

Our customers can file a report with us if they receive a defective product or if they discover a manufacturing defect within the warranty period. Examples of product defects include non-conformity with the specified dimensions, concrete products that are cracked, chipped or with broken joint caps, and rusted or dented steel poles. In the event that we receive a defective product report, we will send our quality control personnel to investigate the report and repair the product, if possible. If it is not possible to repair the product, we will send the customer a replacement at our cost. The costs that we incurred to replace defective products amounted to RM0.12 million, RM0.17 million, RM0.14 million, and RM0.01 million for FYE 2022, FYE 2023, FYE 2024, and FPE 2025 and were not material during the Financial Periods Under Review.

7.2 OUR PRODUCTS AND SERVICES

7.2.1 Trading

7.2.1.1 Overview

During the Financial Periods Under Review, trading accounted for 63.08% (RM47.83 million), 66.93% (RM57.05 million), 68.85% (RM92.86 million), 64.68% (RM106.93 million), and 71.60% (RM56.40 million) of our total revenue for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. Our trading business comprised the trading of construction materials and other products; spun poles and piles; and other concrete products.

7.2.1.2 Construction materials and other products

Our trading of construction materials and other products business accounted for 35.16% (RM26.66 million), 42.16% (RM35.94 million), 32.60% (RM43.97 million), 28.71% (47.47 million), and 22.32% (RM17.58 million) of our total revenue for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. All of the products that we sold to our customers under this business activity were procured from third-party suppliers and we do not manufacture them in-house.

During the Financial Periods Under Review, this business mainly involved the trading of the following types of construction materials:

- cement;
- steel in the form of bars and wires;
- sand; and
- aggregates, referring to broken or crushed rocks.

In addition, we also traded the following types of products during the Financial Periods Under Review:

- concrete additives, which are chemicals added to concrete to alter their properties, such as accelerators to reduce curing time.
- diesel and fuel oil, which are mainly used to operate vehicles and as fuel for machinery such as boilers, respectively.
- metal and plastic accessories for concrete products such as end plates, pointed shoes, sockets, spacers, lamp holders, and service doors. These are mainly used as part of spun poles and piles, or as part of the manufacturing process.
- other products such as welding consumables and hand tools.

During the Financial Periods Under Review, most of our revenue from the trading of construction materials and other products was from sales to Winabumi, PMW Concrete, as well as Decor Poles (a related party which application to strike off Decor Poles from the CCM register is intended to commence in 2026). Our revenue from the trading of these construction materials and other products to Winabumi and PMW Concrete ceased when they became subsidiary companies of our Group after the Acquisitions as such sales are deemed as inter-company transactions. During the Financial Periods Under Review, the revenue contribution from third-party customers for sales of construction materials and other products accounted to less than 2.00% of our total revenue for each of the Financial Periods Under Review.

7. BUSINESS OVERVIEW (Cont'd)

During the Financial Periods Under Review, we purchased all of the construction materials and other products that we traded from third-party suppliers. We are not dependent on any individual supplier as these products are widely available and we can purchase them from other suppliers if required. In addition, during the Financial Periods Under Review we purchased these products from approximately 100 suppliers. We have not experienced any material disruption in the supply of these construction materials and other products.

7.2.1.3 Spun poles and piles

The trading of spun poles and piles accounted for 25.40% (RM19.26 million), 17.17% (RM14.63 million), 27.68% (RM37.33 million), 25.50% (RM42.16 million) and 28.94% (RM22.79 million) of our total revenue for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. Our revenue from the trading of spun poles and piles during the Financial Periods Under Review mainly comprised of standard poles and spun piles manufactured by Winabumi and PMW Concrete and supplied to our Group, which we subsequently sold to our third-party customers. During the Financial Periods Under Review, Winabumi supplied standard poles and spun piles, while PMW Concrete supplied standard poles.

After the Acquisitions, Winabumi and PMW Concrete became our subsidiary companies, and as at the LPD we no longer have revenue from the trading of spun poles and piles. The revenue from the sale of these products manufactured by them are currently captured under our manufacturing of spun poles and piles business activity.

7.2.1.4 Other concrete products

During the Financial Periods Under Review, we also traded other concrete products mainly square piles and a small proportion of kicking blocks, which accounted for 2.52% (RM1.91 million), 7.60% (RM6.48 million), 8.57% (RM11.56 million), 8.09% (RM13.37 million) and 14.87% (RM11.72 million) of our total revenue for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. These square piles and kicking blocks were procured from Winabumi.

After the Acquisitions, Winabumi became our subsidiary company, and as at the LPD we no longer have revenue from the trading of square piles and kicking blocks. The revenue from the sale of these products manufactured by Winabumi are currently captured under our manufacturing of other concrete products category.

7.2.1.5 Lighting fixtures

For FYE 2024 and FPE 2025, the trading of lighting fixtures contributed 2.38% (RM3.94 million) and 5.47% (RM4.31 million) of our total revenue respectively. A lighting fixture is an electrical device with a light source that provides artificial lighting within and open or closed space. It includes a light source such as light emitting diodes (LED), the body, and electrical wiring and components for its operation.

We commenced trading of lighting fixtures in May 2024 through PMW Lighting. We procure the lighting fixtures from local and foreign third-party manufacturers who manufacture based on our specifications incorporating our PMW brands. As at the LPD, the types of lighting fixtures that we manufacture include the following:

Type of lighting fixture	Examples
Solar PV street light Street light with integrated solar PV module and battery to reduce electricity consumption. It can also be used in areas with no electricity supply.	



7. BUSINESS OVERVIEW (Cont'd)

Type of lighting fixture

Examples

Conventional street light

Lighting fixture with a weatherproof and durable body to provide outdoor area lighting for locations such as streets, parking areas, and compounds.



As at the LPD, the types of lighting fixtures that we trade include the following:

Type of lighting fixture

Examples

Weatherproof fixture

This lighting fixture features a durable, weatherproof body that protects against environmental stress, including high moisture and dust. They are commonly used in tunnels and carparks.



Linear high bay light fixture

Designed specifically for warehouses with a rectangular shape to distribute light more efficiently. Also suitable for large indoor spaces with high ceilings, such as manufacturing, commercial, and retail areas.



High bay hanging lamp

A hanging functional light fixture to provide wide area lighting for indoor areas.



Recessed light fixture

Light fixture with a waterproof recessed body. Designed to be compatible with conventional recessed light fixtures for easy one-for-one replacement. Suitable for locations such as petrol stations and cold storage warehouses that are exposed to moisture.



Outdoor floodlight

Floodlight with a durable weatherproof body for outdoor installation. Suitable for façade lighting and providing illumination for stadiums, gardens, paths, garages, and entryways.



Garden light

Decorative light for area lighting for compounds, parking areas, streets, walkways, and other outdoor areas. The body is made from aluminium with ultraviolet and sunlight coating.



The trading of lighting fixtures is complementary with our trading and manufacturing of standard poles and steel poles for street lighting applications as we can offer our customers with complete solution incorporating solar PV or conventional street lights.

We commenced manufacturing lighting fixtures in May 2025 at our Ipoh Factory 4, and this activity accounted for approximately 0.38% (RM0.30 million) of our total revenue for the FPE 2025. As at the LPD, we manufacture solar PV and conventional street lights in-house, while continuing to trade the other types of lighting fixtures, including weatherproof fixtures, linear high bay light fixtures, high bay hanging lamps, recessed light fixtures, outdoor floodlights, and garden lights.

7. BUSINESS OVERVIEW (Cont'd)

7.2.2 Manufacturing

7.2.2.1 Overview

During the Financial Periods Under Review, manufacturing accounted for 28.21% (RM21.40 million), 21.10% (RM17.99 million), 22.52% (RM30.37 million), 28.40% (RM46.96 million) and 23.01% (RM18.12 million) of our total revenue for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. We manufactured spun poles and piles; moulds, machinery, and metal products; as well as other concrete products.

7.2.2.2 Manufacture of spun poles and piles

During the Financial Periods Under Review, the manufacture of spun poles (comprising standard poles, monopoles, and decorative poles) and spun piles accounted for 6.59% (RM5.00 million), 8.34% (RM7.11 million), 12.63% (RM17.03 million), 16.76% (RM27.71 million) and 15.74% (RM12.39 million) of our total revenue for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. The spun poles and piles we manufacture are sold to third-party customers.

We have in-house capability to develop new designs for spun poles and piles to meet customer and market requirements. This is backed by our in-house design and manufacture of moulds and machinery to produce new spun pole and pile designs and specifications, which is described in Sections 7.2.2.3 and 7.3.3 of this Prospectus.

As at the LPD, PMW Industries, PMW Concrete, and Winabumi manufactured spun poles and piles.

(a) Spun poles and piles

Spun poles and piles including standard poles and piles, decorative poles, and monopoles are manufactured from concrete with a steel reinforcement cage embedded inside. This steel reinforcement cage provides the necessary strength and durability. All our spun poles and piles are also pre-stressed, which involves stretching the steel bars (which is anchored to one end of the mould) of the steel reinforcement cage to create tension. Pre-stressing causes the spun poles and piles to increase their resistance to bending forces.

These spun poles and piles have circular cross-sections and are hollow in the centre. Refer to Section 7.3.1.1 for more details of the manufacturing process of spun poles and piles.

The **standard poles** that we manufacture are designed to hold equipment above ground. Their applications include holding up cables for power transmission and distribution, telecommunications, and railway electrification, as well as outdoor lighting fixtures.

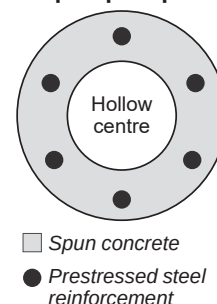
Decorative poles are similar to standard poles except that their exterior surfaces are moulded with decorative patterns, shapes, and textures, and are painted or coated to enhance their appearance. Our decorative poles are mainly used for outdoor lighting.

Our **monopoles** are designed for the installation of telecommunications equipment or power transmission cables above ground. As at the LPD, the monopoles that we manufacture consist of two to six segments and are between 18.00 metres and 45.00 metres in height (depending on the design). They are manufactured at our factory and then assembled into the complete monopole on-site.

Spun piles are designed for below-ground installation to serve as foundations for buildings, bridges, and other structures. They are installed to transfer the load from the above-ground structure to more stable rock or soil underground.

Please refer to Sections 7.3.1 of this Prospectus for additional information on our spun poles and piles.

Cross-section of spun pole/pile



7. BUSINESS OVERVIEW (Cont'd)

After the Acquisitions, Winabumi and PMW Concrete became subsidiary companies of our Group, following which our revenue from the manufacture of spun poles and piles included revenue contribution from the sale of spun poles and piles manufactured by Winabumi and PMW Concrete that are sold to third-party customers.

In 2024, PMW Industries entered into a contract manufacturing agreement to manufacture spun piles for a customer on an original equipment manufacturing (OEM) basis. This contract is in the form of a non-recurrent umbrella contract with schedule of prices and price adjustment mechanism. For FYE 2024 and FPE 2025, this business activity accounted for 1.13% and 2.77% respectively of our total revenue.

7.2.2.3 Manufacture of moulds, machinery, and metal products

The manufacture of moulds, machinery, and metal products collectively accounted for 21.16% (RM16.04 million), 12.25% (RM10.44 million), 9.70% (RM13.09 million), 11.47% (RM18.97 million) and 7.27% (RM5.73 million) of our total revenue for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively.

Moulds and machinery

During the Financial Periods Under Review, the manufacture of moulds and machinery accounted for 19.10% (RM14.49 million), 3.51% (RM2.99 million), 3.04% (RM4.10 million), 7.57% (RM12.51 million) and 4.43% (RM3.49 million) of our total revenue for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively.

This business activity involves manufacturing in-house designed moulds and machinery that are used to manufacture concrete products, including spun poles and piles, and square piles. We can have the capability to carry out the Engineering, Procurement, Construction and Commissioning (EPCC) of a complete concrete products manufacturing facility whereby we manufacture the moulds and most of the machinery in-house, with equipment such as electric motors and boilers, and the balance of equipment procured from third-party suppliers. This is summarised in the following table listing down the main machinery required for a concrete product manufacturing facility, and the source:

Type of machinery	Source
Warm button heading machine	Manufactured in-house
Automated steel caging machine	Manufactured in-house
Demoulding oil machine	Manufactured in-house
Pre-stressing machine	Manufactured in-house
Concrete feeding systems	Manufactured in-house
Centrifugal spinning machine	Manufactured in-house
De-moulding machine	Manufactured in-house
Concrete batching system	Procured from third-party suppliers
Steam curing system	Procured from third-party suppliers
Steel straightening and cutting machine	Procured from third-party suppliers

Our moulds and machinery manufacturing projects to set-up concrete products manufacturing plants include the following:

- The project from Oman Pole to manufacture, install, and commission the moulds and machinery for their concrete products manufacturing plant in Sumail, Oman which became operational in 2015; and
- The project from Kumait to manufacture and supervise the installation and commissioning of moulds and machinery for their spun poles manufacturing plant in Saudi Arabia.

Please refer to Section 7.3.3 of this Prospectus for additional information on our manufacturing of moulds and machinery for manufacturing spun poles and piles, and square piles business.

7. BUSINESS OVERVIEW (Cont'd)

Metal products

We currently manufacture steel poles with hollow round cross-sections. These are used to string telephone cables. Our steel poles are planted type, where the base of the steel pole is buried in the ground to a certain depth. For the Financial Periods Under Review and up to the LPD, we manufacture steel poles for telecommunications applications with heights of 6.70 metres or 7.60 metres.

For the Financial Periods Under Review, the manufacture of steel poles accounted for 0.17% (RM0.13 million), 6.94% (RM5.92 million), 5.32% (RM7.18 million), 3.14% (RM5.20 million) and 2.27% (RM1.79 million) of our total revenue for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively.

The manufacture of other metal products accounted for 1.89% (RM1.43 million), 1.80% (RM1.53 million), 1.34% (RM1.81 million), 0.76% (RM1.26 million) and 0.57% (RM0.45 million) of our total revenue for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. The other metal products that we manufacture mainly comprise the following:

- accessories for concrete products such as sockets and bolts; and
- parts and accessories for moulds and machinery.

7.2.2.4 Manufacture of other concrete products

We also manufacture other concrete products which accounted for 0.46% (RM0.35 million), 0.51% (RM0.44 million), 0.19% (RM0.26 million), 0.17% (RM0.28 million) and nil of our total revenue for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. These other concrete products are kicking blocks, which are used with standard poles installed in soft ground to help keep them from tilting. Please refer to Section 7.3.2.2 of this Prospectus for additional information on these accessories.

7.2.3 Rental of moulds and machinery

Our rental of moulds and machinery business accounted for 8.71% (RM6.60 million), 11.97% (RM10.20 million), 8.63% (RM11.63 million), 6.92% (RM11.45 million), and 5.39% (RM4.25 million) of our total revenue for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively.

During the Financial Periods Under Review, most of our revenue from this business activity comprised the rental of moulds and machinery to manufacture concrete products, as well as material handling equipment. Please refer to Section 7.3.3 of this Prospectus for descriptions of the moulds and manufacturing lines.

A small proportion of our revenue from this business activity was from providing repair and maintenance services for moulds and machinery.

During the Financial Periods Under Review, most of our revenue from the rental of moulds and machinery was from Winabumi, PMW Concrete, and Decor Poles. During the Financial Periods Under Review, the revenue contribution from third-party customers for rental of moulds and machinery accounted for less than 1.00% of our total revenue for each of the Financial Periods Under Review.

The moulds and machinery that we rent to Winabumi are used to manufacture standard poles and spun piles, as well as square piles, while those rented to PMW Concrete are used to manufacture standard poles and decorative poles.

As at the LPD, our revenue from the rental of moulds and machinery to Winabumi and PMW Concrete has ceased as they became subsidiary companies of our Group pursuant to the Acquisitions.

7. BUSINESS OVERVIEW (Cont'd)

7.3 CONCRETE PRODUCTS, AND MOULDS AND MACHINERY

7.3.1 Spun poles and piles

7.3.1.1 Overview

Concrete products refer to construction materials made from concrete that have been reinforced with steel bars or wire mesh. Concrete is made from a mixture of cement, water, and aggregates (such as sand, gravel, or crushed stone). When these mixtures are combined, they form a paste that hardens over time into a solid durable material. The steel adds extra strength and flexibility to the concrete, making it better able to handle heavy loads and resist breaking.

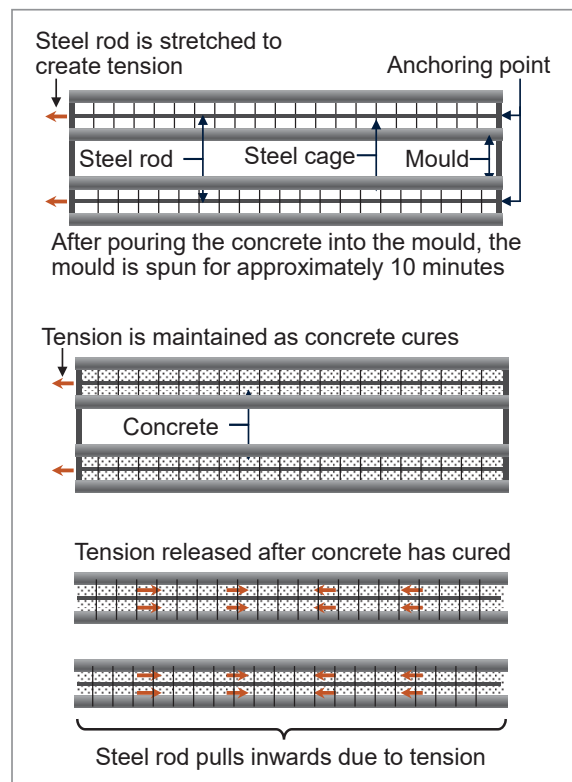
The range of concrete products we manufacture comprises the following:

- spun poles and piles comprising standard poles, monopoles, decorative poles, and spun piles; and
- other concrete products including square piles, and accessories such as kicking blocks.

Spun poles and piles are concrete products. Our spun poles and piles are all prestressed. Prestressing and spinning are two of the main steps in the manufacturing process to enhance their strength and performance.

- **Prestressing:** This process involves stretching the steel bar, which is part of the steel cage. The steel bar is anchored to one end of the mould and tightened at the opposite end to create tension. The tension is maintained as concrete is fed into the mould, after which the loaded mould is spun for approximately 10 minutes. The mould is then hauled to a steam chamber to cure the concrete. Once the concrete hardens, the anchoring points are removed. The tension will cause the steel bar to pull inwards on the concrete, increasing the tensile strength of the spun poles and piles, which increases its resistance to bending forces.
- **Spinning:** This process involves spinning the loaded mould, which contains the steel cage with the bar, and uncured concrete, at high speed to ensure that the concrete is evenly distributed and compacted. Spinning is carried out immediately after the concrete has been placed into the mould. This process imparts several desirable characteristics to spun poles and piles, including the following:

Diagram of the prestressing process



- **Uniform distribution:** The concrete is evenly distributed along the length of the mould, resulting in spun poles and piles with a hollow centre and consistent cross-sectional wall thickness.
- **Enhanced concrete quality:** Spinning compacts the concrete thereby removing air bubbles and excess water. This results in dense concrete with no internal voids, a smooth surface, and improved strength and durability.
- **Shorter curing time:** The removal of excess water during spinning reduces the curing time.

7. BUSINESS OVERVIEW (Cont'd)

Manufacturing of prestressed spun poles and piles



(1) Manufacturing the steel cages (with rods) to serve as reinforcement. (2) Inserting a steel cage into a mould. (3) Injecting concrete into a mould before spinning. (4) Steam curing. (5) Demoulding a spun pole after steam curing.

Our spun poles and piles have hollow cross-sections which reduces the weight of the spun poles and piles making them easier to transport and handle.

We only manufacture prestressed spun poles and piles, and as such all references to spun poles and piles such as standard poles, monopoles, decorative poles, and spun piles are all prestressed.

7.3.1.2 Standard poles

Our manufactured standard poles are designed to be installed above ground to support various equipment. Typically, standard poles are installed using the direct burial method, where the bottom portion of the standard pole is buried to a specified depth for stability, while the remainder extends above ground to the required height. Our standard poles are tapered, with a wider base that tapers towards the top. They feature a circular cross-section and a hollow centre, which not only reduces weight but also allows for internal routing of electrical wires and/or telecommunications cables. This design protects the cables from environmental factors and tampering.

The standard poles we manufacture are used for various applications, including:

- **Power distribution:** Forming part of the electrical grid's last-mile distribution network, these poles support electrical cables running from sub-stations to sub-station and sub-station to residential, commercial, institutional and industrial users.
- **Telecommunications:** Supporting cables between poles and/or housing wireless telecommunications equipment at the top.

7. BUSINESS OVERVIEW (Cont'd)

- Outdoor area lighting: Equipped with one or more arms fitted with light fixtures to illuminate streets, compounds, and other areas.
- Railway electrification: Supporting electrical cables that provide power to electrically driven trains.

While our standard poles share a similar design, the arrangement and sizes of the precast holes at the top of the pole vary according to the specific application and the required attachments and accessories.

As at the LPD, we manufacture standard poles of the following sizes:

Typical applications	Outside diameter		Nominal wall thickness	Pole length
	Bottom (mm)	Top (mm)	(mm)	(m)
Power distribution	240 to 550	140 to 400	30 to 60	7.50 to 14.00
Telecommunications	175 to 963	100 to 400	30 to 90	6.70 to 9.00
Outdoor lighting	145 to 260	110 to 140	30 to 45	3.50 to 12.00

7.3.1.3 Monopoles

Our manufactured monopoles are prestressed and spun. They are engineered for installing telecommunications equipment or power transmission cables above ground. Each monopole is composed of two to six segments, depending on the design. These segments are manufactured at our factory and then assembled on-site, allowing for the creation of longer monopoles and facilitating ease of transportation of individual segments to the installation location. Each segment features a circular cross-section with a hollow centre and may be either straight or tapered, based on the design.

The main differences between our standard poles and monopoles that we manufactured are summarised in the following table:

	Monopole	Standard pole
Segments	Two to six segments	One segment
Height	18.00 to 45.00 metres	6.70 to 9.00 metres
Installation method	Flange mounted or direct burial	Direct burial

When used for telecommunications equipment, our monopoles are equipped with a ladder, one or more working platforms, and ring brackets, all installed at specific points depending on the design. The ladder allows workers to safely ascend and descend the monopole. Ring brackets are used to mount telecommunications equipment such as antennas and microwave dishes, while the working platforms provide a stable area for workers to perform their tasks.

As at the LPD, we manufacture monopoles in the following sizes:

Total monopole height (m)	Outside diameter		Nominal segment wall thickness (mm)	Segment length (m)
	Bottom of segment (mm)	Top of segment (mm)		
18.00 to 45.00	510 to 1,020	350 to 850	60 to 128	6.00 to 12.00

7. BUSINESS OVERVIEW (Cont'd)

Examples of our monopoles for telecommunications



7.3.1.4 Decorative Poles

Our manufactured decorative poles are prestressed and spun. They feature exterior surfaces moulded with various decorative patterns, shapes, and textures. Typically, they have a round cross-section with a hollow centre. Unlike our standard poles, monopoles and spun piles, which have smooth, unadorned surfaces and are not painted or coated, our decorative poles are painted, coated or sand blasted to enhance their appearance.

These decorative poles are primarily used for outdoor lighting in locations such as roads and highways, parks, built environments, and other areas where aesthetics are important. A conventional or solar-powered LED light fixture is mounted at the top of the decorative pole, both with and without electrical wiring running through the hollow centre to the ground (if required). Some poles includes a service panel for access to wiring after installation.

We offer two installation options for our decorative poles:

- Flange mounted: The pole is equipped with a steel flange bolted to anchor bolts at the installation site.
- Direct burial: The base of the pole is buried in the ground to a specified depth.

As at the LPD, our decorative poles typically range in height from 3.50 meters to 12.00 meters, depending on the design. Additionally, our shorter decorative poles (bollards) are 1.00 meter high, designed to provide lower-level lighting and also serve as markers or barriers for paths.

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7. BUSINESS OVERVIEW (Cont'd)

Examples of our decorative poles



7.3.1.5 Spun piles

Our manufactured spun piles are designed for below-ground installation, serving as foundations for buildings, roads and highways, bridges, and other structures. They are typically used in areas where the surface soil cannot support the load of the intended structure. In such cases, spun piles are installed to transfer the load from the above-ground structure to more stable soil or rock underground.

Our spun piles have a straight, circular cross-section with a hollow centre and are cast as a single piece. Each end of a spun pile features a steel joint plate held onto the button heads of the longitudinal steel bars of the steel cage. These joint plates serve two key purposes:

- **Durability:** They provide a hard, durable surface for various methods of installation.
- **Depth adjustment:** They allow for secure joining of multiple piles, enabling them to reach the required depth by welding the joint plates of one pile to the next.

The spinning process makes the concrete in spun piles highly dense and thus harder for water to penetrate, which reduces the risk of the steel cage corroding and weakening the spun pile. As a result, spun piles are suitable for foundations in marine environments, rivers, and other environments exposed to freshwater and seawater.

The joint plate at the end of a spun pile driven into the ground is referred to as the “shoe”. We offer spun piles with the following shoe options to meet various requirements:

- **Open-ended:** The pile is supplied without a shoe on either joint plate.
- **Flat shoe:** A flat, circular steel shoe is welded to one joint plate.
- **X-pointed shoe:** A pointed, X-shaped steel shoe is welded to one joint plate.

The flat and X-pointed shoes are designed to enhance the pile's strength, making them suitable for use in rocky soil conditions.

Illustration of an X-pointed shoe



7. BUSINESS OVERVIEW (Cont'd)

As at the LPD, we manufacture spun piles of the following sizes:

Class	Pile length (m)	Outside diameter/ Nominal wall thickness (mm)
Class A⁽¹⁾	6.00, 9.00, and 12.00	300/60; 350/60; 450/70; 500/80; 600/90
Class B⁽²⁾	6.00, 9.00, and 12.00	250/55; 300/60; 350/70; 450/80; 500/90; 600/100
Class C⁽³⁾	6.00, 9.00, and 12.00	250/55; 300/60; 350/70; 450/80; 500/90; 600/100

Notes:

- (1) Effective prestress of at least 4.0N/mm².
- (2) Effective prestress of at least 5.0N/mm².
- (3) Effective prestress of at least 7.0N/mm².

7.3.2 Other concrete products

7.3.2.1 Square piles

Square piles are designed for use as foundations for buildings and other structures. These piles consist of concrete reinforced with a steel cage, which is cast in a mould. Unlike spun piles, square piles have solid square cross-sections with no hollow centre. They are equipped with steel joint plates at both ends, which facilitate pile driving during installation and allow for the welding of multiple piles to achieve the desired depth.

The primary differences between square piles and spun piles are:

- **Steel reinforcement:** The steel cages in square piles are not prestressed, unlike those in spun piles.
- **Concrete compaction:** Square piles are not spun and thus do not benefit from the compaction achieved through spinning, resulting in lower concrete density.

As a result, square piles generally have lower tensile strength, reduced resistance to bending, and greater water permeability compared to spun piles.

We do not manufacture square piles as at the LPD. Instead, we trade square piles of the following sizes manufactured by Winabumi and supplied to us:

Nominal size (mm x mm)	Pile length (m)
150 x 150	3.00 and 6.00
200 x 200	3.00 and 6.00
250 x 250	3.00, 6.00; 9.00; and 12.00
300 x 300	3.00, 6.00; 9.00; and 12.00

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7. BUSINESS OVERVIEW (Cont'd)

7.3.2.2 Related products

We also manufacture related products that complement our concrete products. During the Financial Periods Under Review, we manufactured concrete accessories comprising kicking blocks. These are used to prevent standard poles installed in sandy or soft soil from leaning. Kicking blocks are secured individually or in pairs at the base of the standard pole just below the surface.

Our concrete kicking blocks (1) secured to a standard pole (2)



7.3.3 Moulds and machinery for manufacturing spun poles and piles, and square piles

We are involved in manufacturing in-house designed moulds and machinery used to manufacture spun poles and piles, and square piles. We can carry out the EPCC of complete concrete products manufacturing facility whereby we manufacture the moulds and most of the machinery in-house, with electric motors and the balance procured from third-party suppliers. This is summarised in the following table listing down the main machinery required for a concrete products manufacturing facility, and the source:

Type of machinery	Source
Warm button heading machine	Manufactured in-house
Automated steel caging machine	Manufactured in-house
Demoulding oil machine	Manufactured in-house
Pre-stressing machine	Manufactured in-house
Concrete feeding systems	Manufactured in-house
Centrifugal spinning machine	Manufactured in-house
De-moulding machine	Manufactured in-house
Concrete batching system	Procured from third-party suppliers
Steel straightening and cutting machine	Procured from third-party suppliers
Steam curing system	Procured from third-party suppliers

7.3.3.1 Moulds

A mould is a reusable steel formwork designed to manufacture spun poles and piles, and square piles. The internal surface of the mould matches the desired shape and dimensions of the final product. We manufacture moulds for standard poles, monopoles, decorative poles and spun piles, as well as square piles.

The inner surfaces of moulds used for standard poles, monopoles and spun piles are smooth and even. In contrast, moulds for decorative poles feature designs and textures that align with the decorative pole's design.

We manufacture moulds for spun poles and piles, and square piles with different outside diameters and lengths, depending on requirements.

7. BUSINESS OVERVIEW (Cont'd)

Examples of moulds that we manufacture



Left: Finished moulds for monopoles prior to shipment to a customer.



Right: Interior of a mould for decorative poles.

7.3.3.2 Steel straightening and cutting machine

Our steel straightening and cutting machines are engineered to produce straightened steel wires and rods with precise and uniform lengths. The process begins by feeding the steel wire or bar into the machine, where it is first straightened. The machine then automatically cuts the straightened steel to the specified length. These steel wires and bars are used as longitudinal bars in the steel cages that reinforce spun poles and piles.

One of our steel straightening and cutting machines



7.3.3.3 Warm button heading machine

Our warm button heading machine is specifically designed to create button heads for steel cages used in spun poles and piles. Button heads are the rounded caps formed at the ends of longitudinal bars, crucial for securely attaching joint plates or anchor plates to each end of a spun pole or spun pile.

To produce the button heads, the ends of the longitudinal bars are placed in the machine, where they are heated to soften the steel. Once softened, pressure is applied in a controlled manner to shape the ends into rounded button heads.

Button heads on a spun pile steel cage



7. BUSINESS OVERVIEW (Cont'd)

The warm button heading machine is equipped with an advanced control system that regulates heating temperature, heating time, pressure, and other parameters, ensuring each button head is consistently shaped.

One of our warm button heading machines



7.3.3.4 Automated steel caging machine

The steel reinforcement used in standard poles, monopoles, decorative poles, and spun piles is known as a steel cage. This cage comprises two main elements:

- **Longitudinal bars:** These bars run the length of the standard poles, monopoles, decorative poles, and spun piles.
- **Spiral wires:** These are loops of steel wires welded at right angles to the longitudinal bars at specified intervals. They hold the longitudinal bars in place.

The longitudinal bars provide tensile strength and resist bending forces, while the spiral wires offer resistance to cracking.

One of our automated steel caging machines



The configuration of a steel cage matches the shape of the product being cast. Straight steel cages are used for spun piles and some monopoles (depending on the design), while tapered steel cages are used for standard poles, decorative poles, and some monopoles (also depending on the design). The number and arrangement of longitudinal bars and spiral wires are tailored to the size, type, and function of the spun poles and piles.

Our automated steel caging machine is designed to consistently fabricate steel cages through an efficient automated process, minimising the need for manual labour. It can produce both straight and tapered steel cages with minimal setup.

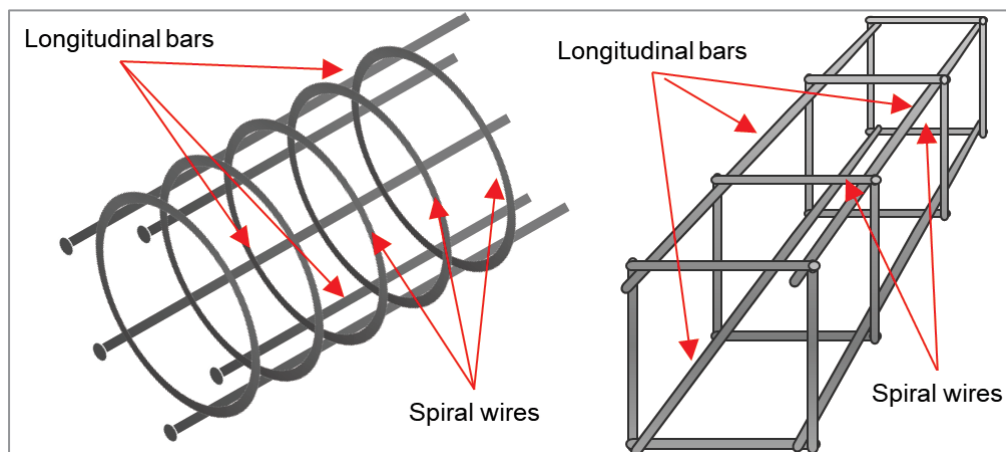
To fabricate a steel cage, the required number of longitudinal bars is first loaded into the machine. As the bars are fed through, a rotating welding electrode automatically winds the spiral wire at designated positions and welds it to the longitudinal bars. This process permanently attaches the spiral wires to the longitudinal bars, forming the steel cage.

The machine is equipped with a control system that regulates the longitudinal bar feed rate, welding electrode operation, spiral wire placement, and other parameters, ensuring precise and consistent steel cage fabrication.

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7. BUSINESS OVERVIEW (Cont'd)

Illustration of steel cage for spun poles and piles (left) and square piles (right)



7.3.3.5 Demoulding oil machine

Our demoulding oil machine is designed to apply demoulding oil to the inner surface of moulds used for spun poles and piles. The demoulding oil facilitates the removal of cured spun poles and piles from the mould, reducing the risk of damage such as chips and cracks.

The machine consists of a fixed nozzle, a pump, and a demoulding oil storage tank. To apply the oil, a closed and empty mould (without the steel cage and concrete) is first positioned over the fixed nozzle. As the mould is withdrawn from the nozzle, the demoulding oil is sprayed to evenly coat the inner surface. Once coated, the mould is ready to be loaded with the steel cage and concrete.

7.3.3.6 Prestressing machine

Our prestressing machine is essential for applying tension to the steel bar before concrete feeding and curing in the manufacturing process of spun poles and piles.

To begin, the steel wire is loaded and anchored at one end of the mould. The prestressing machine is then attached to the other end of the steel wire and pulls it until the desired tension is achieved. Once the required tension is reached, the steel wire is anchored to the opposite end of the mould to maintain this tension. The mould is then sent for concrete feeding and steam curing. After the concrete has cured and hardened, the tension is released.

One of our prestressing machines



The prestressing machine features several key components:

- Hydraulic cylinder: Generates the pulling force needed for prestressing.
- Steel wire attachment point: Ensures uniform tensioning across each longitudinal bar.
- Control system: Prevents over-tensioning by regulating the pulling force.

7.3.3.7 Concrete batching system

Our concrete batching system is designed to produce concrete according to the specific formulation required for each casting product. The system's main components include:

- Cement silo: Stores cement.
- Separate hoppers: For sand and various types of aggregate (sorted by size).

7. BUSINESS OVERVIEW (Cont'd)

- Concrete additive system: Manages the addition of concrete additives.
- Water storage: Holds water for mixing into the concrete.
- Mixer: Combines the materials into a homogeneous blend.
- Discharge and conveyor system: Transports the mixed concrete.
- Control system: Manages the entire batching process.

One of our concrete batching plants



The batching system dispenses the main input materials—cement, sand, and aggregate—in precise amounts according to the required concrete formulation. These materials are then mixed with the appropriate amounts of water and additives in the mixer. The mixer ensures that all components are thoroughly combined to produce the desired concrete consistency.

Once mixed, the concrete is discharged from the mixer into the the concrete feeding system. The control system monitors and controls material inputs, mixing times, and outputs, ensuring the consistency and quality of the concrete.

7.3.3.8 Concrete feeding systems

Our concrete feeding systems are designed to accurately deliver the required amount of concrete into the moulds, tailored to the specific type of product being cast. We offer two types of automated concrete feeding systems:

- **Automatic Injection System**

This system injects concrete directly into a closed mould that has been loaded with the steel cage. Its main components include:

- heavy-duty concrete pump that delivers concrete with high efficiency;
- nozzle head that sprays concrete into the mould;
- trolley system that moves the mould along the nozzle head at a controlled rate; and
- control system that regulates the volume of concrete fed into each mould based on the product type.

Some of the benefits of the automatic injection system include the following:

- reduced manpower as it automates the concrete feeding process, lowering labour requirements;
- enhanced consistency thus ensuring uniformity in the products produced; and

7. BUSINESS OVERVIEW (Cont'd)

- minimised wastage where the control system accurately regulates the amount of concrete, reducing excess and wastage.

Our automatic injection system is used for manufacturing some types of standard poles, monopoles, decorative poles, and spun piles, depending on the design.

- **Open-feeding system**

In this system, concrete is fed into a hopper and then deposited into an open mould that contains the steel wire cage. It features a weighing system that allows workers to monitor the quantity of concrete being used, ensuring that the correct amount is fed into the mould.

Our open-feeding system is used for manufacturing some types of standard poles, monopoles, decorative poles, spun piles and square piles, depending on the design.

7.3.3.9 Centrifugal spinning machine

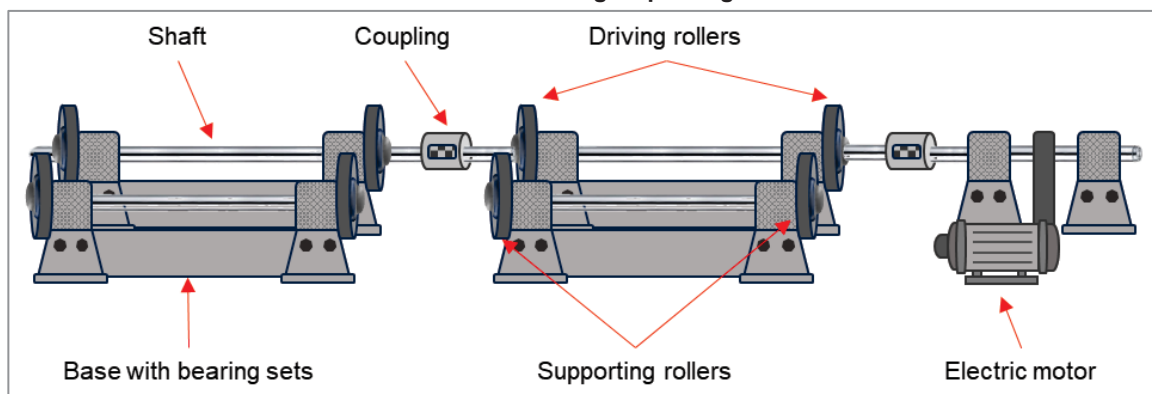
Our centrifugal spinning machine is designed to spin closed moulds loaded with concrete and steel cages, facilitating the manufacturing of spun poles and piles. The main components of our centrifugal spinning machine include:

- Electric motor: Powers the driving rollers to initiate spinning.
- Driving rollers and supporting rollers: Pairs of rollers on which the mould sits, allowing it to spin freely.
- Shafts and couplings: Connect the driving and supporting rollers to ensure synchronised rotation.
- Bases with bearing sets: Support the shafts, rollers, and moulds, ensuring stability during operation.
- Control system: Regulates the speed of the electric motor to control the spinning process.

A mould being spun on one of our centrifugal spinning machines



Illustration of a centrifugal spinning machine



The closed and loaded mould is positioned on the centrifugal spinning machine with its flanges aligned with the driving and supporting rollers. The electric motor activates the driving rollers, causing the mould to spin. The control system monitors the spinning process and automatically adjusts the spinning speed according to the specific requirements of the spun poles and piles.

7. BUSINESS OVERVIEW (Cont'd)

7.3.3.10 Steam curing system

The steam curing system is designed to accelerate the concrete curing process for spun poles and piles, allowing for faster demoulding compared to traditional curing methods. The system includes the following key components:

- Fuel oil and diesel fired boiler: Generates steam for curing.
- Curing ovens: Moulds are placed in ovens for steam curing.
- Control system: Monitors and regulates the temperature inside the curing ovens.

After the spinning process, the loaded moulds are placed in the curing ovens. Steam from the boiler is used to cure the moulds at a predetermined temperature for a specified duration. Once the curing is complete, the moulds are transferred from the curing oven to the demoulding station.

Moulds in one of our curing ovens



7.3.3.11 Demoulding machine

The demoulding machine is designed to remove cured spun poles with tapered regular cross-sections from their moulds after the curing process is complete. This includes standard poles. However, it is not suitable for decorative poles as they have moulded decorations or irregular cross-sections.

Main components:

- Hydraulic cylinder: Creates the pulling force needed to remove the product.
- Attachment point: Secures the product during the demoulding process.

Demoulding process:

- Loosening the mould: First, the bolts that secure the mould are undone to loosen it.
- Attaching the machine: The attachment point of the demoulding machine is then connected to the standard pole segment.
- Activating the hydraulic cylinder: The hydraulic cylinder is activated to pull the spun pole or pile free from the mould and onto the demoulding station.
- Inspection and storage: The demoulded pole is removed from the demoulding station for quality inspection and storage.

7.4 OUR COMPETITIVE ADVANTAGES AND KEY STRENGTHS

7.4.1 We have an established track record of approximately 33 years, export markets, and a large customer base to serve as a platform to secure new business

We have an established track record of approximately 33 years since we commenced business operations as a manufacturer of moulds and machinery for spun poles and piles, and spun pole accessories in 1992. In addition, we began to manufacture standard poles in 2006, giving us a track record of approximately 19 years for this product category.

We have also established a track record of serving customers in foreign countries, including Indonesia, Nigeria, Oman, Poland, Saudi Arabia, USA, and the Philippines. The products that we supplied to customers in foreign countries include moulds and machinery to manufacture concrete products.

For the FYE 2023, we have an active customer base of approximately 331 customers, which will sustain and grow our business.

Our established track record and export of our products will give potential customers the confidence of our products and services to serve as the platform to sustain and grow our business.

7. BUSINESS OVERVIEW (Cont'd)

7.4.2 We manufacture a range of concrete products used in various applications to enlarge our addressable markets

As at the LPD, we specialise in manufacturing concrete products comprising spun poles and spun poles (namely standard poles, monopoles and decorative poles), as well as square piles. Our concrete products have several applications to provide revenue diversity as well as enlarge our addressable market to sustain and grow our business. The common applications of our concrete products include the following:

Type of product	Typical applications
Standard poles	• Power transmission and distribution • Telecommunications • Railway electrification • Outdoor lighting
Monopoles	Telecommunications
Decorative poles	Outdoor lighting
Spun piles	Foundation for buildings, roads, highways and structures
Square piles	Foundation for buildings, roads, highways and structures

Demand for our concrete products is driven by, among others, the following factors:

- population growth and the expansion of communities, alongside growing commercial, industrial, institutional, and public sector activities that require new utilities such as power, telecommunications, outdoor conventional and solar-powered LED lighting, as well as increased housing, infrastructure, and other property developments;
- the nationwide rollout of advanced telecommunications technologies, including fifth-generation cellular network technology (5G) and fibre optic cables; and
- the growing electrification of Malaysia's rail system.

We have the range of concrete products to meet diverse needs of our user industries to sustain and grow our business.

In addition, as we also manufacture moulds and machinery for spun poles and piles, and square piles, we have in-house capabilities to modify or enhance our spun poles and piles to meet the needs of our customers. This would potentially enlarge our addressable customer base to drive growth for our business. In particular, we can modify the design and specifications of our concrete products for export markets that may have different requirements. For the Financial Periods Under Review, we have exported our manufactured moulds and machinery to foreign countries including Saudi Arabia, USA, Indonesia, Oman, the Philippines, Poland, and Nigeria.

7.4.3 We provide a one-stop solution for moulds and machinery to manufacture spun poles and piles, and square piles

We provide a one-stop solution for moulds and machinery to manufacture spun poles and piles, and square piles. We have in-house capability to design and manufacture the full range of moulds and machinery for spun poles and piles, and square piles. Our in-house manufactured machinery includes steel straightening and cutting machines, warm button heading machines, automated steel caging machines, demoulding oil machines, prestressing machines, concrete batching systems, concrete feeding systems, automated concrete feeding systems, centrifugal spinning machines, steam curing systems, and de-moulding machines. We also have in-house capability to design and manufacture moulds used to manufacture spun poles and piles, and square piles.

We have in-house capability to assist our customers in designing the layout of their spun poles and pile, and square pile manufacturing facility. This is based on our experience in designing our manufacturing facilities, as well as related and third-party's manufacturing facilities.

7. BUSINESS OVERVIEW (Cont'd)

Our one-stop solution provides convenience to our customers as they would only need to deal with us as a single point of contact for the complete set of moulds and machinery, and the initial setup and start-up of operations of their manufacturing facilities.

7.4.4 We manufacture spun poles and piles, and square pile at two locations to serve customers in Peninsular and East Malaysia

As at the LPD, we manufacture spun poles and piles, and square piles in four facilities at two locations, namely at Ipoh, Perak and Kota Kinabalu, Sabah. Furthermore, as a part of our business strategy we plan to establish a spun poles and piles manufacturing facility in Tanjung Manis, Sarawak.

Our existing manufacturing facilities Ipoh, Perak and Kota Kinabalu, Sabah place us in a better position to supply existing and prospective customers throughout Malaysia compared to having manufacturing facilities in either Peninsular Malaysia or East Malaysia, as spun poles and piles, and square piles are large and heavy items that are costly to ship between Peninsular and East Malaysia. Furthermore, these products are subject to the risk of breakage and damage during transportation.

Our manufacturing facilities are a key strength that enable us to serve our customers and enlarge our addressable markets throughout Peninsular Malaysia and East Malaysia.

7.4.5 We have in-house product development and enhancement to drive growth for our business

We have in-house experience, capabilities, facilities and personnel to undertake product development and enhancement as well as to meet customers' requirements for customised specifications or to meet different export market conditions and needs. Our capabilities are supported by our track record in in-house manufacturing of moulds and machinery, as well as manufacturing spun poles and piles.

Furthermore, we have developed a new type of concrete joint, instead of using steel joint, to secure monopoles to their base. The new concrete joint that we have developed is made from concrete, whereas the conventional joint that are currently commonly used are made from steel. The concrete joint that we have developed provides the same level of performance in terms of load bearing, resistance to lateral forces, and crash resistance compared to conventional steel joint, while also being more cost effective, lighter, and easier to install.

In addition, as at the LPD we have internally developed and commercialised foundation platforms designed to support monopoles and other vertical structures. These foundation platforms comprise single or modular sections that are pre-cast in a factory and transported on-site for installation. They are easier and faster to install compared to conventional foundations that are constructed in-place.

Our in-house product development capabilities allow us to develop new products and designs, which help us to address the changing needs of existing customers and attract new ones. We can also develop new ranges of concrete products that we can manufacture to enlarge our addressable markets to provide business growth. We can also undertake continuous product and process improvement and enhancement to provide quality and performance, and customer satisfaction.

7.4.6 We can quickly design and manufacture moulds to grow our business

Our in-house product development and enhancement capability coupled with our in-house track record of manufacturing moulds also enables us to quickly design and manufacture new types of moulds. We can quickly and cost-effectively develop new mould designs from new ideas and specifications provided by our customers as well ourselves, including producing prototype moulds and spun products for testing.

This is a key strength as it promotes customer loyalty by allowing us to remain relevant to our existing customers, as well as being a selling point to secure new customers. Furthermore, the in-house capability to quickly develop new moulds enables us to expand our range of in-house manufactured spun products to meet new customer and market requirements.

7. BUSINESS OVERVIEW (Cont'd)

7.4.7 We have experienced Executive Directors and Key Senior Management team to drive our growth

We have an experienced management team headed by our Executive Director and Chief Executive Officer, Lee Hon Hwa, and our Executive Director and Chief Business Development Officer, Lee Khim Hwa. They bring with them approximately 25 and 29 years of experience, respectively in the concrete poles and piles industry. They are instrumental in leading our Group's growth and future business development.

They are supported by our Key Senior Management team which comprises the following:

- Lee Siew Yoke, our Chief Human Resources Officer, has approximately 29 years of experience in the fields of administration and human resources;
- Haji Zulkepli bin Hj. Hussin, our Chief Compliance Officer, has approximately 35 years of experience in the concrete poles and piles industry;
- Datuk Brian Lee Cherng Jey, our Chief Operating Officer East Malaysia, has approximately 18 years of experience in the construction industry; and
- Chen See Mei, our Chief Financial Officer, has approximately 10 years of experience in the field of accounting.

Please refer to Sections 5.1.3 (i), 5.1.3 (ii), 5.1.3 (iii), 5.1.3 (v) and 5.5.2 of this Prospectus for the profiles of our Executive Directors and Key Senior Management team.

7.5 SEASONALITY OF THE BUSINESS

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

7.6 MANUFACTURING CAPACITY, OUTPUT AND UTILISATION

7.6.1 Trading

Measures of capacity and utilisation do not apply to our trading of construction materials and other products, spun poles and piles, and other concrete products business activities for the following reasons:

- For the trading of construction materials and other products, the goods are mainly sent by our suppliers directly to the delivery address. Consequently, this business activity does not utilise our machinery and equipment; and
- For the trading of spun poles and piles and other concrete products, we store the goods until they are sold and delivered to or picked up by customers, and this does not require the use of any specialised machinery and equipment.

7.6.2 Manufacturing spun poles and piles

Within the spun poles and piles segment, we do not segment our manufacturing capacity between standard poles, monopoles, decorative poles, and spun piles as the manufacturing processes are almost identical and they use the same manufacturing lines, with the exception of different moulds for different products.

During the Financial Periods Under Review, we manufactured spun poles and piles at the following facilities:

- On-going operations comprising standard poles, monopoles, decorative poles, and spun piles at Ipoh Factory 3; and
- Discontinued operations comprising standard poles at a factory in Kuching, Sarawak. We have ceased manufacturing activities at this factory since November 2024 and have sold the factory and operations to non-related parties.

7. BUSINESS OVERVIEW (Cont'd)

In addition, Winabumi and PMW Concrete also manufactured spun poles and piles during the Financial Periods Under Review, as follows:

- Winabumi manufactured standard poles and piles, and square piles at the Kota Kinabalu Factory; and
- PMW Concrete manufactured standard poles at Ipoh Factory 2.

The utilisation rates for manufacturing spun poles and piles of our Ipoh Factory 2, Ipoh Factory 3, Kota Kinabalu Factory and Kuching Factory during the Financial Periods Under Review is estimated by dividing the actual output by the capacity of the corresponding financial year or financial period. This is summarised in the following tables:

On-going operations	Capacity (tonnes)	Actual output (tonnes)	Utilisation rate (%)
<u>Ipoh Factory 2</u>			
FYE 2021	60,653	24,524	40
FYE 2022	60,653	46,430	77
FYE 2023	60,653	44,701	74
FYE 2024	60,653	42,094	69
FPE 2025	25,229	21,739	86
<u>Ipoh Factory 3</u>			
FYE 2023	15,795	7,183	45
FYE 2024	36,270	16,477	45
FPE 2025	23,652	8,054	34
<u>Kota Kinabalu Factory</u>			
FYE 2021	112,752	39,834	35
FYE 2022	112,752	39,917	35
FYE 2023	112,752	62,388	55
FYE 2024	112,752	72,793	65
FPE 2025	46,980	28,364	60
Discontinued operations	Capacity (tonnes)	Actual output (tonnes)	Utilisation rate (%)
<u>Kuching Factory</u>			
FYE 2021	14,094	3,905	28
FYE 2022	14,094	4,834	34
FYE 2023	14,094	6,754	48
FYE 2024	12,920	6,483	50

The utilisation rates of our on-going and discontinued operations during the Financial Periods Under Review were as follows:

- **Ipoh Factory 2:** The utilisation rate of Ipoh Factory 2 was 40% for FYE 2021 as it only operated 1 shift due to labour constraints. The factory subsequently engaged contract labour services and operated 2 shifts, which resulted in higher utilisation rates that were consistent between 69% and 77% for FYE 2022, FYE 2023, and FYE 2024. Utilisation rate was higher in FPE 2025 mainly due to an increase in orders for the products manufactured at this factory during this period.
- **Ipoh Factory 3:** In FYE 2024, we improved the layout of the manufacturing line as well as started to manufacture spun piles at Ipoh Factory 3. The utilisation rate decreased to 34% in FPE 2025 (FYE 2024: 45%) due to fewer orders received for the products manufactured at this factory during this period.

7. BUSINESS OVERVIEW (Cont'd)

- Kota Kinabalu Factory:** For FYE 2021 and FYE 2022, the utilisation rates of Kota Kinabalu Factory were 35% as it only operated 1 shift due to labour constraints. During FYE 2023, the factory hired more production workers (which enabled it to operate 2 shifts) and installed machinery to automate certain tasks (such as concrete injection for spun pole moulds) which increased the utilisation rate to 55%. During FYE 2024, the Kota Kinabalu Factory installed more machinery to automate further tasks (semi-automated concrete feeders for spun pile moulds), improved the layout of the manufacturing area and the production workers became more familiar with the new machinery, which resulted in utilisation rate increasing to 65% (FYE 2023: 55%). The utilisation rate decreased to 60% in FPE 2025 (FYE 2024: 65%) contributed by lower output during the first quarter as some customers only finalised their order in March 2025.
- Kuching Factory:** We operated 1 shift at the Kuching Factory in FYE 2021 and between January 2022 and November 2022, and changed to operating 2 shifts from November 2022 onwards. As a result, the utilisation rate of the Kuching Factory was 28% in FYE 2021 and 34% in FYE 2022 (10 months of operating 1 shift and 2 months operating 2 shifts), and subsequently increased to 48% in FYE 2023 (12 months operating 2 shifts). The utilisation rate of the Kuching Factory then increased to 50% in FYE 2024 (FYE 2023: 48%) due to improved production workflow.

The methodology used to calculate our manufacturing capacity for spun poles and piles is summarised in the following tables:

On-going operations**PMW Concrete - Ipoh Factory 2**

Daily manufacturing rate	FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025: 192 tonnes per day
Working days per year or period	FYE 2021, FYE 2022, FYE 2023, and FYE 2024: 351 days per year ⁽¹⁾ FPE 2025: 146 days ⁽²⁾
Estimated manufacturing capacity per year or period	FYE 2021, FYE 2022, FYE 2023, FYE 2024: 60,653 tonnes per year ⁽³⁾ FPE 2025: 25,229 tonnes ⁽⁴⁾

Ipoh Factory 3

Daily manufacturing rate	FYE 2021 and FYE 2022: None ⁽⁵⁾ FYE 2023: 50 tonnes per day FYE 2024: 50 tonnes per day from January to June, 180 tonnes per day from July to December ⁽⁶⁾ FPE 2025: 180 tonnes per day
Working days per year or period	FYE 2023 and FYE 2024: 351 days per year ⁽¹⁾ FPE 2025: 146 days ⁽²⁾
Estimated manufacturing capacity per year or period	FYE 2023: 15,795 tonnes per year ⁽⁷⁾ FYE 2024: 36,270 tonnes ⁽⁸⁾ FPE 2025: 23,652 tonnes ⁽⁹⁾

Winabumi - Kota Kinabalu Factory

Daily manufacturing rate	FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025: 360 tonnes per day
Working days per year or period	FYE 2021, FYE 2022, FYE 2023, and FYE 2024: 348 days per year ⁽¹⁰⁾ FPE 2025: 145 days ⁽¹¹⁾
Estimated manufacturing capacity per year or period	FYE 2021, FYE 2022, FYE 2023, and FYE 2024: 112,752 tonnes per year ⁽¹²⁾ FPE 2025: 46,980 tonnes ⁽¹³⁾

7. BUSINESS OVERVIEW (Cont'd)**Discontinued operations****Kuching Factory⁽¹⁴⁾**

Daily manufacturing rate	FYE 2021, FYE 2022, FYE 2023, and FYE 2024: 45 tonnes per day FPE 2025: None
Working days per year or period	- FYE 2021, FYE 2022 and FYE 2023: 348 days per year⁽¹⁵⁾ - FYE 2024: 319 days⁽¹⁶⁾
Estimated manufacturing capacity per year or period	- FYE 2021, FYE 2022 and FYE 2023: 14,094 tonnes per year⁽¹⁷⁾ - FYE 2024: 12,920 tonnes⁽¹⁸⁾

Notes:

- (1) Number of working days at Ipoh Factory 3 and Ipoh Factory 2 for a financial year is estimated as 365 days less 14 gazetted public holidays for Perak, which comes to 351 days.
- (2) Number of working days at Ipoh Factory 3 and Ipoh Factory 2 for FPE 2025 is estimated by pro-rating 351 days by 5 months out of 12 months, which comes to 146 days.
- (3) Manufacturing capacity at the Ipoh Factory 2 for FYE 2021, FYE 2022, FYE 2023, and FYE 2024 is estimated by multiplying the daily manufacturing rate by the number of working days per year, and subtracting 10% to take into account stoppages for maintenance and product changes. This comes to 60,653 tonnes.
- (4) Manufacturing capacity at the Ipoh Factory 2 for FPE 2025 is estimated by multiplying the daily manufacturing rate by the number of working days for the financial period, and subtracting 10% to take into account stoppages for maintenance and product changes. This comes to 25,229 tonnes.
- (5) Ipoh Factory 3 commenced manufacturing spun poles on a commercial basis in January 2023.
- (6) Daily manufacturing capacity at Ipoh Factory 3 increased to 180 tonnes per day from July 2024 when we started to manufacture spun piles.
- (7) Manufacturing capacity at our Ipoh Factory 3 for FYE 2023 is estimated by multiplying the daily manufacturing rate by the number of working days per year, and subtracting 10% to take into account stoppages for maintenance and product changes. This comes to 15,795 tonnes.
- (8) Manufacturing capacity at our Ipoh Factory 3 for FYE 2024 is estimated by the following:
 - a. Multiplying the daily manufacturing rate for January to June 2024 by 176 days, and subtracting 10% to take into account stoppages for maintenance and product changes. This comes to 7,920 tonnes;
 - b. Multiplying the daily manufacturing rate for July to December 2024 by 175 days, and subtracting 10% to take into account stoppages for maintenance and product changes. This comes to 28,350 tonnes; and
 - c. Adding 7,920 tonnes and 28,350 tonnes, which comes to 36,270 tonnes.
- (9) Manufacturing capacity at our Ipoh Factory 3 for FPE 2025 is estimated by is estimated by multiplying the daily manufacturing rate by the number of working days for the financial period, and subtracting 10% to take into account stoppages for maintenance and product changes. This comes to 23,652 tonnes.
- (10) Number of working days at the Kota Kinabalu Factory for a financial year is estimated as 365 days less 17 gazetted public holidays for Sabah, which comes to 348 days.
- (11) Number of working days at the Kota Kinabalu Factory for FPE 2025 is estimated by pro-rating 348 days by 5 months out of 12 months, which comes to 145 days.
- (12) Manufacturing capacity at the Kota Kinabalu Factory for FYE 2021, FYE 2022 and FYE 2023 is estimated by multiplying the daily manufacturing rate by the number of working days per year, and subtracting 10% to take into account stoppages for maintenance and product changes. This comes to 112,752 tonnes.
- (13) Manufacturing capacity at the Kota Kinabalu Factory for FPE 2025 is estimated by multiplying the daily manufacturing rate by the number of working days for the financial period, and subtracting 10% to take into account stoppages for maintenance and product changes. This comes to 46,980 tonnes.
- (14) We ceased manufacturing activities at the Kuching Factory in November 2024 and have disposed of the operations to non-related parties.
- (15) Number of working days at our Kuching Factory for a financial year is estimated as 365 days less 17 gazetted public holidays for Sarawak, which comes to 348 days.
- (16) As we ceased manufacturing activities at the Kuching Factory in November 2024, the number of working days for FYE 2024 is estimated by pro-rating 348 days by 11 months out of 12 months, which comes to 319 days.

7. BUSINESS OVERVIEW (Cont'd)

- (17) Manufacturing capacity at our Kuching Factory for FYE 2021, FYE 2022 and FYE 2023 is estimated by multiplying the daily manufacturing rate by the number of working days per year, and subtracting 10% to take into account stoppages for maintenance and product changes. This comes to 14,094 tonnes.
- (18) Manufacturing capacity at our Kuching Factory for FYE 2024 is estimated by multiplying the daily manufacturing rate by the number of working days, and subtracting 10% to take into account stoppages for maintenance and product changes. This comes to 12,920 tonnes.

Actual output of our Ipoh Factory 2, Ipoh Factory 3, Kota Kinabalu Factory and Kuching Factory are based on the quantity of spun poles and piles manufactured by the respective manufacturing facilities.

7.6.3 Manufacturing steel poles

During the Financial Periods Under Review, we manufactured steel poles at our Ipoh Factory 1.

The utilisation rates for manufacturing steel poles of our Ipoh Factory 1 during the Financial Periods Under Review is estimated by dividing the actual output by the capacity of the corresponding financial year or financial period. This is summarised in the following table:

	Capacity (steel poles)	Actual output (steel poles)	Utilisation rate (%)
<u>Ipoh Factory 1</u>			
FYE 2021	2,610	1,290	49
FYE 2022	31,590	13,777	44
FYE 2023	31,590	12,433	39
FYE 2024	31,590	8,486	27
FPE 2025	13,140	5,350	41

The utilisation rate for manufacturing steel poles at Ipoh Factory 1 decreased from FYE 2021 to FYE 2024 due to decreasing orders from the end-user for this product. However, the utilisation rate increased in FPE 2025 due to an increase in orders from the end-user.

The methodology used to calculate our manufacturing capacity for steel poles is summarised in the following table:

Ipoh Factory 1

Daily manufacturing rate	FYE 2021, FYE 2022, FYE 2023, FYE 2024 and FPE 2025: 100 steel poles per day
Working days per year or period	- FYE 2021: 29 days ⁽¹⁾ - FYE 2022, FYE 2023, and FYE 2024: 351 days per year ⁽²⁾ - FPE 2025: 146 days ⁽³⁾
Estimated manufacturing capacity per year or period	- FYE 2021: 2,610 steel poles ⁽⁴⁾ - FYE 2022 and FYE 2023: 31,590 steel poles per year ⁽⁵⁾ - FPE 2025: 13,140 steel poles ⁽⁶⁾

Notes:

- (1) Ipoh Factory 1 commenced manufacturing steel poles in December 2021. Consequently, the number of working days at our Ipoh Factory 1 for FPE 2021 is estimated by pro-rating 351 days by 1 month out of 12 months, which comes to 29 days.
- (2) Number of working days at our Ipoh Factory 1 for a financial year is estimated as 365 days less 14 gazetted public holidays for Perak, which comes to 351 days.
- (3) Number of working days at our Ipoh Factory 1 for FPE 2025 is estimated by pro-rating 351 days by 5 months out of 12 months, which comes to 146 days.
- (4) Manufacturing capacity at our Ipoh Factory 1 for FYE 2021 is estimated by multiplying the daily manufacturing rate by the number of working days per year, and subtracting 10% to take into account stoppages for maintenance and product changes. This comes to 2,610 steel poles.

7. BUSINESS OVERVIEW (Cont'd)

- (5) *Manufacturing capacity at our Ipoh Factory 1 for FYE 2022, FYE 2023, and FYE 2024 is estimated by multiplying the daily manufacturing rate by the number of working days per year, and subtracting 10% to take into account stoppages for maintenance and product changes. This comes to 31,590 steel poles.*
- (6) *Manufacturing capacity at our Ipoh Factory 1 for FPE 2025 is estimated by multiplying the daily manufacturing rate by the number of working days for the financial period, and subtracting 10% to take into account stoppages for maintenance and product changes. This comes to 13,140 steel poles.*

Actual output of our Ipoh Factory 1 is based on the number of steel poles manufactured.

7.6.4 Manufacturing moulds, machinery, and metal products

Measures of capacity and utilisation do not apply to our manufacturing of moulds, machinery, and metal products business activity as these products are generally manufactured based on the customised specifications of the respective customers.

7.6.5 Rental of moulds and machinery

Measures of capacity and utilisation do not apply to our rental of moulds and machinery business activity as they are based on recurrent revenue contracts that stipulate the types of moulds and machinery rented to the respective customers over the contract duration period.

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7. BUSINESS OVERVIEW (Cont'd)

7.7 OUR BUSINESS AND OPERATIONAL PROCESSES

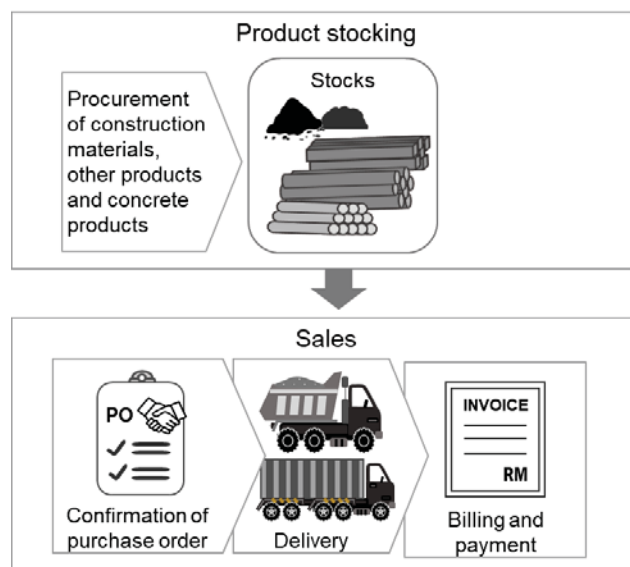
7.7.1 Trading of construction materials and other products, concrete products and lighting fixtures

We trade in the following products;

- construction materials (including cement, steel, sand, aggregate);
- other products (such as concrete additives, diesel and fuel oil, metal and plastic accessories for concrete products, (such as end plates and pointed shoes), lighting fixtures, and welding consumables and hand tools; and
- concrete products including standard poles, decorative poles, monopoles, spun piles, square piles and kicking blocks.

During the Financial Periods Under Review, we supply construction materials and other products mostly to Winabumi and PMW Concrete, and we procure the concrete products for trading only from Winabumi and PMW Concrete.

The general process flow for our trading of construction materials and other products and trading of concrete products is depicted in the diagram below:



Product stocking

We stock the relevant construction materials, other products, and concrete products for our trading operations. These products comprised those that are sourced from Winabumi, PMW Concrete, and third-party suppliers and manufacturers.

Confirmation of purchase orders

Our process typically begins with customer enquiries, where the customers will specify the products that they intend to purchase. Based on the customer's requirements, we will check the availability of the construction materials, other products, and concrete products.

Once the customers have confirmed their choice of products, they will issue a purchase order detailing the type, quantity, price of products, and other terms such as delivery location and schedule, as well as payment terms.

Procurement

If a product is available on hand, we will place an order for the product with the relevant supplier. We will confirm the availability of the products, pricing and estimated delivery date with our suppliers.

7. BUSINESS OVERVIEW (Cont'd)

Delivery

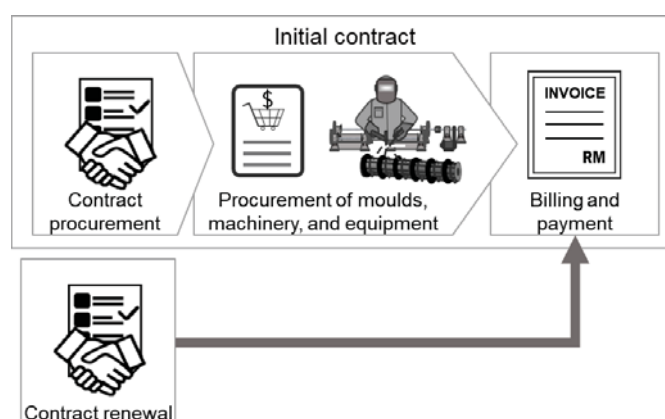
We will make the arrangement to deliver the products that we have on hand to the customer's delivery location. Our suppliers will arrange for the products to be shipped directly to the delivery location according to the agreed schedule upon customer approval. Upon arrival, the products are inspected against the purchase order. If there are no discrepancies, our customer will sign and stamp the delivery order as proof of delivery.

Billing and payment

The accounts department will then prepare the sales invoice matched against the signed and stamped delivery order and subsequently sent out to the customer. The accounts department will record all payment received in our computer system, as well as keeping relevant documents for documentation and record-keeping purposes.

7.7.2 Rentals of moulds, machinery, and equipment

We rented out moulds and machinery to Winabumi and PMW Concrete for their business activities. The general process flow for our rentals of moulds, machinery, and equipment is depicted in the diagram below:



Initial contract

Contract procurement

Upon receiving an enquiry from a prospective customer, our team will verify the availability of the requested moulds and machinery.

If the requested moulds and machinery are not available, we will manufacture the necessary moulds and machinery in-house or procure them from third-party suppliers or manufacturers. For more details of our manufacturing of moulds and machinery, please refer to Section 7.2.2.3 of this Prospectus.

When the requested moulds and machinery are available, we will proceed to draft a rental agreement that specify the terms including, among others, specific moulds and machinery to be rented, rental duration, rental fees and payment schedule, terms of use, and responsibility for damage or malfunction. We will negotiate the terms with the customers to ensure both parties understand and agree to the outlined conditions. Upon reaching an agreement, both parties will then sign the contract.

Billing and payment

Our customers pay the rental on a monthly basis. We will invoice customers for the monthly rental at the end of each month.

Upon request from the customers, we can also provide operational support to maintain the rented machinery in workable condition. This includes supplying general wear and tear parts for the production operation.

7. BUSINESS OVERVIEW (Cont'd)

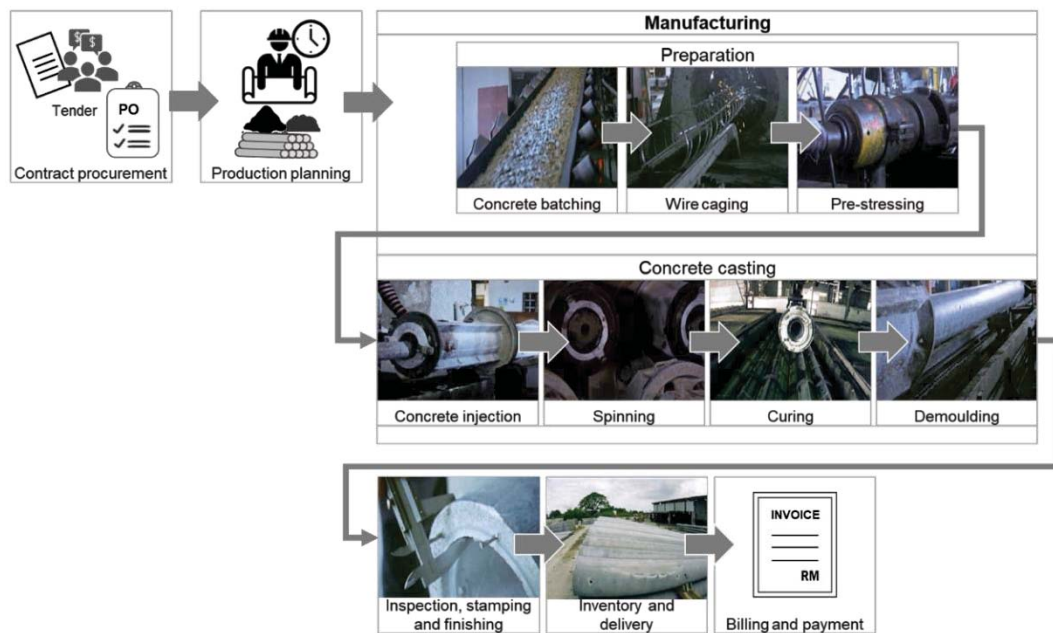
Contract renewal

For renewals, we will confirm the previously agreed-upon terms with the customers. If confirmed, the same moulds and machinery will be provided for continued use.

7.7.3 Manufacturing of spun poles and piles

Spun poles and piles include standard poles, monopoles, decorative poles and spun piles which are manufactured from concrete with steel cage as reinforcement embedded within the concrete, and that are pre-stressed and spun as part of their manufacturing process.

The general process flow for our manufacturing of spun poles and piles is depicted in the diagram below:



Contract procurement

Our contracts are secured through a tendering process or submission of proposal process. Upon receiving an invitation to tender or request for proposal from prospective customers, we will carry out a preliminary assessment based on the product requirements and background of the customer before deciding to participate in the tender.

Once we have decided to bid, we will commence the preparation of our tender documents or proposals which involve a commercial proposal focusing on pricing, payment schedules and terms, warranty and defect liability period, and a technical proposal focusing on our capabilities, track record and experience profile, scope of work, bill of materials, and completion date. We will then submit our tender or proposal together with a tender/proposal bond/deposit if required.

Despite securing the contract, our production is initiated based on purchase orders received from our customers, specifying product quantities and specifications.

In addition, we also secure purchase orders from customers without a formal contract.

Production planning

Upon receipt of a purchase order, we commence our detailed production planning. This includes preparing design and technical drawings of the spun poles and piles, which require customer approval. Once approved, we begin procuring the materials based on the bill of quantities. This includes sourcing necessary materials include, among others, steel, concrete, sand, aggregate, and concrete additives, mainly sourced from domestic suppliers. We produce the moulds in-house based on the agreed-upon drawings.

7. BUSINESS OVERVIEW (Cont'd)

Manufacturing

(a) Preparation

Concrete batching

We begin our manufacturing processes with concrete batching, which is to produce concrete based on the specific formulation that is required for the product being cast.

The main input materials of concrete, namely cement, sand, and aggregate are dispensed in measured amounts following the required concrete formulation. These input materials are mixed with the appropriate amount of water and concrete additives in the mixer to produce concrete. The concrete is discharged from the mixer into the conveyor system that transports it to the concrete feeding system.

A control system is used to monitor and control the input of materials, mixing times, and output to control the batching process and achieve consistent concrete quality.

Wire caging

Steel longitudinal bars are used to make wire cages, providing reinforcement and shaping the concrete during the pre-stressing stage. For spun piles, our warm button heading machine creates button heads on each steel longitudinal bars, which are used to securely attach the join-plates at each end of the spun pile.

We then load the required number of longitudinal bars into the automatic steel wire caging machine. As the longitudinal bars are fed through the machine, the rotating welding electrode automatically winds the spiral wire at the required positions, and then welds the spiral wire to the longitudinal bars. Our automated steel wire caging machine is equipped with a control system to control the longitudinal bar feed rate, welding electrode operation, spiral wire placement, and other parameters to facilitate accurate and consistent steel cage fabrication.

The number and arrangement of steel longitudinal bars and spiral wires in each cage varies depending on the specific product design. We determine the size, layout, and quantity of longitudinal bars and spiral wires based on the dimensions, type, and intended function of the final precast spun poles and piles.

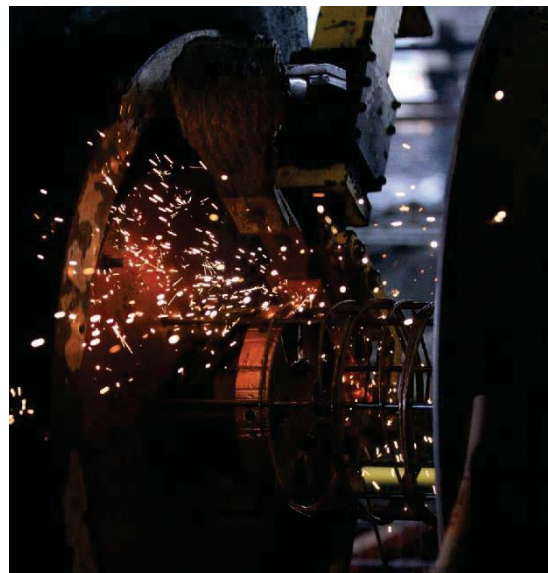
One of our concrete batching plants



Steel cages loaded into moulds



Wire caging



7. BUSINESS OVERVIEW (Cont'd)

Pre-stressing

In this stage, the steel cage is loaded and anchored to one end of the mould. The pre-stressing machine is then attached to the other end of the steel cage and applies tension by pulling it.

Once the required tension is achieved, the steel cage is then anchored at the other end of the mould to maintain the tension. The tension will be subsequently released when the concrete has cured and hardened.

(b) Concrete casting

Concrete injection

Following pre-stressing, the mould is prepared for concrete injection. The batched concrete is transferred from the holding unit to a hopper located above the mould and deposit into the mould. The system has a weighing system for workers to keep track of the quantity of concrete used to ensure that the appropriate amount is fed into the mould.

Spinning

The loaded mould is then positioned on a horizontal axis on our centrifugal spinning machine. This machine utilises an electric motor to rotate the mould at high speed to distribute the concrete evenly within the mould cavity. The spinning process also removes air bubbles and excess water within the concrete, which results in dense concrete with no internal voids, a smooth surface, and improved strength and durability.

Curing

After spinning, the moulds are placed in the curing ovens. Steam from the boiler is used to cure the loaded moulds at a preset temperature for a specified duration. After the curing process is complete, the moulds are transferred from the curing oven to the demoulding station.

Demoulding

Once the curing process is complete, we will release the tension and use demoulding machine to remove cured spun poles and piles from their moulds.

Inspection, stamping and finishing

All spun poles and piles undergo inspection to assess the dimensional accuracy and surface finish. Subsequently, our standard poles, monopoles, and spun piles are manually stamped with a batch number for identification and traceability. For decorative poles, we will apply paint to enhance their aesthetics and durability.

Steel cages of different sizes



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7. BUSINESS OVERVIEW (Cont'd)

Inventory and delivery

After the stamping and finishing processes, the spun poles and piles are then prepared for storage. We manufacture our standard poles and spun piles to stock where purchase orders are fulfilled from our stocks and delivered to destinations specified by our customers. In some situations, the customers will pick up the stock from our factory.

A final inspection will be conducted before the manufactured spun poles and piles are delivered to the customers.

Billing and payment

The accounts department will then prepare the sales invoice matched against the signed and stamped delivery order and subsequently sent out to the customer. The accounts department will record all payment received in our computer system, as well as keeping relevant documents for documentation and record-keeping purposes.

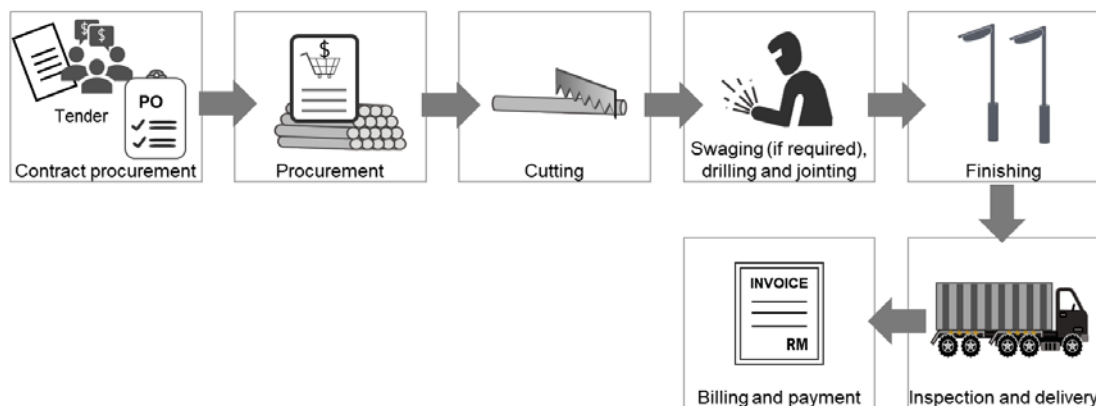
Storage of our spun poles



7.7.4 Manufacturing of steel poles

Our steel poles are used for outdoor area lighting, primarily for streets. They are manufactured from steel with one or two arms equipped with light fixtures.

The general process flow for our manufacturing of steel poles is depicted in the diagram below:



Contract procurement

Our contracts are secured through either a tendering process or a proposal submission process. Upon receiving an invitation to tender or a request for proposal from prospective customers, we will carry out a preliminary assessment based on the product requirements and background of the customer before deciding to participate in the tender.

Once we have decided to bid, we commence preparing our tender documents or proposals which involve a commercial proposal focusing on pricing, payment schedules and terms, warranty and defect liability period, and a technical proposal focusing on our capabilities, track record and experience profile, scope of work, bill of materials, and completion date. We then submit our tender or proposal, along with a tender/proposal bond/deposit if required.

Notwithstanding the secured contract, the customer must issue a purchase order to us to purchase steel poles from us, specifying the product quantities and specifications. In addition, some customers purchase steel poles from us through purchase orders without a formal contract.

7. BUSINESS OVERVIEW (Cont'd)

Procurement

We then source the necessary input materials mainly steel materials from domestic suppliers based on our customer's specifications. Upon arrival at our Ipoh Factory 1, all materials undergo a thorough inspection to ensure they meet the required specifications and are delivered in good condition.

Cutting

The steel rods are cut to the desired lengths for the pole body sections using a cutting machine to achieve the required length.

Swaging (if required), drilling and jointing

Depending on customer requirements, steel pole requiring a tapered or non-cylindrical shape will go through a swaging machine to form the desired shape. We then drill holes for electrical wiring, mounting, and access panels. The prepared ends of the steel sections are joined to create a strong joint using welding machines.

Finishing

The steel pole is then straightened using hydraulic presses to ensure it meets the required specifications for straightness. The steel pole also undergoes painting for the steel pole, providing a protective layer against corrosion. We engage third-party specialists to carry out the painting works.

Inspection and delivery

The finished steel poles are then inspected to ensure they meet dimensional and quality requirements. Once completed, the finished poles are readied for shipment and installation.

Billing and payment

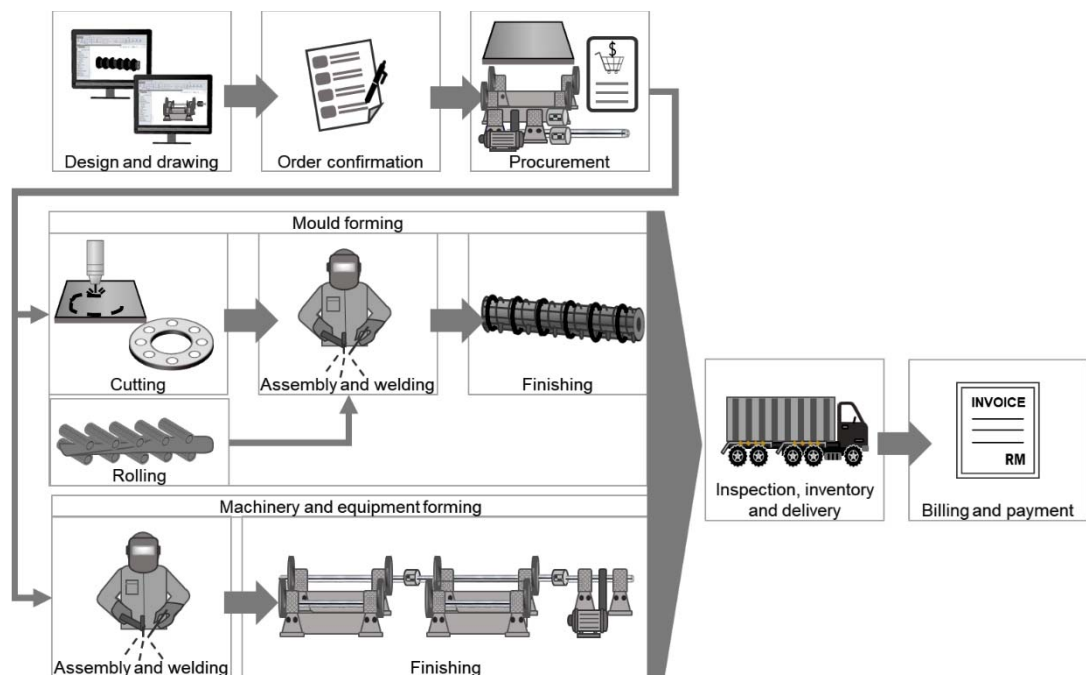
The accounts department will then prepare the sales invoice matched against the signed and stamped delivery order and subsequently sent out to the customer. The accounts department will record all payment received in our computer system, as well as keeping relevant documents for documentation and record-keeping purposes.

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7. BUSINESS OVERVIEW (Cont'd)

7.7.5 Manufacturing of moulds and machinery

The general process flow for our manufacturing of moulds and machinery is depicted in the diagram below:



Design and drawing

Our process typically begins with customer enquiries, where the customers will specify the moulds and/or machinery they intend to purchase or rent. Based on the customer's specifications, our engineers design and create detailed drawings for the moulds and/or machinery.

Order confirmation

Once the design is accepted by our customers, they will confirm their order by issuing a purchase order.

Procurement

We then source the necessary materials including steel plates, as well as machinery parts and components, from domestic and overseas suppliers based on our customer's specifications. Upon arrival at our manufacturing facilities, all materials undergo a thorough inspection to ensure they meet the required specifications and are delivered in good condition.

Mould forming

Cutting

Steel plates are cut to the required shapes and dimensions for the mould using laser cutting machines.

Cutting a steel plate for a mould



7. BUSINESS OVERVIEW (Cont'd)

Rolling

Steel coils are rolled to the required size and shape, forming tubular sections for specific mould components. We engage third-party service providers to carry out this process.

Steel coils rolled by external parties



Assembly and welding

All rolled parts are assemble and welded according to the design using the metal inert gas (MIG) welding method.

Finishing

After assembly and welding, we conduct a visual inspection to ensure the mould produced meets specifications. Subsequently, we paint the mould based on customer requirements. We carry out painting in-house and engage third-party specialists to carry out the painting works when necessary.

Mould assembly



Machinery and equipment forming

Assembly and welding

Once all parts are formed, we assemble and join all parts according to the design agreed upon using MIG welding.

Finishing

After assembly and welding, we conduct a visual inspection to ensure the mould produced meets specifications. Subsequently, we paint the machinery and equipment based on customer requirements. We carry out painting in-house and engage third-party specialists to carry out the painting works when necessary.

Inspection, inventory and delivery

The finished mould and/or machinery undergo a final inspection before being stored in our inventory. A pre-delivery inspection will be conducted before the manufactured moulds and/or machinery are delivered to the customers.

Completed moulds being inspected by customers



Billing and payment

The accounts department will then prepare the sales invoice matched against the signed and stamped delivery order and subsequently sent out to the customer. The accounts department will record all payments received in our computer system, as well as keeping relevant documents for documentation and record-keeping purposes.

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7. BUSINESS OVERVIEW (Cont'd)

7.7.6 Manufacturing of lighting fixtures

The general process flow for our manufacturing of lighting fixtures is depicted in the diagram below:



Order confirmation

Our process typically begins with customer enquiries, where the customers will specify the lighting fixtures they intend to purchase, including design, specifications, and quantities. Upon finalisation, the customer issues a purchase order to confirm the order.

Procurement

Based on the confirmed order, we then source the necessary components including lamp shades, lamp holders, wiring, cables, and other fittings from both domestic and overseas suppliers. Upon arrival at our manufacturing facilities, all incoming materials undergo a thorough inspection to ensure they meet the required specifications and are delivered in good condition.

Assembly and testing

After inspection, we proceed to assembly stage to assemble the components and parts according to the approved design and technical drawings. Once assembly is complete, each lighting fixture undergoes functional testing and quality checks to verify performance, safety, and compliance with specifications. Any non-conforming items are reworked and retested to ensure full functionality before moving to the next stage.

Inventory and delivery

Fully tested lighting fixtures undergo a final inspection before being stored in our inventory. Products are properly labelled and stored under suitable conditions to prevent damage or deterioration. Before shipment, a pre-delivery inspection is conducted to confirm that each fixture meets quality and specification requirements. The items are then packed securely and delivered to customers as per the agreed delivery schedule.

Billing and payment

The accounts department will then prepare the sales invoice matched against the signed and stamped delivery order and subsequently sent out to the customer. The accounts department will record all payments received in our computer system, as well as keeping relevant documents for documentation and record-keeping purposes.

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7. BUSINESS OVERVIEW (Cont'd)

7.8 TYPES, SOURCES AND AVAILABILITY OF MATERIALS

The following are the major types of materials and services that we purchased for our business operations during the Financial Periods Under Review:

	Purchases of materials and services					
	FYE 2021		FYE 2022		FYE 2023	
	RM'000	(1)%	RM'000	(1)%	RM'000	(1)%
Materials for trading activities	34,828	73.12	40,017	65.06	84,602	86.54
Trading of concrete products	15,533	32.61	13,813	22.46	42,468	43.44
• Spun products ⁽²⁾	12,262	25.74	13,813	22.46	30,139	30.83
• Square piles	3,271	6.87	-	-	12,329	12.61
Trading of construction materials and other products	19,295	40.51	26,204	42.60	42,134	43.10
• Steel materials	9,799	20.58	13,102	21.30	21,495	21.99
• Cement, concrete, sand and aggregates	6,396	13.43	8,270	13.44	13,894	14.21
• Other products	3,100	6.50	4,832	7.86	6,745	6.90
Materials for manufacturing activities	10,764	22.60	19,582	31.83	11,907	12.18
Steel materials	8,217	17.25	12,984	21.11	7,170	7.33
Cement, concrete, sand, and aggregates	537	1.13	893	1.45	1,867	1.91
Accessories	2,010	4.22	5,705	9.27	2,870	2.94
Services	2,040	4.28	1,915	3.11	1,257	1.28
Contract labour	1,534	3.22	1,653	2.68	1,204	1.23
Sub-contracted manufacturing services	506	1.06	262	0.43	53	0.05
	47,632	100.00	61,514	100.00	97,766	100.00
					119,591	100.00
					50,645	100.00

Notes:

- (1) As a percentage of total Group purchases of materials and services.
- (2) Spun products refer to standard poles and spun piles.

Our main business activity during the Financial Periods Under Review was trading, and consequently purchases of materials for trading accounted for 73.12%, 65.06%, 86.54%, 81.47%, and 85.50% of our total purchases of materials and services for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. Purchases of materials for our manufacturing activities accounted for 22.60%, 31.83%, 12.18%, 17.77%, and 13.52% of our total purchases of materials and services for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively, while services accounted for the remaining 4.28%, 3.11%, 1.28%, 0.76%, and 0.98% of our total purchases of materials and services.

7. BUSINESS OVERVIEW (Cont'd)

During the Financial Periods Under Review, purchases of concrete products for trading were our largest purchases value having accounted for 32.61%, 22.46%, 43.44%, 43.21%, and 48.74% of our total purchases of materials and services for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. Purchases of spun products comprising standard poles and spun piles accounted for 25.74%, 22.46%, 30.83%, 29.85%, and 35.71% of our total purchases of materials and services for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively, and purchases of square piles accounted for 6.87%, nil, 12.61%, 13.36%, and 13.03% of our total purchases of materials and services respectively. We mainly purchased standard poles and spun piles from Winabumi and PMW Concrete, and square piles from Winabumi.

Our total purchases of steel materials for our trading and manufacturing activities accounted for 37.83 %, 42.41%, 29.32%, 30.31%, and 21.06% of our total purchases of materials and services for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. These steel materials are used by our customers and our Group to manufacture concrete products (comprising spun products, square piles and other concrete products), and also by our Group to manufacture moulds, machinery and other metal products such as steel poles.

During the Financial Periods Under Review, our purchases of cement, concrete, sand and aggregates for our trading and manufacturing activities accounted for 14.56%, 14.89%, 16.12%, 15.43%, and 15.83% of our total purchases of materials and services for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. These materials are used to manufacture concrete products by our Group and our customers.

Purchases of other products for trading accounted for 6.50%, 7.86%, 6.90%, 6.54% and 9.03% of our total of our total purchases of materials and services for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. Other products for trading included concrete additives, diesel and fuel oil, metal and plastic accessories for concrete products, lighting fixtures and other products such as welding consumables and hand tools.

During the Financial Periods Under Review, purchases of accessories for our manufacturing activities accounted for 4.22%, 9.27%, 2.94%, 3.75% and 4.36% of our total of our total purchases of materials and services for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. The accessories for manufacturing that we purchased included plastic sockets, spacers and accessories for spun products, wood products, and end plates.

Purchases of services accounted for 4.28%, 3.11%, 1.28%, 0.76%, and 0.98% of our total purchases of materials and services. During the Financial Periods Under Review, our purchases of services comprised contract labour services and manufacturing services such as metal fabrication, casting and machining services.

The sources of supply for our Group are summarised in the table provided below.

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	(1)RM'000	(2)%	(1)RM'000	(2)%	(1)RM'000	(2)%	(1)RM'000	(2)%	(1)RM'000	(2)%
Malaysia	45,769	96.09	57,079	92.79	94,073	96.22	114,545	95.78	46,540	91.89
Other countries ⁽³⁾	1,863	3.91	4,435	7.21	3,693	3.78	5,046	4.22	4,105	8.11
	47,632	100.00	61,514	100.00	97,766	100.00	119,591	100.00	50,645	100.00

Notes:

(1) Value of purchases of materials and services during the financial year or financial period

(2) As a percentage of total Group purchases of materials and services.

(3) Other countries include China, Hong Kong, Indonesia, South Korea, and the USA.

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

7. BUSINESS OVERVIEW (Cont'd)

We have not experienced any shortages in purchasing our materials and services during the Financial Periods Under Review and up to the LPD. Steel materials are commodity materials, and consequently they are subject by global price fluctuations due to global demand and supply conditions. Please refer to Section 9.1.2 of this Prospectus for additional information relating to the risk of fluctuations in steel prices.

7.9 SALES AND MARKETING ACTIVITIES

Our marketing position and activities to retain existing customers, secure new customers, and address business opportunities are focused on the following:

- **In-house designed products:** We position ourselves as manufacturers of concrete products which are designed and developed in-house. In addition, as we design and manufacture the moulds used to manufacture these products, we have the in-house capability to develop, design, and manufacture new types and designs to meet customers' specifications as well as to address changing market requirements without having to rely on third-parties.
- **Manufacturing facilities in Peninsular and East Malaysia:** We market our concrete products to customers in Peninsular and East Malaysia based on our manufacturing facilities in Ipoh, Perak and Kota Kinabalu, Sabah. As we manufacture concrete products at these two locations, we have the capability to deliver the products to customers throughout Malaysia in a timely and cost-effective manner. This is an important consideration as concrete products are large and bulky items that are costly to transport, and subject to the risk of damage during transportation.
- **One-stop solution provider for moulds and machinery:** We provide customers with a one-stop solution for the complete set of moulds and machinery that are needed to manufacture spun poles and piles, and square piles. We designed and manufactured most of the moulds and machinery installed at our Ipoh Factory 1, Ipoh Factory 2 and Ipoh Factory 3, Kota Kinabalu Factory, and the former Kuching Factory that are used to manufacture concrete products. The machinery that we did not manufacture in-house were supplied by third-party suppliers. In addition, we have completed projects to manufacture, install, and/or commission the moulds and machinery for spun poles and piles manufacturing facilities in other countries including Nigeria, Saudi Arabia, Oman, and the USA.
- **Leverage available distribution channels:** We utilise both the direct and indirect distribution channels to maximise our market coverage to reach as many customers and end-users as possible. Through our direct distribution channel, we can develop customer loyalty as well as directly understand our customer's requirements to sustain and grow our business. Our indirect distribution channel involves dealing with intermediaries such as contractors, construction companies, and distributors to expand our product reach through their respective customer base and networks. For the FYE 2023, our direct and indirect distribution channels accounted for 58.73% and 41.27% respectively of our total revenue.
- **Proactive customer engagement:** We proactively identify and approach prospective customers to highlight the range of concrete products, steel poles, and moulds and machinery that we design and manufacture in-house. We aim to highlight our range of existing products and as our in-house capability to design and manufacture products to meet their specific requirements.
- **Customer service and support:** We are committed to providing customer service to support our customers. We respond promptly to customer complaints relating to potentially defective concrete products and steel poles to correct the defect or to replace the affected products. We also support our customers who have purchased our moulds and machinery by providing technical assistance and maintenance services whenever required.

As at the LPD, our marketing activities are headed by our Lee Khim Hwa and 23 personnel in our sales and marketing department who are responsible for sales, marketing and business development activities.

7. BUSINESS OVERVIEW (Cont'd)

As part of our marketing strategy, we participate in exhibitions to raise our profile and meet with prospective customers. The exhibitions that we have participated in during the Financial Periods Under Review and up to the LPD are listed in the following table:

Year	Name of event	Location	Nature of our participation
2023	Sabah Construction & Machinery Expo	Kota Kinabalu, Sabah	Exhibitor
2024	Product presentation to JKR Pulau Pinang (electrical engineering branch)	Penang	Organiser
2024	Product presentation to JKR Perak (electrical engineering branch)	Ipoh, Perak	Organiser
2024	Senior Officer's Conference JKR Malaysia 2024 (SOC 2024)	Klang, Selangor	Exhibitor
2024	Product presentation to JKR Kedah (electrical engineering branch)	Alor Setar, Kedah	Organiser
2024	Electrical Engineering Exhibition & Conference 2024 (ELEXCO 24)	Alor Setar, Kedah	Exhibitor
2024	Product presentation to JKR Malaysia (electrical engineering branch)	Kuala Lumpur	Organiser
2024	Product presentation to JKR Perlis (electrical engineering branch)	Kangar, Perlis	Organiser
2024	Product presentation to JKR Johor (electrical engineering branch)	Johor Bahru, Johor	Organiser
2024	TowerXchange Meetup Asia 2024	Kuala Lumpur	Exhibitor
2025	Exhibition in conjunction with the JKR Perak Electrical Supervision and Construction Reinforcement Course	Ipoh, Perak	Exhibitor
2025	JKR Kelantan Convention & Exhibition (KeCex) 2.0 2025	Bachok, Kelantan	Exhibitor
2025	Seminar 3SP'25 JKR Johor (electrical engineering branch)	Johor Bahru, Johor	Exhibitor
2025	MWC25 Barcelona (Mobile World Congress) – Malaysia pavilion	Barcelona, Spain	Exhibitor
2025	Smart Green ASEAN Cities 2025	Ipoh, Perak	Exhibitor
2025	JKR Perlis Technical Seminar & Familiarisation Course on the LS-1 Specification	Kangar, Perlis	Exhibitor
2025	JKR Electric Seminar & Exhibition	Penang	Exhibitor
2025	JKR Kedah Technical Day 2025 (electrical engineering branch)	Alor Setar, Kedah	Exhibitor
2025	SHARED A PropEx 2025 Property Exhibition	Kota Kinabalu, Sabah	Exhibitor

7.10 RESEARCH AND DEVELOPMENT

During the Financial Periods Under Review and up to the LPD, we have not undertaken any research and development as it is not relevant for our business.

7. BUSINESS OVERVIEW (Cont'd)**7.11 TECHNOLOGY USED**

During the Financial Periods Under Review and up to the LPD, we do not use specialised technologies in our business operations.

7.12 MATERIAL INTERRUPTIONS TO BUSINESS AND OPERATIONS

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

7.13 MAJOR CUSTOMERS**7.13.1 Our major customers**

Our major customers for the Financial Periods Under Review are as follows:

FYE 2021

No.	Customers	Location	Types of products / services	Length of relationship (years) ⁽¹⁾	RM'000	% of total revenue
1.	Winabumi ⁽²⁾	Malaysia	Traded construction materials and other products, manufactured spun poles, and rental of moulds and machinery	15	20,749	27.36
2.	PMW Concrete ⁽³⁾	Malaysia	Traded construction materials and other products, rental of moulds and machinery, and manufactured spun poles and steel poles	14	16,172	21.33
3.	Kumait ⁽⁴⁾	Saudi Arabia	Manufactured moulds and machinery	2	6,452	8.51
4.	Customer Group A	USA	Manufactured moulds	#	4,766	6.29
5.	Customer B	Malaysia	Traded spun piles and square piles	2	3,597	4.74
Revenue from major customers					51,736	68.23
Total revenue					75,826	100.00

The business relationship commenced in FYE 2021.

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7. BUSINESS OVERVIEW (Cont'd)**FYE 2022**

No.	Customers	Location	Types of products / services	Length of relationship (years) ⁽¹⁾	RM'000	% of total revenue
1.	PMW Concrete ⁽³⁾	Malaysia	Traded construction materials and other products, rental of moulds and machinery, and manufactured steel poles and spun poles	15	27,478	32.24
2.	Winabumi ⁽²⁾	Malaysia	Traded construction materials and other products, manufactured spun poles and piles, and rental of moulds and machinery	16	27,406	32.15
3.	Decor Poles ⁽⁵⁾	Malaysia	Traded spun poles and manufactured spun poles	7	2,546	2.99
4.	Furse Electric (Sabah) Sdn Bhd	Malaysia	Traded spun poles	6	2,045	2.40
5.	Customer C	Malaysia	Manufactured and traded spun poles	6	2,021	2.37
Revenue from major customers					61,496	72.15
Total revenue					85,235	100.00

FYE 2023

No.	Customers	Location	Types of products / services	Length of relationship (years) ⁽¹⁾	RM'000	% of total revenue
1.	Winabumi ⁽²⁾	Malaysia	Traded construction materials and other products, and rental of moulds and machinery	17	36,266	26.89
2.	PMW Concrete ⁽³⁾	Malaysia	Traded construction materials and other products, rental of moulds and machinery, and manufactured steel poles and spun poles	16	28,624	21.22
3.	Dynamic-Telecommunication Sdn Bhd	Malaysia	Traded and manufactured spun poles	#	6,537	4.85
4.	Customer D	Malaysia	Traded spun poles	1	5,384	3.99
5.	Customer Group E	Malaysia	Manufactured steel poles, and manufactured and traded spun poles	#	2,567	1.90
Revenue from major customers					79,378	58.85
Total revenue					134,869	100.00

The business relationship commenced in FYE 2023.

7. BUSINESS OVERVIEW (Cont'd)**FYE 2024**

No.	Customers	Location	Types of products / services	Length of relationship (years) ⁽¹⁾	RM'000	% of total revenue
1.	Winabumi ⁽²⁾	Malaysia	Traded construction materials and other products, and rental of moulds and machinery	18	40,438	24.46
2.	PMW Concrete ⁽³⁾	Malaysia	Traded construction materials and other products, rental of moulds and machinery, and manufactured steel poles and spun poles	17	28,633	17.32
3.	Customer Group E	Malaysia	Manufactured steel poles, and manufactured and traded spun poles	1	6,569	3.97
4.	Customer G	Malaysia	Traded spun poles	#	6,427	3.89
5.	Customer Group A	USA	Manufactured moulds	3	6,394	3.87
Revenue from major customers					88,461	53.51
Total revenue					165,337	100.00

The business relationship commenced in FYE 2024.

FPE 2025

No.	Customers	Location	Types of products / services	Length of relationship (years) ⁽¹⁾	RM'000	% of total revenue
1.	Winabumi ⁽²⁾	Malaysia	Traded construction materials and other products, and rental of moulds and machinery	19	24,069	30.56
2.	PMW Concrete ⁽³⁾	Malaysia	Traded construction materials and other products, rental of moulds and machinery, and manufactured steel poles and spun poles	18	8,302	10.54
3.	Customer H	Malaysia	Traded and manufactured spun poles	#	4,042	5.13
4.	Customer I	Nigeria	Manufactured moulds	1	3,261	4.14
5.	Customer G	Malaysia	Traded spun poles	1	2,365	3.00
Revenue from major customers					42,038	53.37
Total revenue					78,770	100.00

The business relationship commenced in FPE 2025.

Notes:

- (1) Length of relationship is determined as at the end of each financial year/period.
- (2) Winabumi is a related party. Please refer to Section 10.1.2 (iii) of this Prospectus for details of the related party transaction. As at the LPD, Winabumi has become a wholly-owned subsidiary of PMW.
- (3) PMW Concrete is an associate company. Please refer to Section 10.1.2 (i) of this Prospectus for details of the related party transaction. Following the completion of the Acquisition of PMW Concrete on 5 May 2025 and by virtue of the shareholders' agreement signed on 16 June 2025, PMW Concrete has become a subsidiary of PMW.
- (4) Kumait is a related party. Please refer to Section 10.1.2 (iv) of this Prospectus for details of the related party transaction.
- (5) Decor Poles is a related party which winding up process will commence in 2025.

During the Financial Periods Under Review, we were dependent on Winabumi and PMW Concrete as customers as they each accounted for more than 10.00% of our total revenue for each financial year and financial period. However, we will not be dependent on them as customers after the Acquisitions when they become our subsidiary companies and they cease to be our customers.

7. BUSINESS OVERVIEW (Cont'd)

We are not dependent on any of our other major customers during the Financial Periods Under Review as none of them accounted for more than 10.00% of our total revenue in any financial year or financial period.

For the Financial Periods Under Review, the major customers of PMW Concrete and Winabumi are as follows:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
PMW Concrete										
Tenaga Nasional Berhad Group	12,428	42.26	17,870	37.56	20,951	40.54	28,270	47.02	14,039	53.66
("TNB Group") ⁽¹⁾										
Telekom Malaysia Berhad Group	9,936	33.79	16,141	33.93	10,286	19.90	11,704	19.47	3,492	13.34
("TM Group") ⁽²⁾										
Decor Poles ⁽³⁾	6,808	23.15	11,039	23.21	1,119	2.17	-	-	-	-
PMW Marketing ⁽⁴⁾	140	0.48	2,474	5.20	19,293	37.33	19,390	32.25	8,629	32.98
PMW Industries ⁽⁴⁾	49	0.17	25	0.05	23	0.04	5	0.01	5	0.02
	29,361	99.85	47,549	99.95	51,672	99.98	59,369	98.75	26,165	100.00
Winabumi										
Mega Summit ⁽⁴⁾	15,392	59.63	10,454	26.02	23,026	49.67	30,344	52.44	2,538	10.47
Sabah Electricity Sdn Bhd	5,843	22.64	16,676	41.52	14,857	32.05	2,973	5.14	5,932	24.47
TM Group ⁽²⁾	4,245	16.45	11,436	28.47	480	1.03	2,086	3.61	1,740	7.18
Celcom Timur (Sabah) Sdn Bhd	332	1.28	947	2.36	8,000	17.25	22,459	38.81	1,177	4.86
Winabumi Marketing ⁽⁴⁾	-	-	-	-	-	-	-	-	12,825	52.90
	25,812	100.00	39,513	98.37	46,363	100.00	57,862	100.00	24,212	99.87

Notes:

- (1) TNB Group customers include Tenaga Nasional Berhad, TNB Energy Services Sdn Bhd, and Allo Technology Sdn Bhd.
- (2) TM Group customers include Telekom Malaysia Berhad and TM Technology Services Sdn Bhd.
- (3) Decor Poles is a related party. The transactions have ceased since the beginning of FYE 2024, and Decor Poles is currently a dormant company.
- (4) PMW Marketing, PMW Industries, Mega Summit and Winabumi Marketing are related parties. After the Acquisitions, PMW Concrete and Winabumi will be subsidiaries of PMW and these revenues will be eliminated as part of the consolidation of the financial information of the Group.

7. BUSINESS OVERVIEW (Cont'd)

During the Financial Periods Under Review, PMW Concrete was dependent on the following customers that accounted for more than 10.00% of its total revenue for two or more financial years or financial period:

- TNB Group accounted for more than 10.00% of PMW Concrete's revenue for each financial year and period. As at the LPD, PMW Concrete has a subsisting contract with TNB Group for the supply of standard poles and steel poles, which provides some assurance that TNB Group will continue purchase these products from PMW Concrete in accordance with the contract (although purchase orders are still required for individual orders).
- TM Group accounted for more than 10.00% of PMW Concrete's revenue for each financial year and period. As at the LPD, PMW Concrete has subsisting contracts with TM Group for the supply of standard poles and steel poles, which provides some assurance that TM Group will continue purchase these products from PMW Concrete in accordance with the contract (although purchase orders are still required for individual orders).

Although PMW Marketing accounted for more than 10.00% of PMW Concrete's revenue for FYE 2023, FYE 2024, and FPE 2025, PMW Concrete is not dependent on PMW Marketing as a customer as both companies are subsidiaries of our Group after the Acquisition. Although Decor Poles accounted for more than 10.00% of PMW Concrete's revenue for FYE 2021 and FYE 2022, moving forward there will not be any dependency as Decor Poles is currently a dormant company. PMW Concrete was not dependent on any of its other major customers during the Financial Periods Under Review as none of them accounted for more than 10.00% of its total revenue in any financial year or financial period.

PMW Concrete was subject to concentration risk during the Financial Periods Under Review as its major customers accounted for between 99.75% and 99.98% of its revenue during the Financial Period Under Review. However, concentration risk will be reduced or removed after the Acquisition for the following reasons:

- Revenue from third-party customers such as TNB Group and TM Group will be divided against the overall Group's revenue, which will be larger than PMW Concrete's revenue;
- There will not be any revenue from Decor Poles as it is dormant as at the LPD; and
- PMW Marketing and PMW Industries are not customers of PMW Concrete as they are subsidiaries of our Group.

During the Financial Periods Under Review, Winabumi was dependent on the following customers that accounted for more than 10.00% of its total revenue for two or more financial years or financial period:

- Sabah Electricity Sdn Bhd accounted for more than 10.00% of Winabumi's total revenue for the FYE 2021, FYE 2022, FYE 2023, and FPE 2025. As at the LPD, Winabumi has subsisting contracts with Sabah Electricity Sdn Bhd for the supply of standard poles, which provides some assurance that they will continue to purchase standard poles from Winabumi in accordance with the contract (although purchase orders are still required for individual orders).
- TM Group accounted for more than 10.00% of Winabumi's total revenue for the FYE 2021 and FYE 2022. Winabumi has a subsisting contract with TM Group as at the LPD for the supply of standard poles, which provides some assurance that they will continue to purchase standard poles from Winabumi in accordance with the contract (although purchase orders are still required for individual orders).
- Celcom Timur (Sabah) Sdn Bhd accounted for more than 10.00% of Winabumi's total revenue for the FYE 2023 and FYE 2024. Winabumi has a subsisting contract with Celcom Timur (Sabah) Sdn Bhd as at the LPD for the supply of standard poles, which provides some assurance that they will continue to purchase standard poles from Winabumi in accordance with the contract (although purchase orders are still required for individual orders).

7. BUSINESS OVERVIEW (Cont'd)

Although Mega Summit accounted for more than 10.00% of Winabumi's revenue for each financial year and financial period, and Winabumi Marketing accounted for more than 10.00% of Winabumi's revenue for FPE 2025, Winabumi is not dependent on Mega Summit and Winabumi Marketing as customers as all of these companies are subsidiaries of our Group after the Acquisition.

Winabumi was subject to concentration risk during the Financial Periods Under Review as its major customers accounted for between 98.37% and 100.00% of its revenue during the Financial Period Under Review. However, concentration risk will be reduced or removed after the Acquisition for the following reasons:

- Revenue from third-party customers such as TM Group, Sabah Electricity Sdn Bhd and Celcom Timur (Sabah) Sdn Bhd will be divided against the overall Group's revenue, which will be larger than Winabumi's revenue; and
- Mega Summit and Winabumi Marketing are not customers of Winabumi as they are subsidiaries of our Group.

7.14 MAJOR SUPPLIERS

Our major suppliers for the Financial Periods Under Review are as follows:

FYE 2021

No.	Suppliers	Location	Types of products / services	Length of relationship (years) ⁽¹⁾	RM'000	% of total purchases
1.	Winabumi ⁽²⁾	Malaysia	Spun poles and piles, and square piles	15	15,383	32.30
2.	Supplier Group A	Malaysia	Cement and diesel	1	3,172	6.66
3.	Waja Mustika Sdn Bhd	Malaysia	Steel materials	5	2,809	5.90
4.	Kaysen Industry Sdn Bhd	Malaysia	Steel materials	5	2,410	5.06
5.	Supplier B	Malaysia	Steel materials	2	2,341	4.91
Purchase from major suppliers					26,115	54.83
Total purchases					47,632	100.00

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7. BUSINESS OVERVIEW (Cont'd)**FYE 2022**

No.	Suppliers	Location	Types of products / services	Length of relationship (years) ⁽¹⁾	RM'000	% of total purchases
1.	Winabumi ⁽²⁾	Malaysia	Spun poles and piles, and square piles	16	10,454	16.99
2.	Kaysen Industry Sdn Bhd	Malaysia	Steel materials	6	3,546	5.76
3.	Waja Mustika Sdn Bhd	Malaysia	Steel materials	6	3,372	5.48
4.	Soon Hin Hardware Sdn Bhd	Malaysia	Steel materials	6	3,231	5.25
5.	Choo Bee group of companies ⁽⁴⁾	Malaysia	Steel materials, other products	6	2,945	4.79
Purchase from major suppliers					23,548	38.27
Total purchases					61,514	100.00

FYE 2023

No.	Suppliers	Location	Types of products / services	Length of relationship (years) ⁽¹⁾	RM'000	% of total purchases
1.	Winabumi ⁽²⁾	Malaysia	Spun poles and piles, and square piles	17	23,026	23.55
2.	PMW Concrete ⁽³⁾	Malaysia	Spun poles and other products	16	19,293	19.73
3.	Hume Cement Sdn Bhd	Malaysia	Cement	2	4,297	4.40
4.	Waja Mustika Sdn Bhd	Malaysia	Steel materials	7	4,027	4.12
5.	Kaysen Industry Sdn Bhd	Malaysia	Steel materials	7	3,914	4.00
Purchase from major suppliers					54,557	55.80
Total purchases					97,766	100.00

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7. BUSINESS OVERVIEW (Cont'd)**FYE 2024**

No.	Suppliers	Location	Types of products / services	Length of relationship (years) ⁽¹⁾	RM'000	% of total purchases
1.	Winabumi ⁽²⁾	Malaysia	Spun poles and piles, and square piles	18	30,352	25.38
2.	PMW Concrete ⁽³⁾	Malaysia	Spun poles and other products	17	19,458	16.27
3.	Hume Cement Sdn Bhd	Malaysia	Cement	3	4,907	4.10
4.	Choo Bee group of companies	Malaysia	Steel materials, other products	8	4,058	3.39
5.	Kaysen Industry Sdn Bhd	Malaysia	Steel materials	8	3,826	3.20
Purchase from major suppliers					62,601	52.34
Total purchases					119,591	100.00

FPE 2025

No.	Suppliers	Location	Types of products / services	Length of relationship (years) ⁽¹⁾	RM'000	% of total purchases
1.	Winabumi ⁽²⁾	Malaysia	Spun poles and piles, and square piles	19	15,703	31.01
2.	PMW Concrete ⁽³⁾	Malaysia	Spun poles and other products	18	5,950	11.75
3.	Party A	Malaysia	Spun poles and other products	1	3,040	6.00
4.	Hume Cement Sdn Bhd	Malaysia	Cement	4	2,531	5.00
5.	Kaysen Industry Sdn Bhd	Malaysia	Steel materials	9	1,683	3.32
Purchase from major suppliers					28,907	57.08
Total purchases					50,645	100.00

Notes:

- (1) Length of relationship is determined as at the end of each financial year/period.
- (2) Winabumi is a related party. Please refer to Section 10.1.2 (iii) of this Prospectus for details of the related party transaction. After the Acquisitions, Winabumi will be a wholly-owned subsidiary of PMW.
- (3) PMW Concrete is an associate company. Please refer to Section 10.1.2 (i) of this Prospectus for details of the related party transaction. Following the completion of the Acquisition on PMW Concrete on 5 May 2025 and by virtue of the shareholders agreement signed on 16 June 2025, PMW Concrete has become a subsidiary of PMW.
- (4) Choo Bee group of companies comprised Choo Bee Hardwares Sdn Bhd and Choo Bee Hardware (Sabah) Sdn Bhd.

During the Financial Periods Under Review, we were dependent on Winabumi as a supplier as it accounted for more than 10.00% of our total purchases of input materials and services for each financial year and financial period. We were also dependent on PMW Concrete as a supplier as it accounted for more than 10.00% of our total purchases of input materials and services for FYE 2023, FYE 2024 and FPE 2025. However, we will not be dependent on them as suppliers after the Acquisitions when they become our subsidiary companies and will cease to be our suppliers.

7. BUSINESS OVERVIEW (Cont'd)

We are not dependent on any of other major suppliers during the Financial Periods Under Review as none of them accounted for more than 10.00% of our total purchases of input materials and services in any financial years and/or financial period.

Our purchases of input materials and services from related parties amounted to 32.77% (RM15.61 million), 21.21% (RM13.05 million), 43.56% (RM42.59 million), 41.65% (RM49.81 million) and 42.75% (RM21.65 million) for the FYE 2021, FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively. We will not be dependent on the related parties as Winabumi and PMW Concrete became subsidiaries of our Group after the Acquisitions while the transactions with Decor Poles have ceased since the beginning of FYE 2024 and it is currently a dormant company.

7.15 BUSINESS STRATEGIES AND PLANS

Our business strategies and plans to grow our business are focused on leveraging our core competencies and strengths in the manufacturing of spun poles and piles, and moulds, machinery and metal products. The following diagram summarises our business strategies and plans:



7.15.1 Establish a new manufacturing facility

We plan to establish a new facility to manufacture concrete products in Tanjung Manis, Sarawak (Tanjung Manis Facility). We intend to purchase a piece of land of approximately 29 acres and construct a new building for the Tanjung Manis Facility.

The planned Tanjung Manis Facility building will have total built-up area of around 60,900 sq. ft. with a covered manufacturing area for manufacturing spun poles and piles, as well as office space. In addition, the Tanjung Manis Facility will have an open storage area of approximately 1,202,340 sq. ft. for input materials (such as sand and aggregate) and finished spun poles and piles.

We intend to install a spun poles and piles manufacturing line at the covered manufacturing area. We intend to manufacture all of the moulds and some of the machinery, and equipment required to set up the spun poles and piles manufacturing line with our in-house resources. However, if the market price of the moulds, machinery and equipment is lower than the cost of manufacturing them, the Group may opt to purchase the moulds, machinery and equipment directly.

We will commence manufacturing spun poles and piles at the Tanjung Manis Facility after we have obtained the CCC for the facility, as well as all other applicable licences and registrations. The planned manufacturing capacity of the Tanjung Manis Facility is summarised in the following table:

Type of product	Expected annual manufacturing capacity
Spun piles	122,000 tonnes
Spun poles	6,200 tonnes

The benefits that we anticipate from establishing our Tanjung Manis Facility include increasing our ability to serve customers in Sarawak and strengthening our competitive position in Sarawak.

7. BUSINESS OVERVIEW (Cont'd)

The Tanjung Manis Facility will position us to supply spun poles and piles to support construction and infrastructure development in Sarawak, particularly road and bridge construction. Coastal and inland regions of Sarawak have peat soil, which have low load bearing capacity, high compressibility, and acidic environment which makes infrastructure development, including road and bridge construction, difficult. One method implemented by the Sarawak Public Works Department to overcome this is the elevated road construction technique where road structures are raised and constructed above peat soil using supporting piles. Under the Sarawak State Budget 2025, the State Government has allocated approximately RM1.0 billion for the construction and upgrading of roads and bridges, as well as RM4.0 billion for various ongoing and new major infrastructure projects, including the Sarawak Coastal Road. These initiatives are expected to drive demand for concrete piles (which includes spun piles) that are essential for building stable and durable infrastructure in peat soil areas. (Source: IMR Report).

Furthermore, we have established a customer base in Sarawak through standard poles previously manufactured by Kuching Factory as well as the trading of concrete products manufactured by Winabumi.

PMW Industries had received a letter dated 9 October 2025 from Sarawak Timber Industry Development Corporation, a corporation established in June 1973 under the Sarawak Timber Industry Development Corporation Ordinance, 1973 enacted by the legislature of Sarawak ("**STIDC**") stating its decision to participate in the development of Tanjung Manis Facility through equity involvement ("**Proposed Joint Venture**"). STIDC will participate through, among others, its ownership of an industrial land of approximately 29 acres in Tanjung Manis, Sarawak ("**Tanjung Manis Land**"). In addition, our Group anticipates that a new entity will be incorporated ("**Joint Venture Company**") to undertake the Proposed Joint Venture.

Our Group will enter into a joint venture agreement with STIDC, facilitating both parties' equity participation in the development of the Tanjung Manis Facility after our Listing. The terms of the Proposed Joint Venture will contain, among others, the following:

- (i) The Joint Venture Company shall at all times remain a subsidiary of PMW by virtue of PMW controlling more than half of the voting power of the Joint Venture Company;
- (ii) STIDC will inject the Tanjung Manis Land or grant developmental rights on the Tanjung Manis Land to the Joint Venture Company in exchange for shares in the Joint Venture Company; and
- (iii) Representations and warranties to be provided by both parties.

Our Group will ensure that the terms of the Proposed Joint Venture will not be detrimental to the interests of our Group and will be implemented in accordance with the Listing Requirements.

As at the LPD, our indicative timeline for establishing the Tanjung Manis Facility is as follows:

Indicative timeline	Milestone
1 st quarter of 2026	- Finalisation of the Proposed Joint Venture. - Engage a consultant to finalise the design the new facility layout. - Submission of relevant approvals, licences and certifications applications to the relevant authorities to construct the new facility.
3 rd quarter of 2026	Obtain the approvals, licences, and certifications that are required to construct the new facility.
4 th quarter of 2026	Commence construction works for the new facility.
3 rd quarter of 2027	- Submission of CCC applications, relevant licences and other certificates for the new facility. - Install, test, and commissioning of the spun poles and spun piles manufacturing line at the new facility.
4 th quarter of 2027	- Obtain the CCC, licences and certifications for the new facility. - Commence manufacturing activities.

7. BUSINESS OVERVIEW (Cont'd)

As at the LPD, the total estimated cost of establishing the Tanjung Manis Facility and its amenities is as follows:

Description	Estimated cost ⁽¹⁾ (RM'000)
Tanjung Manis Facility	
Construction of the manufacturing facility, warehouse and office comprising:	
- Preliminaries ⁽²⁾	200
- Piling works	129
- Steel structural, wall cladding, gutter, pipes and others	15,134
- Boiler room and air compression room	390
Fittings and fixtures	4,000
Contingencies and other costs	500
	20,353
Cost of manufacturing moulds and machinery	
Moulds	14,428
Machinery and equipment ⁽³⁾	2,979
	17,407
Purchase of machinery, equipment, and industrial vehicles	
Machinery and equipment ⁽⁴⁾	9,569
Industrial vehicles ⁽⁵⁾	1,530
Others ⁽⁶⁾	1,390
	12,489
Total	50,249

Notes:

- (1) Based on quotations received from prospective main contractors and suppliers, and our Group's estimates.
- (2) Preliminaries include mobilisation, demobilisation, site clearing, CIDB levy, insurances, surveyor and others.
- (3) Machinery and equipment to be manufactured by our Group includes concrete feeding systems, centrifugal spinning machines and de-moulding machines.
- (4) Machinery and equipment to be purchased includes steel straightening and cutting machines, automated steel caging machines, warm heading machines, demoulding oil application, pre-stressing machines, concrete batching systems and steam curing system.
- (5) Industrial vehicles comprise 1 unit each of mobile crane, shovel loader, industrial sweeper, concrete-mixer, and forklift.
- (6) Others include workshop tools and machinery, and laboratory equipment.

The total estimated cost for the construction of Tanjung Manis Facility and its amenities is approximately RM50.25 million which will be funded partly via the IPO proceeds and the balance via internally generated funds and/or bank borrowings, as follows:

	Total estimated cost (RM'000)	Source of funds	
		Internally generated funds/bank borrowings (RM'000)	IPO proceeds (RM'000)
Construction of the building, fittings and fixtures, new moulds, machinery and equipment, contingencies and other costs	50,249	3,541	46,708

Our Group does not anticipate any significant delay in the Proposed Joint Venture. However, if our Group is unable to proceed the Proposed Joint Venture within the intended timeline, we will explore the purchase of other industrial land within Tanjung Manis vicinity.

7. BUSINESS OVERVIEW (Cont'd)

Upon completion of the Tanjung Manis Facility, the total workforce required for the commencement of its operation is estimated as follows:

Category	Head Count	Position / Role
Management and professionals	4	General manager, production manager and supply chain manager
Clerical and administrative	13	Account personnel, office executives and administrative clerks
Technical personnel	22	Engineers, production supervisors, quality control personnel and maintenance team
Production workers	121	Machine and process operators, and product loading and unloading
Total	160	

7.15.2 Purchase new machinery and equipment

As part of our business strategy, we plan to purchase new machinery and equipment for our manufacturing of moulds, spun poles and spun piles business operations. The types of new machinery and equipment that we plan to purchase are as follows:

- **Laser cutting machines:** This machine uses a laser cutting tool to cut metal sheets and plates into the desired shape. The cutting tool is controlled by computer-coded instructions to achieve a high degree of accuracy and consistency. We plan to install the new laser cutting machines at Ipoh Factory 1.
- **Shovel loader:** A type of industrial vehicle with a front-mounted shovel attachment. They are typically used to move materials such as sand and aggregates. We plan to use the new shovel loader at Ipoh Factory 3.

The total estimated cost of purchasing the new machinery and equipment is RM0.58 million with the breakdown as follows:

Purchases of machinery and equipment	Intended number of units to be purchased	Total estimated cost ⁽¹⁾ (RM'000)
Laser cutting machines	1 unit	256
Shovel loader	1 unit	325
Total		581

Note:

(1) Based on quotations received from prospective suppliers, and they are subject to change.

We will utilise IPO proceeds to purchase the laser cutting machine and shovel loader. As at the LPD, we have not ordered the laser cutting machine and shovel loader. We intend to purchase them by the fourth quarter of 2025 from a local supplier.

The benefits that we anticipate include the following:

- As at the LPD, we own 1 unit of laser cutting machine as well as plasma cutting machines. The new laser cutting machines will have higher cutting speed compared to our existing laser cutting and plasma cutting machines. This is expected to reduce the cycle time for cutting steel materials into the required shape and dimensions as part of the mould manufacturing process.
- As at the LPD, we have 1 functional shovel loader shared between Ipoh Factory 2 and Ipoh Factory 3, which are located about 5 minutes apart. The sharing arrangement often requires the factories to wait for the shovel loader to arrive in order to load sand and aggregates into the storage hopper of the concrete batching plant as part of concrete batching process of manufacturing concrete products. This results in production downtime. With the new shovel loader assigned to Ipoh Factory 3 and the existing unit assigned to Ipoh Factory 2, each factory will have its own dedicated unit which should reduce waiting time.

7. BUSINESS OVERVIEW (Cont'd)

7.16 MATERIAL DEPENDENCY ON COMMERCIAL CONTRACTS, AGREEMENTS AND OTHER ARRANGEMENTS

Save as disclosed below, as at the LPD, our Group is not dependent on any contracts or agreements including commercial and financial contracts which are material to our business or profitability:

- (a) The salient terms of the contract agreement between PMW Concrete and Tenaga Nasional Berhad are as follows ("**G1 Agreement**"):

Contracting Parties	PMW Concrete and Tenaga Nasional Berhad
Duration	1 year effective from the date of the letter of award (i.e. 9 December 2024) with an option to extend for another 1 year with the same price and original contract terms and conditions ⁽¹⁾ .
Description	The G1 Agreement sets out the general terms and condition for the supply and delivery of various sizes of spun concrete poles for distribution network.
Governing Law / Jurisdiction	The validity, construction, operation and effect of the letter of award shall be determined and governed by the laws of Malaysia.
Defect Rectification Warranty Period	3 years.

Note:

- (1) As at the LPD, the duration of the G1 Agreement has not been extended. The option to extend the duration of G1 Agreement will be exercised within 1 month prior to its expiry date (8 December 2025).

- (b) The salient terms of the letter of award between PMW Concrete and Allo Technology Sdn Bhd are as follows ("**G2 LA**"):

Contracting Parties	PMW Concrete and Allo Technology Sdn Bhd
Duration	From 3 November 2023 until 2 November 2025 ⁽¹⁾ .
Description	The G2 LA sets out the general terms and condition for the supply and delivery of telecommunications prestressed spun concrete poles.
Governing Law / Jurisdiction	The G2 LA shall be governed by and construed in accordance with the laws of Malaysia and the parties agree to submit to the exclusive jurisdiction of the courts of Malaysia.

Note:

- (1) As at the LPD, the G2 LA has been fully utilised and will not be renewed.

- (c) The salient terms of the letter of award and relevant contract documents made between PMW Concrete and Telekom Malaysia Berhad are as follows ("**H1 LA 1**"):

Contracting Parties	PMW Concrete and Telekom Malaysia Berhad
Duration	From 15 February 2023 until 14 February 2026 ⁽¹⁾ .
Description	The H1 LA 1 sets out the general terms and condition for the supply of pre-stressed spun concrete poles (" Goods ").

7. BUSINESS OVERVIEW (Cont'd)

Termination / Events of Default	Telekom Malaysia Berhad shall have the right to terminate the H1 LA 1 without assigning any reason whatsoever, by way of a 60 days' notice in writing to PMW Concrete of its intention to do so.
Indemnities	PMW Concrete shall be liable for, and shall indemnify Telekom Malaysia Berhad and keep Telekom Malaysia Berhad fully indemnified against all actions, expenses, costs, liability, loss, damages (including any damages or compensation paid by Telekom Malaysia Berhad or any solicitor's fee paid for the purpose of settlement of any claim), claims or proceedings arising directly or indirectly out of any breach of the H1 LA 1 including any acts, negligence, omissions, misconduct or defaults of PMW Concrete, its servants or agents or in the course of or caused by the carrying out its obligation pursuant to the H1 LA 1.
Title and Risk	Full ownership and risk of the Goods shall pass to Telekom Malaysia Berhad upon the delivery of the Goods to Telekom Malaysia Berhad under the H1 LA 1. The validity of this provision is absolute; such validity is not linked to the fulfilment by Telekom Malaysia Berhad of any obligations, contractual or not. This provision shall not impair PMW Concrete's right to payment for Goods which have been delivered to and accepted by Telekom Malaysia Berhad.
Confidentiality	1. PMW Concrete, its employees, agents, distributors and representatives shall at all times treat the H1 LA 1 as private and confidential. No disclosure shall be made by PMW Concrete to any third party without the prior written consent of Telekom Malaysia Berhad. 2. Each party shall at all times during the continuance of the H1 LA 1 and after its termination maintain confidential all confidential information given to it (the "Receiving Party") by the other party (the "Disclosing Party"); not use the confidential information other than for the purposes of the H1 LA 1; and comply with the Personal Data Protection Act 2010. 3. Confidential information may be disclosed or reproduced by the Receiving Party to such an extent only as is necessary for the purposes contemplated by the H1 LA 1, or as required by law and subject in each case to the Disclosing Party being satisfied that the Receiving Party has entered into an agreement on similar terms as contained in this clause with a Receiving Party as to the confidentiality and restricted use of such information, so as to enable the Receiving Party to comply with its obligations under the H1 LA 1. 4. Confidential information disclosed pursuant to the H1 LA 1 shall be stored securely when not in use. Unless required for the purposes of a further agreement between the parties, upon expiry or termination of the H1 LA 1 pursuant to its terms and conditions, the Receiving Party shall return all confidential information and all or any permitted copies to the Disclosing Party. 5. Except where the Disclosing Party gives written instructions to the Receiving Party at any time that the obligations of confidentiality in respect of specified items of confidential information should be maintained for a different period, the Receiving Party's obligations pursuant to the H1 LA 1 shall notwithstanding subsequent termination continue for a period of 3 years. 6. The Receiving Party shall be permitted to use for any purpose and to disclose any part of the confidential information to the extent only that the confidential information is in or comes into the public domain otherwise than by disclosure by the Receiving

7. BUSINESS OVERVIEW (Cont'd)

	Party; or the confidential information was or is lawfully obtained or available from a third party who is lawfully in possession of the same and free to disclose it; or the Receiving Party already has knowledge of the confidential information prior to disclosure by the Disclosing Party as evidenced by written records; or such disclosure is required by law or governmental regulations, supervisory or regulatory body. 7. Nothing in this clause shall be deemed to grant a license expressly or by implication under any intellectual property rights. 8. The obligations set out in this clause shall extend to confidential information provide to or obtained by PMW Concrete's officers, agents, professional advisers, employees, contractors and sub-contractors. 9. This clause shall at all times be read together with the non-disclosure agreement executed by the parties prior or after execution of the H1 LA 1 (if applicable) to govern the confidentiality of information received or retained by the Receiving Party. 10. This clause shall survive the termination or expiry of the H1 LA 1.
Guarantee Period	There is a guarantee period of 12 months from the date of acceptance of the Goods by Telekom Malaysia Berhad.

Note:

(1) As at the LPD, the H1 LA 1 has not been renewed.

- (d) The salient terms of the letter of award and relevant contract documents made between PMW Concrete and Telekom Malaysia Berhad are as follows ("**H1 LA 2**"):

Contracting Parties	PMW Concrete and Telekom Malaysia Berhad
Duration	From 1 November 2022 until 31 October 2025 and has been extended until 31 December 2026.
Description	The H1 LA 2 sets out the general terms and condition for the supply of tapered tubular steel poles (" Goods ").
Termination / Events of Default	Telekom Malaysia Berhad shall have the right to terminate the H1 LA 2 without assigning any reason whatsoever, by way of a 60 days' notice in writing to PMW Concrete of its intention to do so.
Indemnities	PMW Concrete shall be liable for, and shall indemnify Telekom Malaysia Berhad and keep Telekom Malaysia Berhad fully indemnified against all actions, expenses, costs, liability, loss, damages (including any damages or compensation paid by Telekom Malaysia Berhad or any solicitor's fee paid for the purpose of settlement of any claim), claims or proceedings arising directly or indirectly out of any breach of the H1 LA 2 including any acts, negligence, omissions, misconduct or defaults of PMW Concrete, its servants or agents or in the course of or caused by the carrying out its obligation pursuant to the H1 LA 2. The obligation or liability hereunder shall survive the expiration or termination of the H1 LA 2.
Title and Risk	Full ownership and risk of the Goods shall pass to Telekom Malaysia Berhad upon the delivery of the Goods to Telekom Malaysia Berhad under the H1 LA 2. The validity of this provision is absolute; such validity is not linked to the fulfilment by Telekom Malaysia Berhad of any obligations, contractual or not. This provision shall not impair PMW Concrete's right to payment for Goods which have been delivered to and accepted by Telekom Malaysia Berhad.

7. BUSINESS OVERVIEW (Cont'd)**Confidentiality**

1. PMW Concrete, its employees, agents, distributors and representatives shall at all times treat the H1 LA 2 as private and confidential. No disclosure shall be made by PMW Concrete to any third party without the prior written consent of Telekom Malaysia Berhad.
2. Each party shall at all times during the continuance of the H1 LA 2 and after its termination maintain confidential all confidential information given to it (the "**Receiving Party**") by the other party (the "**Disclosing Party**"); not use the confidential information other than for the purposes of the H1 LA 2; and comply with the Personal Data Protection Act 2010.
3. Confidential information may be disclosed or reproduced by the Receiving Party to such an extent only as is necessary for the purposes contemplated by the H1 LA 2, or as required by law and subject in each case to the Disclosing Party being satisfied that the Receiving Party has entered into an agreement on similar terms as contained in this clause with a Receiving Party as to the confidentiality and restricted use of such information, so as to enable the Receiving Party to comply with its obligations under the H1 LA 2.
4. Confidential information disclosed pursuant to the H1 LA 2 shall be stored securely when not in use. Unless required for the purposes of a further agreement between the parties, upon expiry or termination of the H1 LA 2 pursuant to its terms and conditions, the Receiving Party shall return all confidential information and all or any permitted copies to the Disclosing Party.
5. Except where the Disclosing Party gives written instructions to the Receiving Party at any time that the obligations of confidentiality in respect of specified items of confidential information should be maintained for a different period, the Receiving Party's obligations pursuant to the H1 LA 2 shall notwithstanding subsequent termination continue for a period of 3 years.
6. The Receiving Party shall be permitted to use for any purpose and to disclose any part of the confidential information to the extent only that the confidential information is in or comes into the public domain otherwise than by disclosure by the Receiving Party; or the confidential information was or is lawfully obtained or available from a third party who is lawfully in possession of the same and free to disclose it; or the Receiving Party already has knowledge of the confidential information prior to disclosure by the Disclosing Party as evidenced by written records; or such disclosure is required by law or governmental regulations, supervisory or regulatory body.
7. Nothing in this clause shall be deemed to grant a license expressly or by implication under any intellectual property rights.
8. The obligations set out in this clause shall extend to confidential information provide to or obtained by PMW Concrete's officers, agents, professional advisers, employees, contractors and sub-contractors.
9. This clause shall at all times be read together with the non-disclosure agreement executed by the parties prior or after execution of the H1 LA 2 (if applicable) to govern the confidentiality of information received or retained by the Receiving Party.
10. This clause shall survive the termination or expiry of the H1 LA 2.

7. BUSINESS OVERVIEW (Cont'd)

Guarantee Period	There is a guarantee period of 12 months from the date of acceptance of the Goods by Telekom Malaysia Berhad.

- (e) The salient terms of the latest purchase order between Winabumi and Sabah Electricity Sdn Bhd are as follows ("**Purchase Order**"):

Contracting Parties	Winabumi and Sabah Electricity Sdn Bhd
Duration	1 year
Description	The Purchase Order sets out the general terms and condition for the supply of pre-stressed concrete poles (" Goods ").
Warranty Period	The warranty period for the Goods shall be 24 months after complete delivery and satisfactory acceptance of the Goods by Sabah Electricity Sdn Bhd.

- (f) The salient terms of the supply agreement between Winabumi and Celcom Timur (Sabah) Sdn Bhd are as follows ("**J Agreement**"):

Contracting Parties	Winabumi and Celcom Timur (Sabah) Sdn Bhd
Duration	From 12 December 2022 to 11 December 2025 with the option to renew for 2 years by Celcom Timur (Sabah) Sdn Bhd in accordance with the terms and conditions stipulated in the J Agreement ⁽¹⁾ .
Description	The J Agreement sets out the general terms and condition for the supply of pre-stressed spun concrete poles (" Goods ").
Termination / Events of Default	If Winabumi should pass a resolution to wind-up other than for the purpose of amalgamation or reconstruction, or a lawfully constituted court of competent jurisdiction in Malaysia should make an order that Winabumi shall wind-up, or if a receiver or manager on behalf of a creditor should be appointed, or if circumstances should arise which entitle such court or a creditor to appoint a receiver or manager or which entitle such court to make a winding-up order, Celcom Timur (Sabah) Sdn Bhd shall have the right to determine forthwith the J Agreement, and to the extent laid down by Malaysian Law, be refunded by Winabumi of all payment that may have been made to Winabumi in respect of undelivered Goods without any deduction whatsoever. If Winabumi shall make default in any of the following respects, namely, without reasonable cause wholly suspends the supply of Goods; fails to proceed with the supply of Goods in accordance with the scope of work as stated under the J Agreement; refuse or to a substantial degree persistently neglects after notice in writing from Celcom Timur (Sabah) Sdn Bhd to remove defective or improper materials; then, if any such default shall continue for 7 days after a notice sent to Winabumi, Celcom Timur (Sabah) Sdn Bhd may (without prejudice to any other rights herein contained) thereupon by notice terminate the J Agreement provided that notice hereunder shall not be given unreasonably or vexatiously and such notice shall be void if Celcom Timur (Sabah)

7. BUSINESS OVERVIEW (Cont'd)

	If Winabumi commits an act of bankruptcy, becomes insolvent or compounds with or makes any assignments for the benefit of its creditors, assigns or subcontracts the J Agreement or any portion thereof without the written permission of Celcom Timur (Sabah) Sdn Bhd, then, in any such event, Celcom Timur (Sabah) Sdn Bhd may without prejudice to any other rights contained in the J Agreement by a notice terminate the J Agreement.
Title and Risk	Title to each of the Goods shall pass to Celcom Timur (Sabah) Sdn Bhd upon receipt by Winabumi of payment in full.
Governing Law / Jurisdiction	The J Agreement shall be subject to the Law of Malaysia. The courts of Malaysia shall have jurisdiction.
Warranty Period	There is a warranty period of 2 years commencing from the signing of delivery order in the format provided in the J Agreement.

Note:

(1) As at the LPD, the J Agreement has not been renewed.

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7. BUSINESS OVERVIEW (Cont'd)

7.17 MAJOR APPROVALS, LICENCES AND PERMITS OBTAINED

Save as disclosed below, there are no other major licences, approvals, and permits which our Group is materially dependent on for the operation of our business and the status of compliance are as set out below:

No.	Company	Approving authority/ issuer	Description of approval/ licence/ approval	Licence/ Registration/ Certificate/ Account No.	Issuance date/ Expiry date	Major conditions imposed	Status of compliance
1.	Mega Summit	Tuaran District Council	Business Licence for factory business in manufacturing & trading of prestressed spun concrete poles, piles and its related materials at Lot 5, Lorong 2A-1, KKIP Timur Industrial Zone 12, Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah.	Licence No: TRN/2025/1366	9 January 2025 / 31 December 2025 ⁽¹⁾	Nil.	N/A
2.	Mega Summit	Tuaran District Council	Business Licence for manufacturing of construction materials at Lot 2, Industrial Zone 10, Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah.	Licence No: TRN/2025/1368	9 January 2025 / 31 December 2025 ⁽²⁾	Nil.	N/A
3.	Mega Summit	Kota Kinabalu City Council	Business Licence for supply of construction materials at DBKK 9-3, 3 rd Floor, Lot 21, Block C, Lintas Square, 88300 Kota Kinabalu, Sabah.	Licence No: 828625	18 December 2024 / 31 December 2025 ⁽¹⁾	Nil.	N/A
4.	PMW Concrete	Ipoh City Council	Business Licence for business activities in roof tiles, walls, floor tiles, marble and stone at Lot 133077, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak.	Reference No: G1/E/2/80/1/07	1 January 2025 / 31 December 2025 ⁽¹⁾	Nil.	N/A

7. BUSINESS OVERVIEW (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence/ approval	Licence/ Registration/ Certificate/ Account No.	Issuance date/ Expiry date	Major conditions imposed	Status of compliance
5.	PMW Concrete	MITI	Manufacturing Licence for manufacturing of 'Pre-stressed Spun Concrete Poles' at Lot 133077, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak. ⁽³⁾	Licence No: A024049 Serial No: A040087	22 September 2021 / Nil Effective Date: 18 August 2021	(a) MITI and MIDA shall be notified of any sale of shares in PMW Concrete. (b) PMW Concrete must train Malaysians so that the transfer of technology and expertise can be implemented at all levels. (c) PMW Concrete must comply with the Capital Investment per Employee (CIPE) requirement of at least RM140,000. (d) The total full-time workforce of PMW Concrete shall comprise of at least 80% Malaysians. Employment of foreign workers including outsourced workers is subject to current policies. (e) PMW Concrete shall submit information on the performance of its investment and implementation of its projects under the Industrial Co-ordination Act 1975 and the Malaysian Investment Development Authority (Incorporation) Act 1965 when required by MIDA. Failure to submit such information may result in PMW Concrete: (i) guilty of an offence and liable to a fine not exceeding RM1,000 or imprisonment for a term not exceeding 3 months or both and to a further fine not exceeding RM500 for each day the offence continues; or (ii) commits an offence if it gives any statement or other information which is false or misleading in any material way and is liable to a fine not exceeding RM2,000 or imprisonment for a term not exceeding 6 months or both. (f) PMW Concrete shall implement its project as approved and in accordance with the laws and regulations of Malaysia.	Complied Complied Complied Noted⁽⁴⁾ Noted Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence/ approval	Licence/ Registration/ Certificate/ Account No.	Issuance date/ Expiry date	Major conditions imposed	Status of compliance
6.	PMW Concrete	Sarawak State Government	Business Licence for business related to manufacturing of prestressed spun concrete poles at Sunny Commercial Centre, Jalan Dogan Off, Jalan Batu Kawaa, 93250 Kuching, Sarawak.	Licence No: 1251475	19 September 2025 / 21 September 2026	Nil.	N/A
7.	PMW Concrete	MOF	Certificate of Registration – Provision of supply and service under the following sectors, areas and sub-sectors: (a) Code 080101: Civil engineering, construction and public facilities equipment (b) Code 080199: Civil engineering, construction and public facilities equipment/ manufacturing (spun concrete pole, decorative & lighting poles) (c) Code 090101: building materials and road safety equipment	K606731529939 93194	14 October 2024 / 13 October 2027 ⁽⁵⁾	(a) PMW Concrete must ensure that the registered sectors in the Certificate of Registration shall not overlap with the approved sectors for any other companies which: (i) have similar shareholders or board of directors, management and employees; or (ii) operate on the same premise as PMW Concrete.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence/ approval	Licence/ Registration/ Certificate/ Account No.	Issuance date/ Expiry date	Major conditions imposed	Status of compliance
8.	PMW Concrete	MOF	Certificate of Registration of Bumiputera Company	BP60673152993 993194	14 October 2024 / 13 October 2027	(a) PMW Concrete shall at all times maintain and enhance its position so that: (i) There must be more than 51% Bumiputera in terms of equity ownership, in the composition of the board of directors, the position of chief executive officer, managing director, or general manager, other key positions, employees of the company at the management-level, and employees. (ii) The majority of Bumiputera shall play an important role in PMW Concrete's transactions, the financial management of PMW Concrete, decision making processes and representation of PMW Concrete in meetings and other official matters. (b) MOF reserves the right to revoke and cancel PMW Concrete's Bumiputera status in the event MOF discovers that PMW Concrete has violated the conditions specified in the certificate or has transferred the management of PMW Concrete and the obtained contract to other parties. (c) PMW Concrete shall ensure that its registration with the MOF remains valid throughout the contract period.	Complied ⁽⁶⁾
9.	PMW Concrete	Ministry of Domestic Trade and Cost of Living	Scheduled Permit for purchase and storage of diesel at Lot 133077, Jalan Lahat Bukit Merah Industrial Estate, 31500 Lahat, Perak.	Permit No: PBKB/2024/P/A-000117	15 April 2024 / 14 April 2027 ⁽⁷⁾	(a) Storage of the diesel shall be at the address allowed under this permit. (b) The diesel stored or in possession shall not exceed the quantity allowed under this permit.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence/ approval	Licence/ Registration/ Certificate/ Account No.	Issuance date/ Expiry date	Major conditions imposed	Status of compliance
10.	PMW Industries	Ipoh City Council	Business Licence for science and engineering materials at Lot 133077, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak.	Reference No: G1/E/2/66/5/92	1 January 2025 / 31 December 2025 ⁽¹⁾	(c) Purchase of the diesel shall be for personal use and not for resale purposes.	Complied
11.	PMW Industries	Ipoh City Council	Signboard Licence at Lot 133077, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak.	Reference No: G1/E/3/179/97	1 January 2025 / 31 December 2025 ⁽¹⁾	Nil.	N/A
12.	PMW Industries	MITI	Manufacturing Licence for manufacturing of 'Steel Moulds for Concrete Products' at Lot 133077, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak. ⁽⁸⁾	Licence No: A008456 Serial No: A022915	29 January 2005 / Nil. Effective Date: 24 September 1992	(a) MITI shall be notified of any sale of shares in PMW Industries. (b) PMW Industries must train Malaysians so that the transfer of technology and expertise can be implemented at all levels. (c) PMW Industries shall implement its project as approved and in accordance with the laws and regulations of Malaysia.	Complied Complied Complied
13.	PMW Industries	Ipoh City Council	Business Premise and Signboard Licence for products made from cement or stones at Lot 66140, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak.	Reference No. G1/E/2/J2(B)13/159/24	23 May 2025 / 22 May 2026	Nil.	N/A

7. BUSINESS OVERVIEW (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence/ approval	Licence/ Registration/ Certificate/ Account No.	Issuance date/ Expiry date	Major conditions imposed	Status of compliance
14.	PMW Industries	MITI	Manufacturing Licence⁽¹⁾ for manufacturing of 'Concrete Pole, Smart Pole, Monopole' and 'Concrete Pile' at Lot 66140, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak. ⁽³⁾	Licence No.: A026476 Serial No.: A043648	28 April 2025 / Nil Effective Date: 15 January 2025	(a) MITI and MIDA shall be notified of any sale of shares in PMW Industries. (b) PMW Industries must train Malaysians so that the transfer of technology and expertise can be implemented at all levels. (c) PMW Industries must comply with the Capital Investment per Employee (CIPE) requirement of at least RM140,000. (d) The total full-time workforce of PMW Industries shall comprise of at least 80% Malaysians. Employment of foreign workers including outsourced workers is subject to current policies. Nevertheless, the deferment in compliance with this employment condition of 80:20 workforce for manufacturing sector will continue until the Multi-Tiered Levy Mechanism is fully implemented. (e) PMW Industries shall submit information on the performance of its investment and implementation of its projects under the Industrial Co-ordination Act 1975 and the Malaysian Investment Development Authority (Incorporation) Act 1965 when required by MIDA. Failure to submit such information may result in PMW Industries: (i) guilty of an offence and liable to a fine not exceeding RM1,000 or imprisonment for a term not exceeding 3 months or both and to a further fine not exceeding RM500 for each day the offence continues; or	Complied Complied Complied Noted⁽⁹⁾ Noted

7. BUSINESS OVERVIEW (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence/ approval	Licence/ Registration/ Certificate/ Account No.	Issuance date/ Expiry date	Major conditions imposed	Status of compliance
						(ii) commits an offence if it gives any statement or other information which is false or misleading in any material way and is liable to a fine not exceeding RM2,000 or imprisonment for a term not exceeding 6 months or both. (f) PMW Industries shall implement its project as approved, in compliance with the provisions under the Industrial Coordination Act 1975 and in accordance with the laws and regulations of Malaysia.	Complied
15.	PMW Industries	Ministry of Domestic Trade and Cost of Living	Scheduled Permit for purchase and storage of liquefied petroleum gas at Lot 133077, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak.	Permit No: PBKB/2025/B/A-000488	6 August 2025 / 5 August 2028 ⁽⁷⁾	(a) Storage of the liquefied petroleum gas shall be at the address allowed under this permit. (b) The liquefied petroleum gas stored or in possession shall not exceed the quantity allowed under this permit. (c) Purchase of the liquefied petroleum gas shall be for personal use and not for resale purposes.	Complied Complied Complied
16.	PMW Lighting	Ipoh City Council	Business Premise and Signboard Licence for electric and electronic devices at Blok B Plot 15, Hala Perusahaan Menglembu 12, 31450 Menglembu, Perak.	Reference No. G1/E/2/J2(I)/3/22 4/24	31 July 2025 / 30 July 2026	Nil.	N/A

7. BUSINESS OVERVIEW (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence/ approval	Licence/ Registration/ Certificate/ Account No.	Issuance date/ Expiry date	Major conditions imposed	Status of compliance
17.	PMW Lighting	Energy Commission	Certificate of Registration to Manufacture issued pursuant to Regulation 97C of the Electricity Regulations 1994 at Blok B Plot 15, Hala Perusahaan Menglembu 12, 31450 Menglembu, Perak.	Approval No. JKKE/KK/25/000 14	28 February 2025 / 28 February 2026	Nil.	N/A
18.	PMW Marketing	Ipoh City Council	Business Premise and Signboard Licence for general business offices at Lot 133077, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak.	Reference No. G1/E/2/J3(A)11/ 185/24	8 January 2025 / 7 January 2026 ⁽¹⁾	Nil.	N/A
19.	PMW Marketing	Shah Alam City Council	Business Premise and Signboard Licence for office at No. 31-1, 31-2 & 31-3, Jalan 22/5, Seksyen 22, 40300 Shah Alam, Selangor.	Reference No. MBSALSN.700-3/1/683	17 April 2025 / 31 March 2026	Nil.	N/A

7. BUSINESS OVERVIEW (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence/ approval	Licence/ Registration/ Certificate/ Account No.	Issuance date/ Expiry date	Major conditions imposed	Status of compliance
20.	Winabumi	Tuaran District Council	Business Licence for factory business in manufacturing & trading of prestressed spun concrete poles, piles and its related materials, as well as processing and supplying building materials based on stone, sand, cement and blocks at Lot 5, Lorong 2A-1, KKIP Timur Industrial Zone 12, Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah.	Licence No: TRN/2025/1370	9 January 2025 / 31 December 2025 ⁽¹⁾	Nil.	N/A
21.	Winabumi	Tuaran District Council	Business Licence to conduct business of telecommunication / networking-supply product, infrastructure and service including maintenance at Lot 5, Lorong 2A-1, KKIP Timur Industrial Zone 12, Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah.	Licence No: TRN/2025/1371	9 January 2025 / 31 December 2025 ⁽¹⁾	Nil.	N/A
22.	Winabumi	MITI	Manufacturing Licence⁽¹⁾ for manufacturing of 'Pre-Stressed Concrete Products (Spun Poles, Spun Piles and RC Square Piles)' at Lot 5, Lorong 2A-1, KKIP Timur Industrial Zone 12, Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah.	Licence No: A026533 Serial No: A043723	4 June 2025 / Nil Effective Date: 16 January 2025	(a) MITI and MIDA shall be notified of any sale of shares in Winabumi. (b) Winabumi must train Malaysians so that the transfer of technology and expertise can be implemented at all levels. (c) Winabumi must comply with the Capital Investment per Employee (CIPE) requirement of at least RM140,000.	Complied Complied Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence/ approval	Licence/ Registration/ Certificate/ Account No.	Issuance date/ Expiry date	Major conditions imposed	Status of compliance
						(d) The total full-time workforce of Winabumi shall comprise of at least 80% Malaysians. Employment of foreign workers including outsourced workers is subject to current policies. Nevertheless, the deferment in compliance with this employment condition of 80:20 workforce for manufacturing sector will continue until the Multi-Tiered Levy Mechanism is fully implemented. (e) Winabumi shall submit information on the performance of its investment and implementation of its projects under the Industrial Co-ordination Act 1975 and the Malaysian Investment Development Authority (Incorporation) Act 1965 when required by MIDA. Failure to submit such information may result in Winabumi (i) guilty of an offence and liable to a fine not exceeding RM1,000 or imprisonment for a term not exceeding 3 months or both and to a further fine not exceeding RM500 for each day the offence continues; or (ii) commits an offence if it gives any statement or other information which is false or misleading in any material way and is liable to a fine not exceeding RM2,000 or imprisonment for a term not exceeding 6 months or both. (f) Winabumi shall implement its project as approved, in compliance with the provisions under the Industrial Coordination Act 1975 and in accordance with the laws and regulations of Malaysia.	Complied
						(i) guilty of an offence and liable to a fine not exceeding RM1,000 or imprisonment for a term not exceeding 3 months or both and to a further fine not exceeding RM500 for each day the offence continues; or (ii) commits an offence if it gives any statement or other information which is false or misleading in any material way and is liable to a fine not exceeding RM2,000 or imprisonment for a term not exceeding 6 months or both.	Noted
						(f) Winabumi shall implement its project as approved, in compliance with the provisions under the Industrial Coordination Act 1975 and in accordance with the laws and regulations of Malaysia.	Complied

7. BUSINESS OVERVIEW (Cont'd)

No.	Company	Approving authority/ issuer	Description of approval/ licence/ approval	Licence/ Registration/ Certificate/ Account No.	Issuance date/ Expiry date	Major conditions imposed	Status of compliance
23.	Winabumi	Ministry of Domestic Trade and Cost of Living	Scheduled Permit for purchase and storage of diesel at Lot 5, Lorong 2A-1, KKIP Timur Industrial Zone 12, Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah ⁽¹⁰⁾	Permit No: PBKB/2025/B/S-000026	1 March 2025 / 28 February 2026 ⁽⁷⁾	(a) Storage of the diesel shall be at the address allowed under this permit. (b) The diesel stored or in possession shall not exceed the quantities allowed under this permit. (c) Purchase of the diesel shall be for personal use and not for resale purposes.	Complied Complied
24.	Winabumi Marketing	Tuaran District Council	Business Licence for factory business in marketing & trading of pre-stressed spun concrete poles, piles and its related building material at Lot 6, Lorong 2A-1, KKIP Timur Industrial Zone 12, Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah.	Licence No: TRN/2025/1363	9 January 2025 / 31 December 2025 ⁽¹⁾	Nil.	N/A

Notes:

- (1) The business premise licences and signboard licences are automatically renewed, subject to payment. The Group will make payment once the invoice is made available through its account on the official website of the respective local council after which the Group will be able to download the renewed licences.
- (2) Mega Summit will not renew this business licence and as at the LPD, Winabumi is in the midst of applying for a business licence for Lot 2, Industrial Zone 10, Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah.
- (3) Please refer to Section 7.21 (i) of this Prospectus for disclosure of past non-compliances.
- (4) On 16 December 2024, MITI announced that the deferment in compliance with this employment condition of 80:20 workforce for manufacturing sector will continue until the Multi-Tiered Levy Mechanism is fully implemented. As at the LPD, the total full-time workforce of PMW Concrete comprises 59.43% Malaysians.
- (5) We will submit the renewal application for this licence within three (3) months prior to its expiry.
- (6) PMW Concrete consulted MOF in June 2024, and MOF verbally confirmed that they have no objection to the Acquisition of PMW Concrete and to the shareholders' agreement of PMW Concrete, provided that PMW Concrete maintains the criteria as holder of the Sijil Akuan Pendaftaran Syarikat Bumiputera issued by the MOF. Following the completion of the Acquisition of PMW Concrete on 5 May 2025 and signing of the shareholders' agreement of PMW Concrete on 16 June 2025, PMW Concrete notified MOF in writing of the changes in its shareholders and directors. As at the date of this Prospectus, PMW Concrete continues to hold this Certificate of Registration of Bumiputera Company issued by MOF.
- (7) We will submit the renewal application for this licence within 30 days prior to its expiry.

7. BUSINESS OVERVIEW (Cont'd)

- (8) PMW Industries had previously obtained the manufacturing licence (effective from 24 September 1992) when Ipoh Factory 1 was held under the old title, namely Title No. H.S. (D) KA 6513/48, Lot No. P.T. 64818, Mukim of Ulu Kinta, District of Kinta and had its postal address at Lot P.T. 64818, Bukit Merah Industries Estate, Mukim of Ulu Kinta, Off 4th Mile, Jalan Lahat, Ipoh, Perak Darul Ridzuan. Subsequently, there was a change in the postal address pursuant to a change in the old title to Ipoh Factory 1's current title. Accordingly, PMW Industries applied and obtained a replacement manufacturing licence dated 29 January 2005 with the updated postal address.
- (9) On 16 December 2024, MITI announced that the deferment in compliance with this employment condition of 80:20 workforce for manufacturing sector will continue until the Multi-Tiered Levy Mechanism is fully implemented. As at the LPD, the total full-time workforce of PMW Industries comprises 58.50% Malaysians.
- (10) Please refer to Section 7.21 (x) of this Prospectus for disclosure of past non-compliances.

7.18 INTELLECTUAL PROPERTY

As at the LPD and save as disclosed below, our Group does not have any other intellectual property rights registered and/or in the process of registration.

7.18.1 Trademark

No.	Trademark	Issuing authority	Registered owner	Trademark number	Description	Place of Registration / Validity Period
1.		MyIPO	PMW Concrete	2016002807	Class 19 ⁽¹⁾	Registered / 21 March 2016 to 21 March 2026
2.		MyIPO	PMW Industries	TM2024020155	Class 6 ⁽²⁾	Registered / 10 July 2024 to 10 July 2034
3.		MyIPO	PMW Industries	TM2024020157	Class 7 ⁽³⁾	Registered / 10 July 2024 to 10 July 2034

7. BUSINESS OVERVIEW (Cont'd)

No.	Trademark	Issuing authority	Registered owner	Trademark number	Description	Place of Registration / Validity Period
4.		MyIPO	PMW Industries	TM2024020158	Class 11 ⁽⁴⁾	Registered / 10 July 2024 to 10 July 2034
5.		MyIPO	PMW Industries	TM2024020160	Class 37 ⁽⁵⁾	Registered / 10 July 2024 to 10 July 2034
6.		MyIPO	PMW Industries	TM2024020162	Class 38 ⁽⁶⁾	Registered / 10 July 2024 to 10 July 2034
7.		MyIPO	PMW Industries	TM2024020163	Class 40 ⁽⁷⁾	Registered / 10 July 2024 to 10 July 2034
8.		MyIPO	PMW Industries	TM2022033282	Class 19 ⁽⁸⁾	Registered / 8 December 2022 to 8 December 2032
9.		MyIPO	PMW Industries	2011020716	Class 19 ⁽⁹⁾	Registered / 24 November 2011 to 24 November 2031

7. BUSINESS OVERVIEW (Cont'd)

No.	Trademark	Issuing authority	Registered owner	Trademark number	Description	Place of Registration / Validity Period



10.		MyIPO	Winabumi	2016006806	Class 19 ⁽¹⁾	Registered / 21 June 2016 to 21 June 2026

Notes:

- (1) Pre-stressed spun concrete pole, pre-stressed spun concrete pile; all included in class 19.
- (2) Branching pipes of metal; collars of metal for fastening pipes; connectors of metal for pipes; ducts and pipes of metal for central heating installations; ducts of metal for ventilating installations; fired refractory materials of metal (building materials); joints of metal for pipes; heating ducts of metal; metal ducts for gas conduits; metal ducts for gas pipelines; metal expansion joints for piping and ducting; metal heating ducts; metal pipes; metal pipe couplings; metal pipe fittings; metal valves for water pipes; metal vent covers for hvac ducts; pipes of metal, for central heating installations; pipework of metal; reinforcing materials of metal for pipes; stainless steel pipes; stainless steels; steel; steel pipes and tubes; steel plates and sheets; tubes of metal; tubing and tubing couplings of metal for joining and terminating pipes; unwrought common metals; unwrought steel; valves of metal, other than parts of machines; vent covers of metal; ventilating ducts of metal.
- (3) Bending machines; bending machines for metalworking; blades (parts of machines); boring machines; boring machines for metalworking; casting machines; cutters (machines); cutting machines for metalworking; drilling machines for metalworking; hydraulic presses for metalworking; metalworking machine tools; metalworking machines; perforating machines for metalworking; cable-controlled crane mounted on crawlers; crawler cranes; crawler-tracked loaders; crushers for industrial purposes; excavators; hydraulic excavators; hydraulic hoists; hydraulic machines and apparatus; hydraulic motors; hydraulic motors and engines; hydraulic motors for excavators; hydraulic pliers (parts of constructing machines); hydraulic rock breakers; rubber tracks being parts of crawlers on excavators; rubber tracks for crawler excavators; sewage pulverizers; sewage pulverizers being machines; trench excavators.
- (4) Industrial type installations for cooking, drying and cooling purposes; air-conditioning apparatus; gas stoves for household use; electric heating apparatus; microwave ovens (cooking apparatus); microwave ovens for industrial purposes; electrical boilers; electric cooking pots; rice steamers, electric; electric toasters; sandwich toasters, electric; electric cooking stoves; baking ovens for household purposes; electric coffee machines for household use; electric freezers for household purposes; electric cooking pots for industrial purposes; cordless kettles, electric; deep fryers, electric; portable electric fans; electric beverage heaters; electric bread toasters for household purposes; electric coffee brewers; water heaters for household use; table-top raclette grills, electric; thermo-pots, electric; water heaters for industrial purposes; electric hair dryers; air-conditioning apparatus for industrial use; air purifying units for household purposes; electrical fans being parts of household air-conditioning installations; electric freezers; fridge-freezers; apparatus and installations for lighting, heating, cooling, steam generating, cooking, drying, ventilating, water supply and sanitary purposes; lighting apparatus and installations.
- (5) Building renovation; advisory services relating to the maintenance, repair and renovation of buildings and other structures; custom construction and building renovation; providing information relating to building renovation; renovation and maintenance of shopping centers, industrial complexes, office buildings, residential buildings and other real estate developments; construction and renovation of buildings and other structures; construction, maintenance and renovation of property; construction, maintenance and renovation of public works; renovation and restoration of buildings; renovation, repair and maintenance of electrical wiring; supervision of building renovation; construction of industrial buildings; consultancy services relating to the construction of buildings; on-site building project management (construction supervision).

7. BUSINESS OVERVIEW (Cont'd)

- (6) Advisory services relating to telecommunications; advisory services relating to telecommunications via internet; consultancy services relating to telecommunications via internet; consultancy, information and advisory services in the field of telecommunications; digital network telecommunications services; fibre optic telecommunications services; geolocation services (telecommunications services); information about telecommunications; leasing of telecommunications apparatus and installations; providing and rental of telecommunications installations and equipment; providing telecommunication access to computer databases; rental of telecommunications apparatus and installations; rental of telecommunications facilities; telecommunications.
- (7) Custom steel rolling and fabrication to the order and specification of others; metal fabrication and finishing services; prototype fabrication of new products for others; manufacture of furniture and plastic parts to order and specification of others; moulding of plastic materials; processing of plastic materials; processing of plastics; providing information relating to the processing of plastics; provision of information relating to the processing of plastics; metal casting; metal laminating; metal melting services; metalworking; rental of metal treating machines and tools; shaping of metal components.
- (8) Concrete poles for building; concrete piles; sheet piles, not of metal; non-metal utility poles; poles, not of metal, for power lines; telegraph poles, not of metal; utility poles, not of metal.
- (9) Poles of non-metallic materials; concrete piles; concrete formwork; decorative mouldings (non-metallic); cast concrete decorative articles; all included in class 19.

7.18.2 Utility Innovation

No.	Application No.	Issuing authority	Inventor	Registered owner / Applicant	Title	Date of Filing	Status
1.	UI2024005592	MyIPO	Lee Khim Hwa	PMW Industries	A precast portable foundation platform	25 September 2024	The Registrar of Patents has on 4 October 2024 cleared the preliminary examination of this utility innovation application and the application is awaiting substantive examination ⁽¹⁾

Note:

- (1) According to PMW Industries' trademark agent, the substantive examination will usually take about 2 to 4 years from the date of filing and upon issuance of the substantive examination clear report, the certificate of grant is expected to be issued between 3 and 6 months.

7. BUSINESS OVERVIEW (Cont'd)

7.19 PROPERTIES, PLANT AND EQUIPMENT

7.19.1 Material properties owned by our Group

As at the LPD, the details of the material properties owned and utilised by our Group for business operations are set as below:

No.	Registered owner	Title details / address	Description / Existing use	Category of land use / Express condition of land use / Tenure of property	Restriction in interest / Material encumbrances	Land / Built-up area (sq. ft)	Date of issuance of CF / CCC / OC	Audited NBV as at 31 May 2025 (RM'000)
1.	Kumpulan Asma	<u>Title details⁽¹⁾</u>		<u>Category of land use</u>	<u>Restriction in interest</u>	<u>Land area</u>	(i) CCC dated 20 May 2011 for a 3-storey office building.	8,458
		1. P.N. 240801, Lot 133077, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak ("P.N. 240801")	2 units of single storey detached factories, a 3-storey office building, a single storey guard house and store building.	1. P.N. 240801: Industrial	1. This land cannot be transferred or leased except with the approval of the Chief Minister of Perak. This land cannot be subdivided under Section 135 of the National Land Code without the approval of the Chief Minister of Perak.	300,950 comprising of: 1. P.N. 240801: 192,050		
		2. H.S. (M) 24463, PT 292901, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak ("H.S. (M) 24463")		2. H.S. (M) 24463: Industrial	2. H.S. (M) 24463: 108,900	2. H.S. (M) 24463: 108,900		
		<u>Express condition of land use</u>			<u>Built-up area</u>			
		1. P.N. 240801: Heavy Industrial – Machinery Factory			105,070			
		2. H.S. (M) 24463: Light Industrial – Factory Site		2. H.S. (M) 24463: This land can only be transferred or leased or charged with the written approval of the Perak state authority.				
		<u>Address</u>						
		Lot 133077, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak.						
				<u>Material encumbrances</u>				
				1. P.N. 240801: Lease of part of land to Tenaga Nasional Berhad for 30 years from 30 October 1996 to 29 October 2026 vide Presentation No. 00SC52436/1996.				

7. BUSINESS OVERVIEW (Cont'd)

No.	Registered owner	Title details / address	Description / Existing use	Category of land use / Express condition of land use / Tenure of property	Restriction in interest / Material encumbrances	Land / Built-up area (sq. ft)	Date of issuance CF / CCC / OC	Audited NBV as at 31 May 2025 (RM'000)
2.	TEK Properties	<u>Title details</u> P.N. 292638, Lot 66140, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak	<u>Description</u> A single storey detached factory, a double storey office building, a double storey canteen & surau, a single storey guard house and a single storey toilet.	<u>Category of land use</u> Industrial	<u>Restriction in interest</u> This land cannot be transferred, leased, or permitted except to persons permitted in writing by the State Authority /	<u>Land area</u> 265,083	CCC dated 30 October 2023	14,011
		<u>Address</u> Lot 66140, Jalan Lahat, Bukit Merah Industrial Estate, 31500 Lahat, Perak.	<u>Existing use</u> Manufacturing facility (Ipoh Factory 3)	<u>Express condition of land use</u> Industrial Factory	<u>Material encumbrances</u> 1. Charged to Public Bank Berhad by TEK Properties vide Presentation Nos. 00SC51120/2024. 2. Private Caveat registered by Public Bank Berhad on 21 August 2024 vide Presentation No. 00B17751/2024.	<u>Built-up area</u> 45,958		

7. BUSINESS OVERVIEW (Cont'd)

No.	Registered owner	Title details / address	Description / Existing use	Category of land use / Express condition of land use / Tenure of property	Restriction in interest / Material encumbrances	Land / Built-up area (sq. ft)	Date of issuance of CF / CCC / OC	Audited NBV as at 31 May 2025 (RM'000)
3.	Kumpulan Asma	<u>Title details</u> H.S. (D) 933072, PT 46168, Mukim Sungai Terap, Kinta, Daerah Negeri Perak	<u>Description</u> An industrial land partly covered with ponds	<u>Category of land use</u> Industrial	<u>Restriction in interest</u> This land can only be transferred or leased or charged with the written approval of the state authority. /	<u>Land area</u> 519,994 ⁽²⁾	N/A	1,296
		<u>Address</u> Lot No. 378559, Lorong Bemban, Kawasan Perindustrian Bemban 3, 31000 Batu Gajah, Perak.	<u>Existing use</u> Open storage area (Bemban Land)	<u>Express condition of land use</u> Industrial Factory Site	<u>Material encumbrances</u> Nil	<u>Built-up area</u> N/A		
				<u>Tenure of property</u> Leasehold for 60 years, expiring on 25 November 2081				
4.	<u>Registered owner</u> K.K.I.P. Sdn Bhd ⁽³⁾	<u>Title details</u> C.L. 045339320, District of Tuaran, State of Sabah	<u>Description</u> Industrial lands erected with pre-stressed spun concrete pole/pile factory building cum office block and stock yard for the concrete poles & piles	<u>Category of land use</u> Industrial	<u>Restrictions in interest</u> 1. Transfer or sublease or charge of this title is prohibited before fulfilment of the covenant herein and without the written permission from the Director of Lands and Surveys who shall impose additional premium, enhanced rent and other terms and condition while granting such permission.	<u>Land area</u> 346,302	OC dated 16 November 2016	19,570
	<u>Beneficial owner</u> Mega Summit	<u>Address</u> Lots 5, 6 and 7, Lorong 2A-1, KKIP Timur Industrial Zone 12, Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah	<u>Existing use</u> Office and manufacturing facility (Kota Kinabalu Factory)	<u>Express conditions of land use</u> The said land is demised herein expressly and only for the purpose of erecting thereon for use as such industrial		<u>Built-up area</u> 103,517		
				<u>Tenure of property</u> 99 years expiring on 31 December 2098 ⁽³⁾				

7. BUSINESS OVERVIEW (Cont'd)

No.	Registered owner	Title details / address	Description / Existing use	Category of land use / Express condition of land use / Tenure of property	Restriction in interest / Material encumbrances	Land / Built-up area (sq. ft)	Date of issuance CF / CCC / OC	Audited NBV as at 31 May 2025 (RM'000)
2.					Subdivision of this title is prohibited without the written permission of the Director of Lands and Surveys who shall impose additional premium and enhanced rent and any other conditions thereof when granting such permission. ⁽³⁾			
					Material encumbrances Caveat registered by United Overseas Bank (Malaysia) Bhd on 27 December 2013 vide Memo No. MC1312040063. ⁽³⁾			
5.	Mega Summit	Title details S.T. 010529941 (Parcel No. 40304), District of Kota Kinabalu, State of Sabah Address DBKK 9-3, 3 rd Floor, Lot 21, Block C, Lintas Square, Jalan Lintas, 88300 Kota Kinabalu.	Description 1 unit office building Existing use Office	Category of land use Commercial Express conditions of land use Nil Tenure of property 999 years expiring on 31 December 2913	Restrictions in interest Nil Material encumbrances Charge to Maybank Islamic Berhad by Mega Summit vide Memo No. MC2502010516.	Land area N/A ⁽⁴⁾ Built-up area 1,200	OC dated July 1999	407

7. BUSINESS OVERVIEW (Cont'd)**Notes:**

- (1) On 16 December 2024, Kumpulan Asma has submitted an application to PTG Perak to amalgamate P.N. 240801 and H.S. (M) 24463 under a single title with the express condition of heavy industry to streamline the land titles. PTG Perak has on 8 August 2025 informed Kumpulan Asma that the amalgamation application has been approved. As at the LPD, Kumpulan Asma is waiting for the assessment of the premium payable to PTG Perak. Our Group expects the amalgamation to be completed within 6 months after the payment of the premium is made.
- (2) Represents the land area of the land title. Based on the tenancy agreement dated 1 January 2025 between Kumpulan Asma (as landlord) and PMW Concrete (as tenant), the area for the parcel of land excluding pond area is measuring approximately 247,643 sq. ft.
- (3) The registered owner of the property is K.K.I.P Sdn Bhd as the master title has yet to be subdivided into individual titles. Pursuant to the sale and purchase agreement between K.K.I.P Sdn Bhd and Mega Summit, the obligation to apply for and obtain the subdivided individual title is on K.K.I.P Sdn Bhd. We understand that K.K.I.P Sdn Bhd has submitted its application for subdivision to the Lands and Surveys Department Sabah and such application is currently pending for approval. As such, our Group is unable to ascertain the timeframe for the subdivision of the land title.
- (4) As at the LPD, the subsidiary title of this property states that the total land area of the main title is 63,843 sq. ft.

7.19.2 Material properties rented by our Group

As at the LPD, the details of the material properties rented by our Group are set as below:

No.	Registered Owner(s) / Landlord	Tenant	Postal Address	Existing Use	Land / Built-up Area (sq. ft.)	Tenure Tenancy	of	Rental per annum
1.	Lam Lai Hoong and Lee Weng Cheong	PMW Industries	No. 6A Laluan Bukit Merah 1, Taman Bukit Merah, 31450 Menglembu, Perak ⁽¹⁾	Foreign workers' accommodation	1,539 / 1,340	3 years commencing from 1 October 2024		RM9,000 per month) (RM750 per month)
2.	Lam Lai Chee and Wong Siew Hing	PMW Concrete	No. 2A & 4A, Laluan Bukit Merah 1, Taman Bukit Merah, 31450 Menglembu, Perak ⁽²⁾	Foreign workers' accommodation	4,306 / 3,164	1 year commencing from 1 March 2025		RM16,800 (RM1,400 per month)
3.	Toon Ah Mooi and Wong Woon Thim	PMW Concrete	No. 12A, Laluan Bukit Merah 1, Taman Bukit Merah, 31450 Menglembu, Perak ⁽²⁾	Foreign workers' accommodation	1,539 / 1,339	1 year commencing from 1 January 2025		RM6,600 (RM550 per month)
4.	Chai Chee Nyeon	PMW Industries	No. 14A, Laluan Bukit Merah 1, Taman Bukit Merah, 31450 Menglembu, Perak ⁽²⁾	Foreign workers' accommodation	1,539 / 1,345	1 year commencing from 1 June 2025 with an option to renew for 1 year		RM7,800 (RM650 per month)

7. BUSINESS OVERVIEW (Cont'd)

No.	Registered Owner(s) / Landlord	Tenant	Postal Address	Existing Use	Land / Built-up Area (sq. ft.)	Tenure of Tenancy	Rental per annum
5.	Tang Tuck Sin	PMW Concrete	No. 3A, Laluan Bukit Merah 2, Taman Bukit Merah, 31450 Menglembu, Perak ⁽³⁾	Foreign workers' accommodation	1,421 / 1,133	1 year commencing from 1 January 2025 with an option to renew for 1 year	RM7,200 (RM600 per month)
6.	Ho Kok Peng and Ho Sik Fong	PMW Concrete	No. 13A, Laluan Bukit Merah 2, Taman Bukit Merah, 31450 Menglembu, Perak ⁽³⁾	Foreign workers' accommodation	1,475 / 1,136	1 year commencing from 1 January 2025 with an option to renew for 1 year	RM4,800 (RM400 per month)
7.	Lee Khee Chong Holdings Sdn Bhd	PMW Industries	No. 9, Jalan Menglembu Timur, Taman Bukit Merah, 31450 Menglembu, Perak ⁽⁴⁾	Foreign workers' accommodation	1,895 / 1,197	1 year commencing from 1 January 2025	RM12,000 (RM1,000 per month)
8.	Lee Khee Chong Holdings Sdn Bhd	PMW Concrete	No. 9A, Jalan Menglembu Timur, Taman Bukit Merah, 31450 Menglembu, Perak ⁽⁴⁾	Foreign workers' accommodation	1,895 / 1,328	1 year commencing from 1 January 2025	RM9,600 (RM800 per month)
9.	Ko Kian Hee	PMW Concrete	No. 19A, Laluan Bukit Merah 2, Taman Bukit Merah, 31450 Menglembu, Perak ⁽³⁾	Foreign workers' accommodation	1,518 / 1,133	3 years commencing from 1 January 2023 with an option to renew for 3 years	RM6,000 (RM500 per month)
10.	Teh Phaik Chin	PMW Concrete	No. 21A, Laluan Bukit Merah 2, Taman Bukit Merah, 31450 Menglembu, Perak ⁽³⁾	Foreign workers' accommodation	1,528 / 1,116	3 years commencing from 1 January 2023 with an option to renew for 3 years	RM6,600 (RM550 per month)

7. BUSINESS OVERVIEW (Cont'd)

No.	Registered Owner(s) / Landlord	Tenant	Postal Address	Existing Use	Land / Built-up Area (sq. ft.)	Tenure of Tenancy	Rental per annum
11.	Astrowin United Sdn Bhd	PMW Lighting	Block B Plot 15, Hala Menglembu 12, 31450 Menglembu, Perak (5)	Lighting assembly factory	102,463 ⁽⁶⁾ /13,020 ⁽⁷⁾	3 years commencing from 1 July 2024 with an option to renew for 2 years	RM144,000 (RM12,000 per month)
12.	Multi Power Industry (Malaysia) Sdn Bhd	Mega Summit	Half of the parcel of land situated at Lot 1, Jalan 2A-1, KKPI Timur, Industrial Zone 12, Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah ⁽⁸⁾ (9)	Storage	56,628 ⁽¹⁰⁾ / N/A	1 year commencing from 1 January 2025	RM77,355 (RM5,400 per month from January to March and RM6,795 per month from April to December)
13	Multi Power Industry (Malaysia) Sdn Bhd	Winabumi	Half of the parcel of land situated at Lot 1, Jalan 2A-1, KKIP Timur, Industrial Zone 12, Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah ⁽⁸⁾ (9)	Rented Sabah Electricity Sdn Bhd for storage use	56,628 ⁽¹⁰⁾ / N/A	3 years commencing from 1 August 2023 with an option to renew for 1 year	RM80,400 (RM6,700 per month)
14.	Alfa Steel Sdn Bhd	Winabumi ⁽¹¹⁾	Part of the land situated at Lot 2, Industrial Zone 10, Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah ⁽⁹⁾	Storage	245,632 ⁽¹⁰⁾ / N/A	2 years commencing from 1 August 2024 with an option to renew for 1 year	RM261,360 (RM21,780 per month)
15.	Hunka Trading Sdn Bhd	PMW Marketing	No. 31, Jalan 22/5, Seksyen 22, 40300 Shah Alam, Selangor ⁽¹²⁾	Sales office	8,712 / 8,712	2 years commencing from 1 December 2024 with an option to renew for 1 year	RM180,000 (RM15,000 per month)

Notes:

- (1) The buildings erected on this land has been issued with a CF dated 7 March 2025.
- (2) The buildings erected on this land has been issued with a CF dated 7 November 2002.
- (3) The buildings erected on this land has been issued with a CF dated 20 March 2025.
- (4) We have requested the CF / CCC from the respective landlords but have yet to obtain the CF / CCC. PMW Concrete and PMW Industries have on 26 February 2025 written a formal request to the Ipoh City Council to obtain copies of the CFs / CCCs.

7. BUSINESS OVERVIEW (Cont'd)

- (5)

The buildings erected on this land has been issued with a CCC dated 19 November 1997.
- (6)

Represents the total land area of this land.
- (7)

We have only rented 1 building out of the 3 buildings erected on this land. Based on the tenancy agreement dated 28 May 2024 between Astrowin United Sdn Bhd (as landlord) and PMW Lighting (as tenant), the built-up area for the building rented by PMW Lighting is 13,020 sq. ft.
- (8)

Mega Summit and Winabumi have each rented half of this parcel of land.
- (9)

No occupation certificate / CCC is required as no building has been erected on this land as at the LPD.
- (10)

Represents approximate land area.
- (11)

Based on the Deed of Novation between Alfa Steel Sdn Bhd, Mega Summit and Winabumi dated 1 September 2025, Mega Summit's rights and obligations under the Tenancy Agreement between Alfa Steel Sdn Bhd and Mega Summit dated 18 June 2024 have been novated to Winabumi.
- (12)

The building erected on this land has been issued with a CCC dated 6 January 2017.

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7. BUSINESS OVERVIEW (Cont'd)**7.20 MATERIAL MACHINERY AND EQUIPMENT**

Our main machinery and equipment as at 31 May 2025 are as follows:

Main machinery and equipment	Brief description	Number of units	Audited NBV as at 31 May 2025 (RM'000)
Metal products manufacturing machinery and equipment at Ipoh Factory 1	To manufacture moulds, machinery and steel poles	N/A	4,485
Spun poles and piles manufacturing line at Ipoh Factory 2	To manufacture standard poles	1 line	806
Spun poles manufacturing line at the Ipoh Factory 3	To manufacture standard poles	1 line	4,972
Spun poles and piles, and square piles manufacturing line at the Kota Kinabalu Factory	To manufacture standard poles, spun piles and square piles	1 line	9,600
Lighting fixtures manufacturing line at the Ipoh Factory 4	To manufacture lighting fixtures	1 line	134
			19,997

7.21 GOVERNING LAWS AND REGULATIONS

Our business is regulated by, and in some instances required to be licensed under specific laws of Malaysia. The relevant laws and regulations governing our Group which do not purport to be an exhaustive description of all laws and regulations of which our business is subject to are summarised below. Non-compliance with the relevant laws and regulations below may result in monetary and/or custodial penalties and/or any other orders being made.

(i) ICA

Pursuant to the ICA, no person shall engage in any manufacturing activity unless he is issued a licence in respect of such manufacturing activity. The ICA defines "manufacturing activity" as the "making, altering, blending, ornamenting, finishing or otherwise treating or adapting any article or substance with a view to its use, sale, transport, delivery or disposal and includes the assembly of parts and ship repairing but shall not include any activity normally associated with retail or wholesale trade". Manufacturing companies with shareholders' funds of RM2.5 million and above or that employ 75 or more full-time paid employees are required to apply for a manufacturing licence.

Failure to comply with the aforesaid requirement is an offence under the ICA and, on conviction, the offender is liable to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding 6 months and a further fine not exceeding RM1,000 for every day during which such default continues.

A manufacturing licence may be revoked if the manufacturer to whom a licence is issued:

- (a) has not complied with any condition imposed in the licence;
- (b) is no longer engaged in the manufacturing activity in respect of which the licence is issued; or
- (c) has made a false statement in his application for the licence.

The ICA provides that, if there is a breach of any condition imposed in a manufacturing licence, the relevant licensing officer may, at his discretion, revoke said manufacturing licence.

Previously, PMW Concrete was carrying out its manufacturing activities at the Ipoh Factory 2 since 2006 without a valid manufacturing licence. The management of PMW Concrete was under the impression that the shareholders' funds of PMW Concrete at that time were below

7. BUSINESS OVERVIEW (Cont'd)

RM2.5 million, without taking into account the reserve capital. Only upon consulting MIDA via email on 5 July 2021, PMW Concrete was notified that in determining the shareholders' funds, the reserve capital should also be included. PMW Concrete then submitted the application for manufacturing licence for Ipoh Factory 2 on 22 July 2021 and obtained the manufacturing licence with an issuance date of 22 September 2021 (details of which are as set out in Item 5 of Section 7.17 of this Prospectus).

Previously, PMW Industries was carrying out manufacturing activities at Kuching Factory without a valid manufacturing licence from February 2012 to October 2024. Since 1 November 2024, PMW Industries had ceased the manufacturing activities at the Kuching Factory and disposed the Kuching operations to non-related parties.

Previously, PMW Industries was carrying out manufacturing activities at Ipoh Factory 3 without a valid manufacturing licence since January 2023. The management of PMW Industries was of the view that the existing manufacturing licence for Ipoh Factory 1 is also valid for its Ipoh Factory 3. Only upon consulting MIDA officer via tele-conversation on 4 October 2024, PMW Industries then submitted the application for manufacturing licence for Ipoh Factory 3 on 6 November 2024 and obtained the manufacturing licence with an issuance date of 28 April 2025 (details of which are as set out in Item 14 of Section 7.17 of this Prospectus).

Previously, Winabumi was carrying out manufacturing activities at the Kota Kinabalu Factory since 2016. At the commencement of its manufacturing activities, the shareholders' funds of Winabumi were below RM2.5 million and it had less than 75 employees. As such, Winabumi was not required to have a manufacturing licence at that time. Since January 2017, Winabumi has more than 75 employees and accordingly, Winabumi no longer qualifies for the exemption from the manufacturing licence under the Industrial Co-ordination (Exemption) Order 1976. Winabumi has subsequently obtained a manufacturing licence with an issuance date of 4 June 2025 (details of which are as set out in Item 21 of Section 7.17 of this Prospectus).

PMW Lighting has commenced its manufacturing activities in May 2025 at the Ipoh Factory 4. Based on a confirmation letter issued by MIDA dated 26 March 2025, PMW Lighting is exempted from the requirement to obtain a manufacturing licence for its manufacturing of "LED Lighting" and "Battery Pack Assembly" as the shareholders' funds of PMW Lighting are below RM2.5 million and PMW Lighting has less than 75 employees.

As at the LPD, PMW Concrete, PMW Industries nor Winabumi have not been fined or issued with any notice of non-compliances from MITI for these past non-compliances. Our Board is of the view that the risk of being charged, convicted, penalised and/or compounded retrospectively is low given that PMW Concrete, PMW Industries and Winabumi have obtained manufacturing licences for their respective manufacturing activities at Ipoh Factory 2, Ipoh Factory 3 and Kota Kinabalu Factory. Save as disclosed above, as at the LPD, our Group holds and maintains valid manufacturing licences issued by MITI as disclosed in Section 7.17 of this Prospectus and there has been no other past non-compliance by our Group in relation to the ICA under the Financial Periods under Review.

(ii) **National Land Code 1965 ("NLC")**

Under Section 425(1)(a) of the NLC, any person who, without lawful authority occupies, or erects any building on, any State land, reserved land or mining land, shall be guilty of an offence, and liable on conviction to a fine not exceeding RM500,000, or imprisonment for a term not exceeding 5 years.

Section 127 of the NLC provides the consequence of breach of conditions of land which include, inter alia, the land shall become liable to forfeiture to the state authority or payment of a fine of not less than RM500, and in the case of a continuing breach, a further fine of not less than RM100 for each day during which the breach continues. Pursuant to Section 128 of the NLC, where it appears to the land administrator that the breach is capable of being remedied by the proprietor within a reasonable time, the land administrator shall serve, or cause to be served, on the proprietor a notice in Form 7A specifying the action required for

7. BUSINESS OVERVIEW (Cont'd)

remedying the breach, and calling upon him to take such action within the time therein specified. If the notice is not complied with, the land administrator shall take action in accordance with Section 129 of the NLC which may lead to declaration of forfeiture of the land to the state authority.

Previously, Ipoh Factory 2 was built on 2 pieces of lands, namely (i) P.N. 240801, Lot 133077, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak ("**P.N. 240801**"); and (ii) H.S. (M) 24463, PT 292901, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak ("**H.S. (M) 24463**"), whereby:

- (a) the factory area on P.N. 240801 is used for PMW Concrete's manufacturing activities; and
- (b) the factory area on H.S. (M) 24463 is used for PMW Concrete's wire caging, maintenance workshop and storage for both raw materials and finished goods since December 2011 without obtaining the land office's approval.

Our Group had, on 22 July 2022, submitted an application for an alienation of H.S. (M) 24463 to the Office of the Director of Land and Mines Perak ("**PTG Perak**") for the Group's right to use the land for its current operations, which was subsequently approved on 12 March 2024. The approval contained an express condition that the land shall be used for light industry purposes.

Subsequently, our Group had, on 16 December 2024, submitted an application to PTG Perak to amalgamate P.N. 240801 and H.S. (M) 24463 under a single title with the express condition of heavy industry to streamline the land titles. PTG Perak has on 8 August 2025 informed Kumpulan Asma that the amalgamation application has been approved and the express condition of the amalgamated title to be issued will be heavy industry – machinery factory. As at the LPD, Kumpulan Asma is waiting for the assessment of the premium payable. Our Group expects the amalgamation to be completed within 6 months after the payment of the premium is made.

As at the LPD, our Group has not received any penalty or fines arising from the past non-compliance in relation to the matter above. Our Board is of the view that the risk of being charged, convicted, penalised and/or compounded retrospectively is low given H.S. (M) 24463 has been alienated to the Group for the right to use the land for its current operations and PTG Perak has approved the amalgamation application. Save as disclosed above, as at the LPD, there has been no other past non-compliance by our Group in relation to the NLC under the Financial Periods under Review.

(iii) Income Tax Act 1967 ("ITA")

Under Section 113(1) of the ITA, any person who makes an incorrect return by omitting or understating any income of which he is required by ITA to make a return on behalf of himself or another person; or gives any incorrect information in relation to any matter affecting his own chargeability to tax or the chargeability to tax of any other person, shall, unless he satisfies the court that the incorrect return or incorrect information was made or given in good faith, be guilty of an offence and shall, on conviction, be liable to a fine of not less than RM1,000 and not more than RM10,000 and shall pay a special penalty of double the amount of tax which has been undercharged in consequence of the incorrect return or incorrect information or which would have been undercharged if the return or information had been accepted as correct.

Pursuant to Section 113(2) of the ITA, if no prosecution under Section 113(1) of the ITA has been instituted in respect of the incorrect return or incorrect information, the Director General may require that person to pay a penalty equal to the amount of tax which has been undercharged in consequence of the incorrect return or incorrect information or which would have been undercharged if the return or information had been accepted as correct; and, if the person pays that penalty (or, where the penalty is abated or remitted under subsection 124(3), so much, if any, of the penalty as has not been abated or remitted), he shall not be liable to be charged on the same facts with an offence under Section 113(1) of the ITA.

7. BUSINESS OVERVIEW (Cont'd)

The IRB carried out a tax audit on Mega Summit for the years of assessment from 2016 to 2021. Pursuant to the tax audit, the IRB has identified incorrect capital allowance claims made in the tax returns submitted by Mega Summit and made adjustments to capital allowance claims. In February 2024, the IRB issued notices of additional tax liabilities (inclusive of penalty) of RM110,170.91, RM56,322.09 and RM333,036.23, totalling RM499,529.23. Following Mega Summit's appeal, the total tax liabilities were reduced and Mega Summit had on 11 June 2024 fully settled the outstanding tax payable amounting to RM243,132.27 (i.e. RM499,529.23 – RM256,396.96) and hence our Board is of the view that this matter will not materially disrupt the business operations or financial condition of the Group.

As at the LPD, our Group has engaged KPMG Tax, replacing their previous tax agent, to perform an overall tax compliance review on the Group in conjunction with the Proposed Listing and based on the review by KPMG Tax:

- (a) there has been no on-going dispute with the IRB for the Financial Periods Under Review;
- (b) the income tax returns have been submitted to IRB on time for the Financial Periods Under Review; and
- (c) there is no outstanding tax liability due and owing to IRB for the Financial Periods Under Review.

As at the LPD, there has been no other material past non-compliance by our Group in relation to the ITA under the Financial Periods under Review.

(iv) Occupational Safety and Health Act 1994 ("OSHA 1994")

The OSHA 1994 provides the framework to secure the safety, health and welfare among workforce and to protect others against risks to safety or health in connection with the activities of persons at work.

Pursuant to OSHA 1994, it shall be the duty of every employer to formulate a written safety and health policy with respect to the safety and health at work of his employees. Failure to comply with the general duties of employers under Part IV of OSHA 1994 constitutes an offence and the employer is liable, on conviction, to a fine not exceeding RM500,000 or to imprisonment for a term not exceeding 2 years or to both.

Further, under OSHA 1994, the employer shall establish a safety and health committee at the place of work if there are 40 or more persons employed at the place of work. Failure to comply with the requirement to establish a safety and health committee would attract, on conviction, a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 1 year or to both. An occupier of a place of work is also required to employ a competent person to act as a safety and health officer at the place of work. Failure to comply with the requirement to employ a competent person to act as a safety and health officer would attract, on conviction, a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 6 months or to both.

OSHA 1994 also provides amongst others:

- (a) a right to an employee to remove himself from the danger or the work if he has reasonable justification to believe there exist an imminent danger at his place of work, and the employer has failed to take any action to remove the danger;
- (b) the obligation of an employer to conduct a risk assessment in respect of the safety and health risk posed to any person who may be affected by his undertaking at the place of work and the implementation of risk control to eliminate or reduce said safety and health risk; and
- (c) provisions relating to notification of occupation of place of work, installation and periodical inspection of plant, and the prescription of any plant for which a certificate of fitness is required.

7. BUSINESS OVERVIEW (Cont'd)

Section 27C of the OSHA 1994 provides that no person shall install or caused to be installed any prescribed plant unless the person ensures that the plant has fulfilled all the requirements prescribed by the minister and has obtained the written approval from the Director General of Occupational Safety and Health. Section 27D of the OSHA 1994 further provides that no person shall operate or cause or permit to be operated any plant that has been installed under Section 27C unless the plant has a certificate of fitness issued by an officer or licenced person. Any person who contravenes Section 27C or Section 27D shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 1 year or to both.

As at the LPD, PMW Industries owned 12 overhead cranes in Ipoh Factory 1 of which 3 overhead cranes do not possess CF while PMW Concrete owned 7 overhead cranes in Ipoh Factory 2 of which 3 overhead cranes do not possess CF. As at the LPD, PMW Industries has ceased the usage of the 2 overhead cranes without CF while the remaining 1 overhead crane without CF has been dismantled. PMW Concrete on the other hand, has ceased the usage of 3 overhead cranes without CF.

Nevertheless, PMW Industries has submitted the applications to obtain the CF for 2 overhead cranes in February and March 2025 while PMW Concrete has submitted the applications to obtain the CF for 3 overhead cranes in March 2025.

As at the LPD, our Group holds valid certificates of fitness issued by the Department of Occupational Safety and Health Malaysia for the relevant machinery we use and save as disclosed above, there is no material non-compliance by our Group in relation to the OSHA 1994 under the Financial Periods Under Review. Our Group has formulated a documented standard operating policies and procedure on occupational safety, health and environmental plan. We have established safety and health committee and appointed certified safety and health officers to monitor the safety and health related matters of our Group.

(v) **Environmental Quality Act 1974 ("EQA 1974")**

The EQA 1974 sets out provisions in respect of prevention, abatement, control of pollution and enhancement of the environment. It is an offence under the EQA 1974 for any person, unless licenced to do so, to among others:

- (a) emit or discharge any environmentally hazardous substances, pollutants or wastes into the atmosphere;
- (b) emit or cause or permit to be emitted any noise greater in volume, intensity or quality;
- (c) pollute or cause or permit to be polluted any soil or surface of any land; or
- (d) emit, discharge or deposit any environmentally hazardous substances, pollutants or wastes into any inland waters,

in contravention of the acceptable conditions specified.

The EQA 1974 also empowers the minister charged with the responsibility for environment protection to make regulations specifying acceptable conditions for the emission, discharge or deposit of environmentally hazardous substances, pollutants or wastes or the emission of noise into the environment. The failure to comply with the prescribed conditions may attract, on conviction, a fine of at least RM10,000 and up to RM10,000,000 or to imprisonment for a period up to 5 years or to both and, if applicable, to a further fine up to RM1,000 a day for every day that the offence is continued after a notice to cease the restrictions (if any) is served upon.

Among other regulations, the Environmental Quality (Scheduled Wastes) Regulations 2005 ("**Scheduled Wastes Regulations**") specify the following requirements:

- (a) any person who generates scheduled wastes ("**Waste Generator**") shall, within 30 days from the date of generation of scheduled wastes, notify the Director General of Environmental Quality ("**DGEQ**") of the new categories and quantities of scheduled wastes which are generated;

7. BUSINESS OVERVIEW (Cont'd)

- (b) scheduled wastes shall be disposed of at prescribed premises only and shall, as far as practicable, before disposal, be rendered innocuous;
- (c) scheduled wastes be treated at prescribed premises or at on-site treatment facilities only and the residuals from treatment of scheduled wastes shall be treated and disposed of at prescribed premises;
- (d) a Waste Generator may apply to the DGEQ in writing to have the scheduled wastes generated from their particular facility or process excluded from being treated, disposed of or recovered in premises or facilities other than at the prescribed premises, on-site treatment or recovery facilities. If the DGEQ is satisfied with the application made, the DGEQ may grant a written approval either with or without conditions; and
- (e) a Waste Generator shall keep an accurate and up-to-date inventory of the categories and quantities of scheduled wastes generated, treated and disposed of and of materials or product recovered from such scheduled wastes for a period up to 3 years from the date of the scheduled wastes was generated in accordance with the fifth schedule of the Scheduled Wastes Regulations.

Section 49A of the EQA 1974 provides that an owner or occupier of a premise shall employ a person who has been certified by the DGEQ as competent person to conduct the operation of a control equipment, the management of scheduled wastes, the conduct of studies or the preparation and submission of reports or other documents relating to environmental matters. As at the LPD, PMW Industries, PMW Concrete, Mega Summit and Winabumi have each identified and arranged for their employees to undertake certification programmes and expect their respective identified employees for PMW industries and PMW Concrete and the identified employees for Mega Summit and Winabumi to be certified as competent persons by the fourth quarter of 2025 and second quarter of 2026 respectively. As the employees identified by our Group have not been certified by the DGEQ as competent person, this would be a non-compliance of Section 49A of the EQA 1974.

Failure to comply with the provisions of the EQA 1974 or any regulations made thereunder shall be an offence against the EQA 1974 and where no penalty is expressly provided, the offender shall be liable to a fine of at least RM5,000 and not exceeding RM250,000 or to imprisonment for a period not exceeding 2 years or to both.

Ipoh Factory 1, Ipoh Factory 2, Ipoh Factory 3 and Kota Kinabalu Factory generate scheduled wastes and PMW Industries, PMW Concrete, Mega Summit and Winabumi did not notify the DGEQ within 30 days from the date of generation of their respective scheduled wastes.

On 15 January 2025, PMW Industries and PMW Concrete notified the Department of Environment (Perak) that Ipoh Factory 1, Ipoh Factory 2 and Ipoh Factory 3 generate scheduled wastes. Meanwhile, on 27 January 2025, Mega Summit and Winabumi notified the Department of Environment (Sabah) that Mega Summit and Kota Kinabalu Factory generate scheduled wastes.

Save as disclosed, there has been no material past non-compliance by our Group in relation to the EQA 1974 under the Financial Periods Under Review. As at the LPD, our Group has appointed 2 licensed service providers to handle the scheduled wastes generated in our operation. Further, our Group has not received any notices, penalties or reprimands from the Department of Environment for non-compliance of the environmental laws and regulations.

(vi) **Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 ("EMSHAAA 1990")**

The EMSHAAA 1990 prescribes the minimum standards of housing, nurseries and accommodations for employees (and their dependants, if applicable) as well as health, hospital, medical and social amenities to be provided by the employers to their employees.

The EMSHAAA 1990 imposes the duty and responsibility on employers or centralised accommodation providers to, among other things, ensure that:

- (a) every accommodation provided for employees complies with the minimum standards required under the EMSHAAA 1990 and any regulations made thereunder;

7. BUSINESS OVERVIEW (Cont'd)

- (b) any accommodation that is unfit for human habitation in accordance with the relevant written laws are not to be used to accommodate employees; and
- (c) no accommodation will be provided to an employee unless certified with a Certificate of Accommodation ("**CoA**").

An employer who fails to obtain the CoA commits an offence and will on conviction, be liable to a fine not exceeding RM50,000. An employer who contravenes any other provision of the EMSHAAA 1990 or any regulation made thereunder or fails to carry out any order made by the Director General of Labour, will be guilty of an offence under such provision and if no penalty is expressly provided for, the offence will on conviction, be liable to a fine not exceeding RM50,000 and to a further fine not exceeding RM1,000 a day for each day during which the offence continues.

As at the LPD, our Group has rented 10 properties in Ipoh as accommodation for our foreign workers.

As at the LPD, we have obtained the CoA for the 10 rented properties occupied by our foreign workers and there has been no material past non-compliance by our Group in relation to the EMSHAAA 1990 under the Financial Periods under Review.

(vii) Local Government Act 1976 ("LGA 1976")

Pursuant to Section 102(s) of the LGA 1976, the relevant local authorities may control and supervise, by registration, licensing or otherwise, a trade, business or industry. Businesses in Ipoh are regulated by the Advertisement (Ipoh City Council) By-Laws 2013 ("**Ipoh By-Laws 2013**") and Licensing of Trades, Business and Industries (Ipoh City Council) By-Laws 2017 ("**Ipoh By-Laws 2017**").

The Ipoh By-Laws 2013 provides that no person shall exhibit or erect or cause to be exhibited or erected any advertisement without a licence issued by the Ipoh City Council, whereas the Ipoh By-Laws 2017 provides that no person shall operate any activity of trade, business or industry or use any place or premise in the local area of Ipoh for any activity or trade, business or industry without the licence issued by the licensing authority.

Under Section 104 of the LGA 1976, any person who breaches any by-law commits an offence and shall, on conviction be liable to a fine not exceeding RM2,000 or imprisonment for a term of not more than 1 year or both, and to a further fine not exceeding RM200 for each day during which such offence is continued after conviction.

There has been no material past non-compliance by our Group in relation to the LGA under the Financial Periods Under Review and as at the LPD, our Group holds valid business licences issued by relevant local authorities. These business licences are valid until its respective expiry dates and will subsequently be renewed.

(viii) Trades Licensing Ordinance (Sabah Cap. 144)

Under Section 3 of the Trades Licensing Ordinance (Sabah Cap. 144), no person shall carry on in Sabah, whether as principal or agent, any business in respect of which a valid trading licence is not for the time being in force or carry on any such business in any place other than that specified in such licence. If any person contravenes Section 3, such person shall be liable to a fine of 4 times the amount of the licence fee and to a further fine of RM10 for each day or part of a day subsequent to a conviction during which the contravention continues.

There has been no past non-compliance by our Group in relation to the Trades Licensing Ordinance (Sabah Cap. 144) under the Financial Periods Under Review and as at the LPD, our Group holds and maintains valid trading licences issued by the respective local councils for our premises in various locations where we conduct our business activities.

7. BUSINESS OVERVIEW (Cont'd)**(ix) Immigration Act 1959/63 ("IA 1959/63")**

The employment of foreign workers in Malaysia shall be subject to the IA 1959/63 that regulates the immigration matters in Malaysia. The IA 1959/63 provides that no person other than a citizen shall enter Malaysia unless he is in possession of a valid entry permit, his name is endorsed upon the said valid entry permit and he is in the company of the holder of the said permit or he is in possession of a valid pass lawfully issued to him to enter Malaysia or exemption is granted to him pursuant to the IA 1959/63.

Section 55B(1) of the IA 1959/63 provides that any person who employs one or more persons, other than a citizen or a holder of an entry permit who is not in possession of a valid pass shall be guilty of an offence and shall, on conviction be liable to a fine of not less than RM10,000 but not more than RM50,000 or to imprisonment for a term not exceeding 12 months or both for each such employee. Section 55B(3) of the IA 1959/63 provides that where the person at the same time employed more than 5 such employees, that person shall, on conviction be liable to imprisonment for a term of not less than 6 months but not more than 5 years and shall also be liable to whipping of not more than 6 strokes.

Pursuant to Section 55E(1) of the IA 1959/63, no occupier shall permit any illegal immigrant to enter or remain at any of its premises. As such, a company has an obligation to ensure that the employees that are present at its premises hold valid work permits and have the corresponding right to legitimately be present at the premises to render their services. Pursuant to Section 55E(2) of the IA 1959/63, an occupier who contravenes Section 55E(1) shall be guilty of an offence and shall, on conviction, be liable to a fine of not less than RM5,000 and not more than RM30,000 or to imprisonment for a term not exceeding 12 months or to both for each illegal immigrant found at the premises.

On 5 September 2022, officers from the Immigration Department conducted a surprise inspection of the Group's factory premises in Ipoh. During this inspection, they apprehended 29 subcontracted foreign workers present on site, of which 24 foreign workers from UTS Setia Provider Sdn Bhd and 5 foreign workers from KF Construction Work. All the subcontracted foreign workers were taken to the Immigration Department's Meru branch for documentation processing which were handled by the management of their respective subcontractors. Upon the surprise inspection, the Immigration Department also conducted further examination of PMW Industries and PMW Concrete's foreign workers' documents when it was discovered that 2 foreign workers were without valid permits. These 2 foreign workers were detained in Bidor Temporary Depot in Perak for approximately 3 months before they were deported to their country on 16 November 2022.

The Immigration Department issued court summons to PMW Industries. At the court hearing on 14 September 2023, PMW Industries was charged with a compound of RM43,000 and payment was made on that same day.

Our Group is required to comply with the provisions of the IA 1959/63 insofar as foreign workers employed by us are concerned. As at the LPD, all foreign employees of the Group are in possession of valid work permits and save as disclosed above, there has been no past non-compliance by our Group in relation to the IA 1959/63 under the Financial Periods under Review.

(x) Petroleum Development Act 1974 / Control of Supplies Act 1961 ("CSA 1961") and Control of Supplies Regulations 1974 ("CSR 1974")

Section 6(3) of the Petroleum Development Act 1974 requires prior permission from the Prime Minister to carry out business of marketing or distributing of petroleum or petro-chemical products which includes diesel and fuel oil. Section 6(5) of the Petroleum Development Act 1974 further provides that any person who acts in contravention of this section shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM1,000,000 or to imprisonment for a term not exceeding 5 years or to both, and in the case of continuing offence, shall be liable to a further fine not exceeding RM100,000 for each day or part of a day during which the offence continues after the first day in respect of which the conviction is

7. BUSINESS OVERVIEW (Cont'd)

recorded; and all machinery, tools, plant, buildings and other property or thing used or intended to be used in the commission of the offence and any petroleum or its products thereby obtained shall be liable to forfeiture.

Additionally, pursuant to the CSA 1961, any article or food may be declared as controlled article or rationed article either generally or with reference to some specified part(s) of Malaysia. In exercise of the powers conferred by Section 6 of the CSA 1961, the CSR 1974 has been put into force in relation to the controlled articles specified in the schedule to the CSR 1974 ("**Scheduled Articles**"). Regulation 18(1) of CSR 1974 provides any person who carries on any trade or business, which in the course of the trade or business he uses or consumes any of the Scheduled Articles as specified in Column 1 of Part IV of the Schedule, shall not have in his possession the quantity of the Scheduled Articles as specified in Column 2 of Part IV of the Schedule unless he is authorised by way of a permit issued by the controller as provided by Regulation 18(2) of CSR 1974.

Mega Summit had previously obtained a scheduled articles permit for purchase and storage of diesel at Kota Kinabalu Factory. Condition 4 of the permit expressly provides that the purchase of diesel should be for personal use and not for resale. Regulation 21 of the CSR 1974 provides that any person who contravenes any provision of the terms and conditions of any permit granted, shall be guilty of an offence. However, Regulation 2 of the CSR 1974 read together with First Schedule of the Control of Supplies (Compounding of Offences) Regulations 2001 provides that all offences under the CSR 1974 is compoundable offences. If the offence is not compounded, Section 22(2) of the CSA 1961 provides that any body corporate which commits an offence shall, on conviction, be liable to a fine not exceeding RM2,000,000 and, for a second or subsequent offence, to a fine not exceeding RM5,000,000.

Between 2007 to 30 November 2024, Mega Summit had sold diesel and fuel oil to its related party, Winabumi and not to any other entities, and therefore breached Condition 4 of the permit. Mega Summit has ceased selling diesel and fuel oil to Winabumi since 30 November 2024 and Winabumi has on 1 March 2025 obtained a scheduled articles permit for the purchases and storage of diesel at Kota Kinabalu Factory.

As at the LPD, Mega Summit has not been fined or issued with any notice of non-compliances from the Ministry of Domestic Trade and Cost of Living for its past non-compliances of Condition 4 of the permit. Our Board is of the view that the risk of being charged, convicted, penalised and/or compounded retrospectively is low as Mega Summit is not carrying out the business of marketing or distributing of diesel and fuel oil under the Petroleum Development Act 1974. Our Board confirmed that Mega Summit had only supplied the diesel and fuel oil to Winabumi which is required for the operation of the machinery rented by Winabumi from Mega Summit and Mega Summit did not supply the diesel and fuel oil to any other party.

As at the LPD, save as disclosed above, there has been no other past non-compliance by our Group in relation to the Petroleum Development Act 1974, CSA 1961 and CSR 1974 under the Financial Periods under Review.

(xi) **Electricity Supply Act 1990 ("ESA 1990") and the Electricity Regulations 1994 ("ER 1994")**

The ESA 1990, including the ER 1994, regulate the electricity supply industry, the supply of electricity, the licensing of any electricity installation, as well as the registration of any manufacturers, electrical contractors, importers and any competent person involved in the supply or use of electricity.

Regulation 97C of the ER 1994 states that any person who manufactures or imports any equipment under Regulation 97 of the ER 1994 shall apply to be registered with the Commission, in a manner that may be determined by the Commission.

Any person who contravenes or fails to comply with any of the provisions of ER 1994 shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM5,000 or to imprisonment for a term not exceeding 1 year or to both.

7. BUSINESS OVERVIEW (Cont'd)

As at the LPD, PMW Lighting holds a valid certificate of registration to manufacture pursuant to Regulation 97C of the ER 1994 (details of which are as set out in Item 16 of Section 7.17 of this Prospectus) and there has been no past non-compliance by our Group in relation to the ESA 1990 and ER 1994 under the Financial Periods under Review.

Our Group is fully committed to comply with all relevant laws, regulations, rules, and internal policies, by establishment of an internal compliance committee ("**Compliance Committee**") to enhance the internal control of the Group and prevent the recurrence of non-compliance incidents. As at the LPD, our Group has established a Compliance Committee that consists of following members:

- (a) Chief Compliance Officer, as Chairman of the Compliance Committee;
- (b) Chief Human Resource Officer, as a member;
- (c) Chief Financial Officer, as a member;
- (d) General Manager Ipoh Operations, as a member;
- (e) Assistant General Manager of Sabah Operations, as a member; and
- (f) General Manager of Lighting Operation, as a member.

The Compliance Committee will report to the Audit and Risk Management Committee on quarterly basis.

The Compliance Committee's roles and responsibilities are to monitor, assess, and address non-compliance issues within the Group, focusing on adherence to environmental compliance requirements and other applicable regulations. Furthermore, the roles and responsibilities of the Compliance Committee are outlined as follows:

- (a) Continuously monitor the Group's compliance with relevant laws, regulations, rules, and internal policies;
- (b) Maintain oversight of compliance with environmental regulations and other statutory requirements;
- (c) Identify potential non-compliance risks within the Group's operations, particularly in areas with historical non-compliance;
- (d) Conduct regular compliance risk assessments and report findings to the Audit and Risk Management Committee;
- (e) Develop and recommend policies and procedures to prevent non-compliance incidents;
- (f) Implement compliance controls to ensure adherence to applicable environmental and regulatory standards;
- (g) Review incidents of non-compliance and initiate prompt remedial actions to address identified issues; Ensure that appropriate corrective measures are implemented to prevent recurrence;
- (h) Provide regular updates to the Audit and Risk Management Committee on compliance status, issues identified, and remedial actions taken;
- (i) Where necessary, liaise with internal control advisers, external legal advisers, and other professional advisers to obtain guidance on compliance matters;
- (j) Regularly review and update compliance policies and procedures to reflect changes in laws and regulations; and
- (k) Benchmark compliance practices against industry standards to ensure best practices are maintained.

Save as disclosed above, as at the LPD, our Group is in compliance with the governing laws, regulations, rules or requirements relating to its business.

7.22 EMPLOYEES

As at the LPD, our Group has a total workforce of 695 employees of which 526 are permanent employees and 169 are contractual workers; which are made up of 535 local employees, 159 foreign workers and 1 expatriate. As at the LPD, all of our foreign workers have valid working permits and are not in breach of any immigration laws.

7. BUSINESS OVERVIEW (Cont'd)

As the application and renewal of the work permits are an ongoing process, there will be foreign workers that are in the midst of applying for or renewing their work permits at any one point in time.

A summary of our Group's total workforce according to job functions as at FPE 2025 and LPD is as below:

Category	As at FPE 2025						
	Permanent employees		Contractual employees		Geographical Location		Total number of employees
	Local	Foreign	Local	Foreign	West Malaysia	East Malaysia	
Management	9	-	-	-	7	2	9
Finance	18	-	-	-	12	6	18
Human resource and administration	22	-	-	-	10	12	22
Information technology	3	-	-	-	3	-	3
Occupational safety, health and environment	18	-	-	1	17	2	19
Operations	353	-	10	159	303	219	522
Quality assurance and quality control	31	-	-	-	17	14	31
Sales and marketing	23	-	-	-	15	8	23
	477	-	10	160	384	263	647

Category	As at the LPD						
	Permanent employees		Contractual employees		Geographical Location		Total number of employees
	Local	Foreign	Local	Foreign	West Malaysia	East Malaysia	
Management	9	-	-	-	7	2	9
Finance	22	-	-	-	16	6	22
Human resource and administration	20	-	-	-	13	7	20
Information technology	3	-	-	-	3	-	3
Occupational safety, health and environment	26	-	-	1	19	8	27
Operations	388	-	9	159	335	221	556
Quality assurance and quality control	35	-	-	-	20	15	35
Sales and marketing	23	-	-	-	15	8	23
	526	-	9	160	428	267	695

PMW Concrete, PMW Industries and Winabumi's manufacturing licences contains an express condition that their respective total full-time workforce shall comprise at least 80% Malaysians. As at the LPD, PMW Concrete, PMW Industries and Winabumi each has a total of 145, 86 and 253 Malaysian employees respectively, representing approximately 59.43%, 58.50% and 100.00% of their respective total full-time workforce.

7. BUSINESS OVERVIEW (Cont'd)

On 16 December 2024, MITI announced that the deferment in compliance with the employment condition of 80:20 workforce for manufacturing sector will continue until the Multi-Tiered Levy Mechanism is fully implemented. Nonetheless, the initiatives taken by our Group to comply with the said condition are as follows:

- (i) prioritise hiring Malaysian citizens for available positions;
- (ii) invest in training and development programs to equip existing local workforce with necessary skills for higher-value roles;
- (iii) explore automation technologies with the aim to reduce reliance on manual labour; and
- (iv) engage with relevant government bodies to access programs aimed at promoting local employment.

As at the LPD, our Group complies with the requirements under Minimum Wages Order 2024. None of our employees belong to any union nor are they parties to any collective agreements and we have not experienced any strikes or other disruptions due to labour disputes.

Further, our Group provides accommodations to our foreign workers. Please refer to Section 7.21 (vi) of this Prospectus for further details.

7.23 EXCHANGE CONTROLS

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 or remittance of profits by or to our Group.

7.24 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) PRACTICES

Our Group recognises the importance of adopting ESG practices such as ensuring environmentally responsible operations, provision of conducive workplaces for our employees and good corporate governance for sustainable value creation. As such, our Group focuses on the following ESG practices:

Our Group is dedicated to integrate sustainability objectives across all facets of our business and operations, ensuring environmental and social responsibility alongside strong corporate governance. We emphasise transparency, innovation, and adaptability as fundamental principles for sustaining long-term business growth.

Our Group will develop our sustainability framework based on the following frameworks and standards:

- Bursa Securities’ ACE Market Listing Requirements for Sustainability;
- Bursa Securities’ Sustainability Reporting Guide; and
- MCGG

Our primary goal is to drive sustainable development among our stakeholders by ensuring access to renewable energy, encouraging innovation, and empowering both our employees and the wider community. As a responsible entity in public governance, we are deeply committed to advancing sustainability and actively championing positive global change.

Our Group is dedicated to build an organization that places sustainable development at the forefront, benefiting both the community and stakeholders. This commitment reflects our firm dedication to implementing meaningful initiatives and strategies that mitigate the impact of our operations on the economy, environment, society, and governance. We will continuously work to improve our performance in these areas, ensuring our actions contribute to a more sustainable future.

Our Board holds the collective responsibility for assessing, approving, and overseeing the ESG-related policies, objectives, and strategies within our Group. The Compliance Committee is tasked with supervising the formulation and execution of sustainability strategies. Additionally, Compliance Committee monitors business plans, governance frameworks, compliance matters, and key

7. BUSINESS OVERVIEW (Cont'd)

initiatives while ensuring alignment with sustainability principles. The implementation of sustainability strategies across our business operations is managed by senior leadership, who report directly to Compliance Committee.

(i) Environmental

We are committed to minimising our environmental impact by adopting sustainable practices and reducing carbon emissions:

- We enhance the use of renewable energy and improving overall energy efficiency in our manufacturing and operations.
- We reduce greenhouse gas (GHG) emissions through energy-efficient production and logistics practices.
- We minimise waste generation and promote recycling and sustainable resource use.
- We comply with all relevant environmental laws, regulations and standards.
- We conduct regular environmental impact assessment to identify risks and improvement areas.

(ii) Social

We strive to create a positive impact by fostering inclusivity, employee well-being and community engagement:

- We implement robust occupational health and safety (OHS) policies to minimise workplace hazards.
- We ensure a safety, healthy and inclusive workplace with zero tolerance for discrimination and harassment.
- We practice gender equality and cultural diversity with equal opportunities, career development and advancement in pays for employees.
- We engage with local communities through corporate social responsibility (CSR) initiatives, including education and environmental sustainability programs.
- We uphold human rights and ensuring ethical labour practices across our supply chain, in compliance with international labour standards.

(iii) Governance

We are committed in upholding the good corporate governance and conducting our business ethically. In maintaining good corporate governance, our Group has adopted the recommendations under the MCCG. Save for certain practices of the MCCG, the compliance of which could only be achieved or becomes applicable upon the listing of the Company (such as the recommended disclosures to be made in the Company's Annual Report and Corporate Governance Report), the MCCG practices our Group has adopted are as follows:

- at least half of our Board are independent directors;
- at least 30% of our Board are women directors;
- our Audit and Risk Management Committee comprises solely of independent directors; and
- our Independent Non-Executive Chairman is not a member of any of our board committees.

In addition, we have zero tolerance towards any form of bribery and corruption in our business operations. As such, we have established various policies such as anti-bribery and corruption policy, whistle-blowing policy and code of conduct and ethics to ensure the sufficiency and integrity of our Group's risk management and internal control system.

8. IMR REPORT

VITAL FACTOR CONSULTING
Creating Winning Business Solutions

1 October 2025

The Board of Directors
PMW International Berhad
Lot 133077, Jalan Lahat,
Bukit Merah Industrial Estate,
31500 Lahat, Perak

Dear Sirs and Madams

Vital Factor Consulting Sdn Bhd
(Company No.: 199301012059 (266797-T))

V Square @ PJ City Centre (VSQ)
Block 6 Level 6, Jalan Utara
46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia

Tel: (603) 7931-3188
Website: www.vitalfactor.com

Independent Assessment of the Concrete Poles and Piles Industry in Malaysia

We are an independent business consulting and market research firm based in Malaysia, established in 1993. We offer consulting services, including business plans, opportunity evaluations, commercial due diligence, feasibility studies, financial and industry assessments, and market research. Since 1996, we have been involved in corporate exercises such as initial public offerings, reverse takeovers, chain listings, transfers to the Main Market, and business regularisations for publicly listed companies on Bursa Malaysia Securities Berhad (Bursa Securities). Our corporate exercise services encompass business overviews, independent industry assessments, management discussions and analyses, and business and industry risk assessments for prospectuses, shareholders' circulars and information memorandums.

We have been engaged in providing an independent assessment of the concrete poles and piles industry in Malaysia for inclusion in PMW International Berhad's prospectus for its initial public offering and listing of its shares on the ACE Market of Bursa Securities. This report has been prepared independently and objectively, with all reasonable due care taken to ensure its accuracy and completeness.

We believe the report provides a true and fair assessment of the industry, considering the limitations of timely and available information, and analyses based on secondary and primary market research as of the report date. However, it should be noted that our assessment pertains to the industry as a whole and may not reflect the performance of any specific company. We accept no responsibility for the decisions or actions of readers based on this document. This report should not be construed as a recommendation to buy, not buy, sell or not sell the securities of any company.

Please be aware that our report may include disclosures, assessments, opinions, and forward-looking statements that are subject to hitherto unknown or undisclosed information, uncertainties, and contingencies. These statements are based on secondary information and primary market research, and despite careful analysis, the industry is influenced by various known and unforeseen factors that could cause actual outcomes and future results to differ materially from these statements.

Yours sincerely

Wooi Tan
Managing Director

Wooi Tan holds a Bachelor of Science from the University of New South Wales and a Master of Business Administration from the University of Technology, Sydney. He is a Fellow of both the Australian Marketing Institute and the Institute of Managers and Leaders. With over 30 years of experience in business consulting and market research, he has also assisted companies in their initial public offerings and listings on Bursa Malaysia Securities Berhad.

8. IMR REPORT (Cont'd)

VITAL FACTOR CONSULTING
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Date of Report: 1 October 2025

INDEPENDENT ASSESSMENT OF THE CONCRETE POLES AND PILES INDUSTRY IN MALAYSIA

1. OVERVIEW OF PMW GROUP'S BUSINESS AND REPORT PARAMETERS

- PMW International Berhad, together with its subsidiaries (PMW Group or the Group), is mainly involved in trading construction materials and other products, prestressed spun concrete poles and piles, and other concrete products. In addition, the Group also manufactures prestressed spun concrete poles and piles, moulds, machinery, metal products such as hollow round cross-section steel poles, and other concrete products. As of the date of this report, PMW Group has recently acquired two related companies, Winabumi Sdn Bhd and PMW Concrete Industries Sdn Bhd. After the acquisition, PMW Group will mainly manufacture prestressed spun concrete poles and piles in Malaysia.
- PMW Group's prestressed spun concrete poles primarily cater to the telecommunications and electricity utility industries, while the prestressed spun concrete piles are mainly used in foundations for buildings and structures. These shall form the focus of this report. Unless stated otherwise, all information in this report relates to Malaysia and is based on the latest publicly available information.

2. INDUSTRY OVERVIEW

- Poles and piles are long, vertical structures designed to support vertical loads. Poles are installed above ground, while piles are driven into the ground, primarily supporting above-ground structures. Some structures, such as shear walls, sheet piles and retention walls, are not considered vertical structures as they are primarily used to resist lateral force, such as retaining soil or water.

The diagram titled 'Types of Vertical Supporting Structures' is divided into two main categories: 'Superstructures (above ground)' and 'Substructures (below ground)'. Under 'Superstructures', there are boxes for 'Towers', 'Poles', 'Columns', and 'Others'. Under 'Substructures', there are boxes for 'Piles', 'Caissons', 'Bored piles', and 'Others'. A legend at the bottom indicates that a dashed box represents 'PMW Group is involved in these structures'. The 'Poles' and 'Piles' boxes are highlighted with dashed borders.
- Vertical supporting structures are crucial in ensuring the stability and functionality of various constructions, including buildings, bridges, and public utilities like telecommunications and power systems. Their importance lies in their ability to distribute vertical loads and provide foundational support, particularly in areas where soil conditions or other environmental factors make traditional foundations unsuitable. PMW Group is involved in the provision of poles as superstructures for the utility industry and of piles as substructures for building foundations, which will be the focus of this report.
- Poles and piles are made from various materials, including concrete, steel, timber, plastic, and fibreglass. PMW Group primarily supplies concrete poles and piles, with steel poles comprising a smaller portion of its offerings.

2.1 Concrete Poles and Piles

- The value chain of the concrete poles and piles industry generally begins with the production or supply of input materials such as cement, sand, and gravel, followed by processing these materials into finished products through various manufacturing techniques. Concrete poles and piles manufacturers would sell their products either to traders or directly to end users such as construction or utility companies. PMW Group is involved in the manufacturing and trading of concrete poles and piles in Malaysia.

The diagram titled 'Value Chain of the Concrete Poles and Piles Industry' shows a flow from 'Input material manufacturers/suppliers' to 'Manufacturers', then to 'Traders', and finally to 'End users'. Above each stage is an icon: a pile of material for suppliers, a factory for manufacturers, a warehouse for traders, and a group of people for end users. A legend at the bottom indicates that a dashed box represents 'PMW Group is involved in these segments'. The 'Manufacturers' and 'Traders' boxes are highlighted with dashed borders.

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- Concrete is a widely used construction material that mixes cement, aggregates (such as sand, gravel, or crushed stone), water, and sometimes additives. Concrete's strength, durability, and resistance to environmental factors often surpass common materials like timber and steel. These properties make concrete poles and piles more resistant to rot, fire, and termites, ensuring greater longevity and reliability compared to some alternative materials.
- To further strengthen concrete poles and piles, common techniques like reinforcing, spinning, and prestressing are applied to enhance their structural integrity, durability and load-bearing capacity.
 - **Reinforcing:** This involves embedding reinforcing bars (rebars) within the concrete according to engineering specifications. The reinforcement compensates for concrete's relatively low tensile strength and ductility, enhancing its ability to resist tensile stresses and providing additional strength and flexibility.
 - **Spinning:** This involves rotating the mould filled with concrete at high speed, utilising centrifugal force to ensure a uniform concrete distribution within the mould. During the spinning process, excess water and air are expelled, resulting in a denser and more evenly distributed concrete structure. The product from such a technique is usually cylindrical with a hollow centre.
 - **Prestressing:** This involves embedding and stretching high-strength steel tendons, such as bars, wire, or strands, placed during production. Tensioning these tendons within the concrete induces compressive forces, enhancing the product's durability, reducing cracking, and improving overall reliability over time. The two primary methods of prestressing are pre-tensioning and post-tensioning.

Pre-tensioning: This involves stretching steel tendons to a predetermined tension and anchoring them to fixed bulkheads or moulds. Once the tendons are stretched, concrete is poured around them, and the entire assembly is allowed to cure and harden. After curing, the tension is released from the tendons, compressing the concrete and creating a prestressed structure.

Post-tensioning: This is similar to pre-tensioning, but the key difference is that the tendons are installed inside the hardened concrete and are only tensioned after the concrete has fully cured. The tendons are tensioned using hydraulic jacks and then anchored in place, creating compressive forces in the concrete.
- Reinforcement, prestressing, and spinning techniques are often combined in the production of prestressed spun products to leverage the benefits of each method in strengthening poles and piles. In some cases, poles and piles are only reinforced without the use of prestressing and spinning. PMW Group specialises in the manufacturing and supply of prestressed spun concrete poles and piles utilising pre-tensioning techniques. It also supplies reinforced concrete piles.

2.2 Applications of Concrete Poles and Piles

- Concrete poles and piles fulfil distinct roles in infrastructure and construction, each tailored to specific applications. Their unique functions determine their specialised uses.
- Some common applications of **concrete poles** include:
 - **telecommunications**, which provides structural support for telephone cables between poles and/or serves as mounting platforms for wireless telecommunications equipment at the top;
 - **power distribution**, which forms the backbone of the last-mile distribution network for electricity by supporting the power cables connecting substations to end-user premises such as residential, commercial, and industrial buildings;

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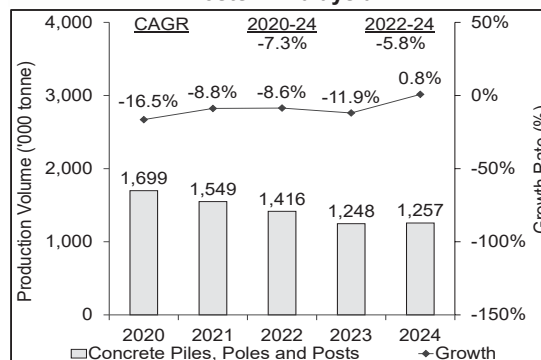
- **lighting**, which supports cross-arms equipped with lighting fixtures to illuminate streets, compounds, and other public spaces;
 - **railway electrifications**, which provides structural support for overhead electrical cables that supply power to electrically driven trains along the track; and
 - **others**, include specialised applications such as smart city applications (combines multiple functionalities such as traffic signals, LED display panels, surveillance cameras, and streetlights into a single integrated structure), signage and other customised applications.
- **Concrete piles** (not referring to bored piles), on the other hand, serve primarily as the fundamental substructure for building constructions. They are widely used across various construction industry sectors, including, among others, residential buildings (especially low-rise buildings), civil engineering projects and others.
 - PMW Group supplies prestressed spun concrete poles and piles for most of the abovementioned applications.

3. PERFORMANCE OF CONCRETE POLES AND PILES INDUSTRY IN MALAYSIA

3.1 Production of Concrete Poles and Piles

- Between 2022 and 2024, the production volume of concrete piles, poles, and posts in Malaysia declined at an average annual rate of 5.8%. Nevertheless, the production volume of concrete piles, poles, and posts grew by 0.8% to 1.3 million tonnes in 2024. In the first half (H1) of 2025, the production volume of concrete piles, poles, and posts in Malaysia declined by 19.5% compared to H1 2024 (Source: DoSM). The decline was in line with the reductions in the planned supply of residential, commercial, and industrial properties in Malaysia, which fell by 20.0%, 9.3%, and 45.6% respectively, at the end of the second quarter (Q2) of 2025 compared to Q2 2024 (Source: National Property Information Centre (NAPIC)).

Production Volume of Concrete Piles, Poles, and Posts in Malaysia

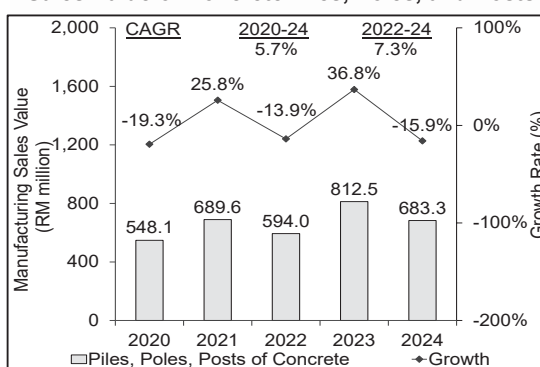


(Source: Department of Statistics Malaysia (DoSM))

(Source: National Property Information Centre (NAPIC)).

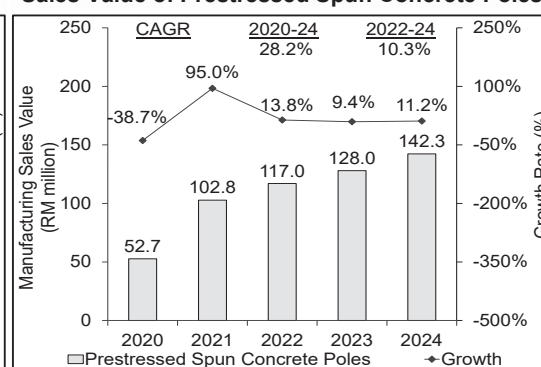
3.2 Sales Value of Concrete Poles and Piles

Sales Value of Concrete Piles, Poles, and Posts



(Source: DoSM)

Sales Value of Prestressed Spun Concrete Poles



8. IMR REPORT (Cont'd)

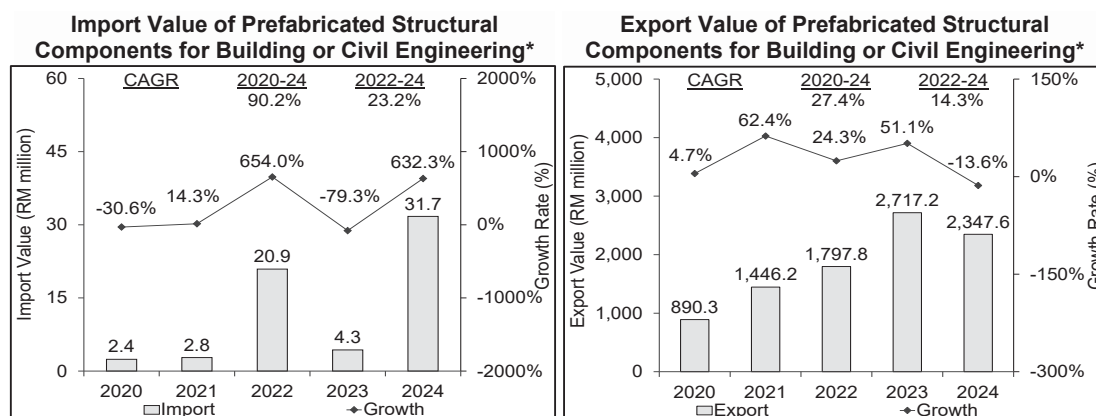


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- Despite encountering a growth in 2023, the sales value of domestically manufactured concrete piles, poles, and posts subsequently declined by 15.9% in 2024. The decline was primarily attributed to subdued external demand, as reflected by a 13.6% decrease in the export value of prefabricated structural components in 2024 (*Source: DoSM*).
- In 2024, the sales value of domestically manufactured prestressed spun concrete poles amounted to RM142.3 million.
- PMW Group is involved in the manufacturing of prestressed spun concrete poles and piles in Malaysia. A growing sales value in concrete poles and piles may augur well for operators within the industry like PMW Group.

3.3 Trade Performance of Prefabricated Structural Components

- The prefabricated structural components in Malaysia are primarily used in the building or civil engineering sector. The import and export of prefabricated structural components, including concrete poles and piles, may indicate their supply and demand dynamic.



* Comprise components made from concrete, cement or artificial stone. No further segmentation available.
(*Source: DoSM*)

- Malaysia is a net exporter of prefabricated structural components for building or civil engineering, which has recorded a trade surplus for such products for the past few years. In 2023, the import and export value of prefabricated structural components for building or civil engineering amounted to RM4.3 million and RM2,717.2 million, respectively.
- Nevertheless, in 2024, the import value increased by 632.3% to RM31.7 million, while the export value declined by 13.6% to RM2,347.6 million. This resulted in a trade balance of RM2.32 billion in 2024. In H1 2025, the import value increased by 14.1%, while the export value decreased by 0.3%, compared to H1 2024 (*Source: DoSM*).

4. DEMAND DEPENDENCIES – CONSTRUCTION ACTIVITIES IN MALAYSIA

- Concrete poles are generally used in civil engineering construction, including utility projects such as telecommunications and power distribution. In contrast, concrete piles are typically used as foundations in building constructions. Therefore, construction activities involving utility projects, residential, commercial, and industrial buildings may provide opportunities for operators within the concrete poles and piles industry.
- Between 2022 and 2024, the value of construction work completed for utility projects grew at a CAGR of 31.4%, reaching RM24.0 billion worth of construction work completed in 2024. The construction work completed for utility projects represented 39.2% of the total value of the construction work completed for civil engineering in 2024. In H1 2025, the value of construction

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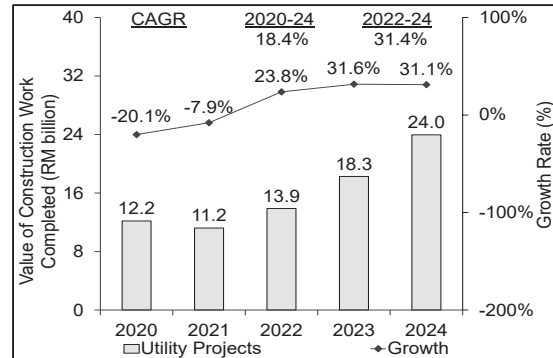


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work completed for utility projects further increased by 28.1% compared to H1 2024. (Source: DoSM)

- The future supply (comprising incoming and planned supply) of residential, commercial, and industrial buildings indicates the demand for concrete piles. Between 2022 and 2024, the low-rise and high-rise residential buildings declined at an average annual rate of 3.0% and 1.6%, respectively. The future supply of low-rise and high-rise residential buildings at the end of Q2 2025 compared to Q2 2024 declined by 12.9% and 5.8%, respectively. (Source: NAPIC)

Value of Construction Work Completed for Utility Projects



(Source: DoSM)

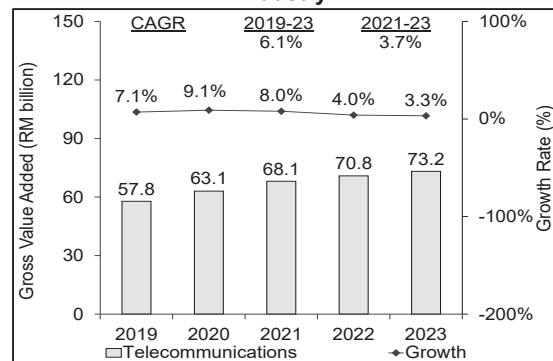
- Between 2022 and 2024, the future supply of commercial and industrial buildings declined at an average annual rate of 1.7% and 3.7%, respectively. The future supply of commercial buildings at the end of Q2 2025 compared to Q2 2024 grew by 1.0%, while the future supply of industrial buildings declined by 18.6%. (Source: NAPIC)

5. END-USER INDUSTRIES

5.1 Telecommunications Industry

- PMW Group mainly supplies prestressed spun concrete poles serving the telecommunications industry in Malaysia. Hence, this section will analyse the performance of the telecommunications industry since this can be deemed as the demand for PMW Group's products.
- The telecommunications industry's gross value added (GVA) quantifies the value of output generated excluding the value of intermediate goods and services. In 2023, the GVA of the telecommunications industry in Malaysia amounted to RM73.2 billion, representing 69.7% of Malaysia's total ICT services industry (Source: DoSM). A growing telecommunications industry may indicate the increasing demand for new or upgraded telecommunication towers.

Gross Value Added of Telecommunications Industry



Note: Latest available data. (Source: DoSM)

- According to the Industry Performance Reports from the Malaysian Communications and Multimedia Commission (MCMC), the telecommunications industry's capital expenditure grew at a CAGR of 13.6% to RM6.4 billion between 2021 and 2023. Service providers' increasing capital expenditure may provide opportunities for operators involved in the provision of concrete poles for the telecommunications industry in Malaysia.

5.1.1 Telecommunications Services and Connectivity in Malaysia

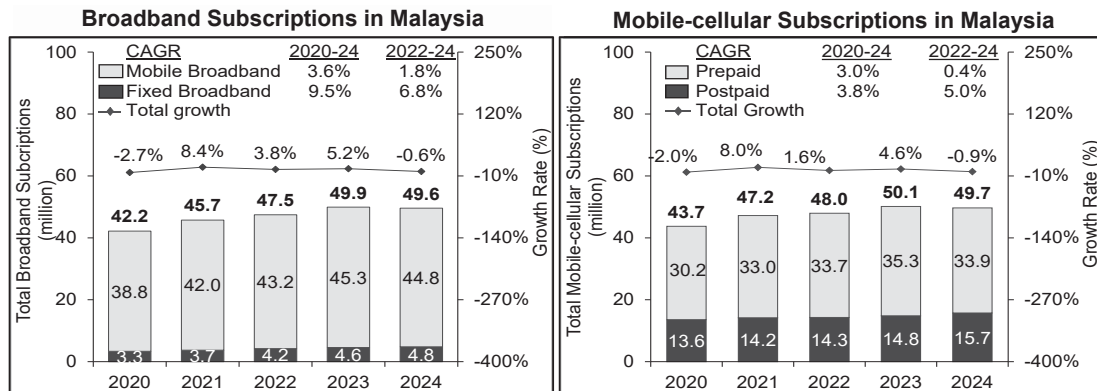
- The telecommunications services in Malaysia primarily focus on broadband (mobile and fixed) and mobile cellular services, which include prepaid and postpaid plans.
- Subscriptions for both mobile and fixed broadband services in Malaysia have steadily increased over the past three years. Between 2022 and 2024, the subscriptions of mobile and fixed broadband services grew at a CAGR of 1.8% and 6.8%, respectively. In 2024, the total

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number of broadband subscriptions in Malaysia reached 49.6 million, reflecting a 0.6% decline compared to 2023. At the end of Q2 2025, the total broadband subscriptions declined by 1.3% compared to the corresponding period in 2024 (Source: MCMC).



Note: Mobile broadband refers to subscriptions by individuals. Fixed broadband refers to subscriptions by premise, household and non-household. (Source: DoSM)

- Mobile-cellular services are a widely adopted technology that enables wireless communication between mobile devices and allows individuals to access telecommunication services on the go (Source: MCMC). Between 2022 and 2024, the total mobile-cellular subscriptions in Malaysia grew at a CAGR of 1.8% (Source: DoSM). Malaysia remained a prepaid-dominant market, with prepaid plans for mobile-cellular services accounting for 68.3 % of total mobile-cellular subscriptions in 2024. At the end of Q2 2025, the total mobile-cellular subscriptions declined by 1.1% compared to the corresponding period in 2024 (Source: MCMC).
- Additionally, the penetration rates of broadband and mobile-cellular services expanded moderately between 2022 and 2024. However, in 2024, the penetration rates of mobile broadband services declined from 134.5% to 131.1%, while mobile-cellular services dropped from 148.7% to 145.4%, both measured by per 100 inhabitants. Similarly, the fixed broadband services recorded a penetration rate of 48.7% per 100 premises in 2024. At the end of Q2 2025, the penetration rates for mobile broadband, fixed broadband, and mobile-cellular services were 144.9%, 48.8%, and 129.3%, respectively (Source: MCMC).

Penetration Rates of Telecommunications Services in Malaysia

	Mobile broadband ^(a)	Fixed broadband ^(b)	Mobile-cellular ^(a)
2020	118.7%	37.2%	133.6%
2021	126.4%	40.8%	144.0%
2022	131.0%	47.6%	145.3%
2023	134.5%	50.6%	148.7%
2024	131.1%	48.7%	145.4%

(Source: DoSM)

(a) Refers to penetration rate per 100 inhabitants.

(b) Refers to penetration rate per 100 premises.

- The trends in the subscription and penetration rates of telecommunications services in Malaysia indicate a growing demand for connectivity, highlighting the increasing adoption and reliance on these services. Telecommunication companies may focus on enhancing their existing infrastructure or constructing new telecommunication towers to accommodate the increasing capacity and data demands or to expand their services into underserved regions further. This is especially pertinent in the provision of fifth generation (5G) telecommunications services. This could drive demand for supporting infrastructure such as concrete telecommunication poles, benefiting operators like PMW Group which supplies its products to telecommunication companies.

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5.2 Electricity Utility Industry

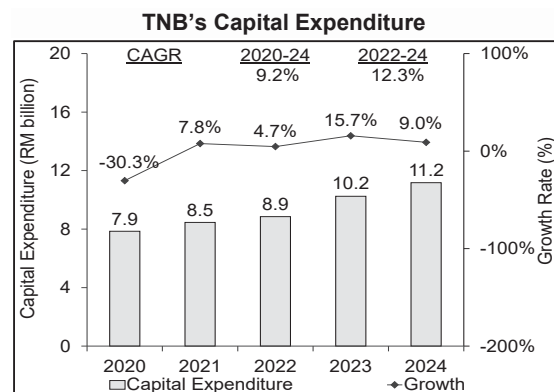
- PMW Group also supplies prestressed spun concrete poles serving the electricity utility industry in Malaysia. This section will examine the performance of the country's electricity utility industry. Growing electricity consumption and demand may increase the need for future expansion of the current electricity distribution network. Furthermore, capital expenditure by electricity utility companies could indicate future demand for upgrading and expanding infrastructures.

5.2.1 Electricity Consumption and Peak Demand

- The local electricity consumption in Malaysia comprises two main segments, namely industrial, commercial, and mining as one segment, and domestic and public lighting as the other segment. Between 2022 and 2024, local electricity consumption grew at a CAGR of 4.9%, with the industrial, commercial, and mining segment, as well as the domestic and public lighting segment recording a CAGR of 4.2% and 7.1%, respectively. (Source: DoSM)
- Peak demand for electricity represents the maximum electricity demand registered within a stated period such as a year and is indicated by megawatt hours. Between 2021 and 2023, being the latest available data, the peak demand for electricity in Peninsular Malaysia, Sabah and the Federal Territory of Labuan grew at a CAGR of 3.1%. In 2023, the peak demand for electricity in Peninsular Malaysia, Sabah and the Federal Territory of Labuan was 20,807 megawatt hours. (Source: Tenaga Nasional Berhad (TNB))
- Increasing electricity consumption and peak demand drive the need to expand the current distribution network, creating opportunities for operators that supply power distribution poles to electricity utility companies, such as PMW Group.

5.2.2 Capital Expenditure of Tenaga Nasional Berhad (TNB)

- In Peninsular Malaysia, the power grid (including power generation, power transmission and power distribution) is under the purview of TNB, while Sarawak and Sabah are under Sarawak Energy Board and Sabah Electricity Sdn Bhd (SESB), respectively. TNB holds a majority stake in SESB alongside the State Government of Sabah. As a result, TNB's capital expenditures may offer insights into potential future demand for expansion to the current distribution network, which requires concrete poles as a supporting infrastructure.
- The increasing capital expenditure of TNB reflects its commitment to maintaining the security of electricity supply, meeting the projected electricity demand growth and facilitating the energy transition (Source: TNB). Between 2022 and 2024, the capital expenditure of TNB grew at a CAGR of 12.3% from RM8.9 billion to RM11.2 billion.
- The capital expenditure on the power grid, distribution network, and retail sector accounted for a significant portion of the total capital expenditure spent in the past few years. In 2024, TNB allocated RM2.5 billion and RM6.4 billion funds for the grid, and distribution network, and the retail segments, respectively. (Source: TNB)
- In 2023, TNB invested a total of RM7.3 billion to expand and upgrade its electricity transmission and distribution network. This investment in capital expenditure by TNB led to a 2.5% increase in the length of TNB's distribution lines across Peninsular Malaysia, Sabah,



(Source: TNB)

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and the Federal Territory of Labuan, reaching a total of 789,214.1 kilometres (km) in 2023. However, in 2024, TNB's distribution lines declined by 6.5% to 738,027.6 km. (Source: TNB)

6. SUPPLY DEPENDENCIES – PRICING OF KEY INPUT MATERIALS

- The concrete poles and piles industry in Malaysia is subject to price fluctuation in key input materials like cement, concrete, and rebar (for reinforcement purposes). The following section will focus on the pricing of ready-mixed concrete and rebar, as a sustained increase in key input materials prices may impact the operating costs of operators.

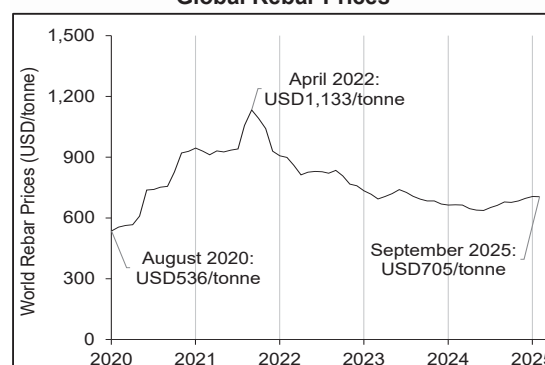
- In Malaysia, the prices of ready-mixed concrete have been increasing since the COVID-19 pandemic. Between 2021 and 2023, the average prices of ready-mixed concrete in Malaysia grew at a CAGR of 9.3% to RM340.50 per cubic metre. Peninsular Malaysia experienced greater volatility than other parts of Malaysia during the same period, marking a CAGR of 15.7%. Nevertheless, the average prices of ready-mixed concrete in Sabah and Sarawak are relatively higher than in Peninsular Malaysia. As at May 2025, the average price of ready-mixed concrete in Malaysia was RM328.38 per cubic metre. (Source: CIDB)

Average Ready-mixed Concrete Prices in Malaysia (RM/m³)

	Malaysia	Peninsular Malaysia	Sabah	Sarawak
2020	284.60	209.00	325.56	319.19
2021	284.90	210.33	325.76	318.67
2022	300.50	256.67	325.67	319.11
2023	340.50	281.56	365.83	374.08
2021-23 CAGR	9.3%	15.7%	6.0%	8.3%

Note: Latest available data. (Source: Construction Industry Development Board (CIDB))

Global Rebar Prices



(Source: Vital Factor analysis)

- In addition, the prices of global rebar increased by 111.4% over approximately two years from USD536 per tonne in August 2020 to USD1,133 in April 2022, which subsequently decreased by 37.8% to USD705 per tonne in September 2025. Overall, the global rebar price experienced significant volatility between 2020 and 2022 due to the impact of the COVID-19 pandemic on the supply chain and demands. In early 2022, the prices increased further due to supply concerns attributed to the Russia-Ukraine conflict. However, prices started to decline due to the subdued global demand amid growing inflationary pressures and tightening financial conditions.

7. COMPETITIVE LANDSCAPE

- There are no published data on the number of companies involved in Malaysia's concrete poles and piles industry. The selection criteria for the companies listed in the table below are: (1) involved in the manufacturing of prestressed spun concrete poles and/or prestressed spun concrete piles; (2) having manufacturing facilities in Malaysia; and (3) availability of the latest available financial information. Some companies may also manufacture other concrete products or engage in other business activities. This list is sorted in decreasing order of total revenue and is not an exhaustive list:

Company	A	B	FYE ⁽¹⁾	Rev ⁽²⁾ (RM mil)	GP ⁽²⁾ (RM mil)	GP ⁽²⁾ margin	NP/(NL) ⁽²⁾ (RM mil)	NP/(NL) ⁽²⁾ margin
Industrial Concrete ⁽³⁾		√	Mar-24	1,275.5	259.1	20.3%	130.8	10.3%
PMW Group	√	√	Dec-24	165.3	28.1	17.0%	17.4	10.5%
SCIB Concrete ⁽⁴⁾		√	Jun-24	115.3	30.4	26.4%	10.3	9.0%
Concrete Engineering ⁽⁵⁾	√	√	Aug-24	104.0	24.1	23.2%	(4.6)	(4.4%)

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Company	A	B	FYE ⁽¹⁾	Rev ⁽²⁾ (RM mil)	GP ⁽²⁾ (RM mil)	GP ⁽²⁾ margin	NP/(NL) ⁽²⁾ (RM mil)	NP/(NL) ⁽²⁾ margin
Sunway Spun Pile (M) S/B ⁽⁶⁾		√	Dec-24	97.7	22.1	22.7%	21.8	22.4%
Eng Beng ⁽⁷⁾		√	Aug-24	95.0	17.5	18.4%	5.3	5.6%
Binaan Desjaya S/B	√		May-24	74.1	n.a.	n.a.	6.3	8.6%
Tract Evo S/B	√		Dec-24	40.6	5.6	13.8%	2.7	6.7%
Zenn Hrb S/B	√		Sep-24	28.6	1.5	5.2%	0.3	0.9%
Desjaya Concrete ⁽⁸⁾	√		Apr-24	13.9	1.9	13.5%	0.3	2.5%
Dalia Industries S/B	√		Dec-24	10.5	1.3	11.9%	(1.1)	(10.6%)

A= Prestressed Spun Concrete Poles; B= Prestressed Spun Concrete Piles; FYE= Financial Year Ended; Rev= Revenue; GP= Gross Profit; NP= Net Profit; NL= Net Loss; mil= million; S/B= Sendirian Berhad; n.a = not available.

(1) Latest audited financial data from the Companies Commission of Malaysia, annual report and PMW Group. (2) It may include other business activities, products, or services at the group or company level. (3) Industrial Concrete Products S/B. A subsidiary of IJM Corporation Berhad, a listed entity on the Main Market of Bursa Securities. (4) SCIB Concrete Manufacturing S/B. A subsidiary of Sarawak Consolidated Industries Berhad, a listed entity on the Main Market of Bursa Securities. Sarawak Consolidated Industries Berhad serves as the ultimate holding company of this company. (5) Concrete Engineering Products Berhad. A listed entity on the Main Market of Bursa Securities. (6) A subsidiary of Sunway Berhad, a listed entity on the Main Market of Bursa Securities. Sunway Berhad serves as the intermediate holding company of this company. (7) Eng Beng Manufacturing (M) S/B. (8) Desjaya Concrete Products S/B. The company has changed its name to DCP Unggul S/B since 21 August 2025.

8. BARRIERS TO ENTRY

- In Malaysia, precast concrete piles, including prestressed spun concrete piles and reinforced or prestressed concrete square piles, must be certified by CIDB. The number of companies registered with CIDB as manufacturers serves as an indicator of entry barriers. The barriers to entry for **manufacturing prestressed spun concrete piles are high**, as evidenced by 6 companies registered with CIDB in this category, 1 of which is a subsidiary of PMW Group. In contrast, the barriers to entry for **manufacturing concrete piles are moderate**, with 46 companies registered as precast concrete pile manufacturers, including the 6 mentioned above (Source: CIDB, as at 1 October 2025). Another barrier to entry for manufacturing prestressed spun concrete piles is market concentration, where the largest manufacturer accounts for approximately two-thirds of the total market. Additionally, several factors may pose challenges to new entrants in the concrete poles and piles industry. These include the initial capital investment required for machinery and equipment, sufficient working capital to procure input materials, maintain inventory levels, and extend credit to customers.

9. INDUSTRY SIZE AND SHARE

- The industry size and market share in Malaysia are estimated as below:

2024 – Manufacturing Sales Value	Industry Size ^(a)	PMW Group	
		Revenue ^(b)	Market share ⁽³⁾
Prestressed spun concrete poles	RM142 million	RM26 million ⁽¹⁾	18%
2024 – Production Volume	Industry Size ^(a)	PMW Group	
		Production ^(b)	Market share ⁽³⁾
Piles, poles, posts of concrete	1,257,134 tonnes	22,960 tonnes ⁽²⁾	2%

Source: (a) DoSM; (b) PMW Group.

- (1) PMW Group's revenue from manufacturing prestressed spun concrete poles for the financial year ended 31 December 2024.
 (2) PMW Group's concrete poles and piles production volume for the financial year ended 31 December 2024.
 (3) [(b) divided by (a)] x 100% in respective categories.

10. INDUSTRY OUTLOOK AND PROSPECTS

Some consideration factors that impact the outlook and prospects of the concrete poles and piles industry are as follows:

8. IMR REPORT (Cont'd)



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- Concrete poles and piles are commonly used as vertical support structures in various subsectors of the construction industry, including building construction and civil engineering, especially in projects related to public utilities. Therefore, the performance of the overall construction industry, along with the key industries that utilise these products (such as public utilities), directly influences the demand for concrete poles and piles in Malaysia.
- In 2024, the **construction industry** expanded by 17.5%. The growth was driven by the broad-based expansion across all sectors, with the residential, non-residential, civil engineering, and specialised construction sectors increasing by 18.8%, 14.0%, 16.3%, and 21.0%, respectively. (Source: DoSM) The growth in the civil engineering sector can be attributable to the multi-year infrastructure projects, particularly the transportation sector, while the increasing demand backed the growth in the residential sector for new housing projects. The industry is forecasted to grow by 11.0% in 2025, driven by the continued expansion in non-residential, residential, and specialised construction sectors. (Source: Bank Negara Malaysia (BNM))
- The **development of public utility industries** in Malaysia, such as telecommunications and electricity utility, relies on federal government development expenditures. The Federal Government is vital in allocating resources for infrastructure projects that support economic growth. Concrete poles and piles are essential for public infrastructure, making the government's consistent investment in these sectors a crucial driver for the industry's sustainable development. Between 2022 and 2024, the federal government development expenditure declined at an average annual rate of 3.8%. In H1 2025, the federal government expenditure for public utilities grew by 14.7% compared to H1 2024. In Budget 2025, the Malaysian government further allocated RM3.0 billion for the public utilities sector solidifying its commitment to infrastructure development. (Source: Ministry of Finance (MoF))
- The **rollout of the fifth generation of cellular network technology (5G)** in Malaysia, driven by government initiatives like MyDIGITAL, the Jalinan Digital Negara (JENDELA) plan and the rapid deployment of Digital Nasional Berhad (DNB), has significantly improved the network infrastructure. As of 31 July 2025, 5G coverage in populated areas reached 82.4%, with efforts underway to address the remaining gap. This expansion is expected to spur the construction of new telecommunication towers, driving demand for concrete poles. Since implementation, DNB has completed 7,489 5G transmitter sites. (Source: MCMC)

On 1 November 2024, MCMC awarded U Mobile Sdn Bhd (U Mobile), one of Malaysia's mobile network operators, the contract to deploy the country's second 5G infrastructure network. This marks Malaysia's transition to a Dual Wholesale Network model for 5G networks. Since operation commencement, U Mobile has upgraded 1,232 sites to provide 5G coverage. The government's ongoing commitment to 5G deployment creates opportunities for telecommunications infrastructure providers, such as PMW Group, which provides concrete poles to the telecommunications industry. (Source: MCMC)

- Growth in the telecommunications and electricity utility industries may be a sustainable platform for the continued demand for concrete poles and piles.
- The peat soil conditions in the coastal and inland regions of **Sarawak** pose significant challenges to infrastructure development due to their low bearing capacity, high long-term compressibility, and acidic environment, which can accelerate the deterioration of structural materials. This necessitates specialised road and bridge development construction techniques. The Sarawak Public Works Department has implemented, among others, the elevated road technique which involves the construction of raised road structures above peat soil by using supporting piles. Under the Sarawak State Budget 2025, the State Government has allocated approximately RM1.0 billion for the construction and upgrading of roads and bridges, as well as RM4.0 billion for various ongoing and new major infrastructure projects, including the Sarawak Coastal Road. These initiatives are expected to drive demand for concrete piles, which are essential for ensuring stable and durable infrastructure in such geotechnically challenging environments. (Source: State Legislative Assembly, Sarawak and Sarawak Premier's Office)

9. RISK FACTORS

YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING KEY RISK FACTORS WHICH MAY HAVE A MATERIAL ADVERSE IMPACT ON OUR BUSINESS OPERATIONS, FINANCIAL POSITION AND THE FUTURE PERFORMANCE OF OUR GROUP, IN ADDITION TO OTHER INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, BEFORE INVESTING IN OUR COMPANY.

9.1 RISKS RELATING TO OUR BUSINESS AND OPERATIONS

9.1.1 Our business sustainability and financial performance are dependent on our ability to secure new contracts and purchase orders continuously

During the Financial Periods Under Review and up to the LPD, most of our revenue is non-recurrent in nature as they are based on contracts or purchase orders for a single order of goods. Revenue from these types of non-recurrent contracts accounted for 91.29%, 88.03%, 91.37%, 93.08% and 94.61% of our total revenue for the FYE 2021, FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

As these contracts or purchase orders are non-recurrent, our business sustainability and financial performance depend on our ability to secure new contracts and purchase orders from our customers continuously. If we cannot continuously secure new contracts and purchase orders in sufficient numbers and sizeable value, our business sustainability and future financial performance will be adversely affected.

In addition, most of Winabumi and PMW Concrete's revenue are non-recurrent in nature as they are based on contracts or purchase orders for a single order of goods, consequently their business sustainability and financial performance depend on their abilities to continuously secure new contracts and purchase orders from their customers. If they cannot continuously secure new contracts and purchase orders in sufficient numbers and sizeable value, their business sustainability and future financial performance will be adversely affected.

9.1.2 Fluctuations and increases in the prices of input materials may adversely affect our financial performance

Some of the input materials we purchased for our trading and manufacturing operations, such as steel materials, cement, sand, and aggregates, are subject to price fluctuations and increases from time to time. The value of our purchases of these input materials during the Financial Periods Under Review is summarised in the following table:

	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	(RM'000)	(1)(%)	(RM'000)	(1)(%)	(RM'000)	(1)(%)	(RM'000)	(1)(%)	(RM'000)	(1)(%)
Steel materials	18,016	37.83	26,086	42.41	28,665	29.32	36,243	30.31	10,665	21.06
Cement, concrete, sand, and aggregates	6,934	14.56	9,162	14.89	15,760	16.12	18,444	15.43	8,019	15.83
	24,950	52.39	35,248	57.30	44,425	45.44	54,687	45.74	18,684	36.89

Note:

(1) As a percentage of total Group purchases of materials and services.

Steel materials, cement, sand, and aggregates are generally considered commodities, and their prices are subject to fluctuations in the market. Factors such as supply and demand, excess capacity, and government regulations, over which we have no control, can influence these price changes. A sustained increase or significant volatility in the prices of any of these materials could negatively impact our financial performance.

Some of our contracts include a price adjustment mechanism, which allows us to increase product prices in response to rises in the cost of specified input materials (particularly steel) based on an agreed formula. In other cases, our price quotes are based on the prevailing prices of the relevant input materials at the time, plus our margin. These price quotes are valid for 30 to 60 days, after which they expire. If the customer accepts our quote and issues a contract or purchase order, we will commence to progressively purchase the necessary materials from our suppliers to mitigate the risk of price fluctuations. However, there is no guarantee that prices will not increase significantly between submitting the price quote and purchasing the materials.

9. RISK FACTORS (Cont'd)

During the Financial Periods Under Review and up to the LPD, we have not experienced any instances where there was a material increase in the prices of input materials between the issuance of our price quotes and the acceptance and issuance of a contract or purchase order by the customer. However, there is no guarantee that we can successfully pass increased input material costs to our customers or avoid adverse effects from price fluctuations. If input material prices rise, our financial performance may be impacted.

9.1.3 The terms of the Proposed Joint Venture have not been finalised and the plan to establish the Tanjung Manis Facility may change

As part of our business strategy, we plan to establish the Tanjung Manis Facility through a joint venture with STIDC. Please refer to Sections 4.7(i)(a) and 7.15.1 for additional information on this business strategy. As of the date of this Prospectus, we have not entered into any agreements with STIDC relating to the Proposed Joint Venture. Based on the indicative timeline, we expect to finalise the Proposed Joint Venture by the 1st quarter of 2026. Any delays may lead to a corresponding delay in completing the Tanjung Manis Facility.

If we are unable to enter into a joint venture agreement with STIDC on terms that are not detrimental to our Group, we will explore the purchase of other industrial land within the Tanjung Manis area to establish the Tanjung Manis Facility (although there can be no guarantee that we will be able to purchase a suitable piece of land). If we establish the Tanjung Manis Facility on a different piece of land, we may need to make material changes to our plan, including the size and layout of the facility, annual manufacturing capacity, construction timeline, and costs of construction, moulds, machinery, and industrial vehicles. Furthermore, we may have to incur additional costs to purchase the land (land costs are not included in the planned estimated costs of RM50.25 million as at the LPD) which required to be funded using our internal generated funds and/or bank borrowings.

9.1.4 Disruptions in our trading and manufacturing operations may affect our financial performance

Various events, including supply chain disruptions, fires, floods, natural disasters, machinery breakdowns, and shortages or disruptions in electricity, water, diesel, fuel oil, or labour may disrupt our trading and manufacturing operations. Such disruptions could lead to missed delivery schedules, order cancellations, customer loss, or reputational damage, which may negatively impact our financial performance.

Since the commencement of operations at our Ipoh Factory 1, Ipoh Factory 2, Ipoh Factory 3, Ipoh Factory 4, Kuching Factory (up to when we ceased manufacturing activities there in November 2024 and disposed of the operations to non-related parties), and Kota Kinabalu Factory up to the LPD, we have not experienced any significant manufacturing interruptions that resulted in missed delivery schedules.

However, we cannot guarantee that we will not face material disruptions in the future or fail to meet our delivery commitments.

9.1.5 We are exposed to credit risks from some of our customers

We are exposed to credit risks from customers to whom we extend credit. During the Financial Periods Under Review, our standard credit terms ranged from 30 to 90 days, with other terms assessed and approved on a case-by-case basis. Our average trade receivables turnover periods were 69 days, 77 days, 67 days, 79 days, and 85 days for FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively, which were within the normal credit period granted to customers.

If a customer fails to pay within the stipulated credit period or defaults entirely, we may need to recognise impairment losses on trade receivables or write off bad debts, which would negatively impact our financial performance, cash flow, and profitability.

For FYE 2021, FYE 2022, FYE 2023, FYE 2024, and FPE 2025, impairment losses on trade receivables amounted to RM0.27 million, RM0.44 million, RM0.47 million, RM0.55 million, and RM0.46 million, respectively. For further details, refer to Note 8 and Note 26.4 of the Accountant's Report and Section 12.3.13 (i) of this Prospectus.

9. RISK FACTORS (Cont'd)

There is no assurance that future additions to impairment allowances or bad debt write-offs will not increase or become significant.

9.1.6 There is no guarantee that we will be able to implement our business strategies and plans successfully

Our growth strategy includes developing the Tanjung Manis Facility in Sarawak to manufacture spun poles and piles.

Establishing the Tanjung Manis Facility involves construction of new facilities and procurement of machinery and equipment. As at the LPD, the estimated cost of establishing the Tanjung Manis Facility is RM50.25 million, of which RM46.71 million will be funded through IPO proceeds and RM3.54 million through internally generated funds and/or bank borrowings. For more details on our business strategy and plans, please refer to Section 7.15 of this Prospectus.

The growth and future prospects of our business depend on our ability to effectively and promptly execute our strategies and plans. However, there is a risk that we may face challenges in implementation, and we cannot guarantee that our strategies will be commercially successful or that we will anticipate all associated business and operational risks. Factors that may impact our ability to execute our plans include insufficient funding or bank borrowings, limitations in human resources or expertise, regulatory changes, and other unforeseen delays.

There is no assurance that we will successfully implement our business strategy and plans, including establishing the Tanjung Manis Facility.

9.1.7 We may be subject to customer claims related to product warranty and defective products

We provide product warranty for specific types of concrete products (comprising standard poles for telecommunications and electricity distribution, and monopoles for telecommunications) and lighting fixtures, which is specified in the contract or purchase order with the respective customer. We do not provide product warranty for the other types of products. The product warranty period is summarised in the following table:

Type of product	Typical warranty period
Standard poles for telecommunications	1 year from date of customer acceptance
Standard poles for electricity distribution	1 and 3 years from date of delivery to the customer
Monopoles for telecommunications	Ranges between 25 and 50 years ⁽¹⁾
Steel poles	1 year
Moulds, machinery and equipment	1 year
Lighting fixtures	2 to 5 years

Note:

- (1) The warranty period for the monopole's design and materials is 50 years from the date of final customer acceptance, and for the galvanised parts and painting of the monopole, it is 25 years and 5 years from the date of final customer acceptance, respectively.

Customers may report defective products or manufacturing defects discovered within the warranty period. If feasible, we will repair the defect, otherwise, we will provide a replacement at our expense. The costs that we incurred to replace defective products were not material during the Financial Periods Under Review.

The costs that we incurred to replace defective products amounted to RM0.12 million, RM0.17 million, RM0.14 million, and RM0.01 million for FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. While these costs were not material during the Financial Periods Under Review, there is no assurance that they will not increase or become significant in the future.

9.1.8 We are dependent on our Executive Directors and Key Senior Management

We depend on the experience, expertise, technical knowledge, and sales and marketing expertise of our Executive Director and Chief Executive Officer, Lee Hon Hwa, and our Executive Director and Chief Business Development Officer, Lee Khim Hwa. We are also dependent on our Key Senior Management for the experience, expertise and technical knowledge in their respective areas of

9. RISK FACTORS (Cont'd)

responsibility, namely our Chief Human Resources Officer, Lee Siew Yoke, Chief Compliance Officer, Haji Zulkepli bin Hj. Hussin, our Chief Operating Officer East Malaysia, Datuk Brian Lee Cherng Jey, and our Chief Financial Officer, Chen See Mei.

If we lose the services of one or more of the Executive Directors or Key Senior Management and cannot promptly engage a suitable replacement, our day-to-day business operations, financial performance, and the successful implementation of our business strategies may be adversely affected. Please refer to Sections 5.1.3 (i), 5.1.3 (ii), 5.1.3 (iii), 5.1.3 (v) and 5.5.2 of this Prospectus for the profiles of our Directors and key senior management.

9.1.9 We are required to comply with the relevant HSE laws and regulations

We must comply with all applicable Health, Safety, and Environmental (HSE) laws and regulations governing our Ipoh Factory 1, Ipoh Factory 2, Ipoh Factory 3, Ipoh Factory 4 and Kota Kinabalu Factory. These regulations cover employee and contractor safety as well as the environmental impact of our operations.

Our operations may be suspended or restricted if a workplace accident harms employees or contractors, if our activities negatively impact the environment, or if we fail to comply with HSE laws and regulations. Non-compliance or workplace incidents may also lead to administrative or legal action by regulatory authorities.

During the Financial Periods Under Review and up to the LPD, the number of workplace accidents at Ipoh Factory 1, Ipoh Factory 2, Ipoh Factory 3 and Kota Kinabalu Factory that were reported to the Department of Occupational Safety and Health (DOSH) 5 in FYE 2021, 12 in FYE 2022, 14 in FYE 2023, 28 in FYE 2024, and 16 between 1 January 2025 up to the LPD. These injuries did not disrupt our operations. Additionally, there have been no breaches of HSE laws or regulations that resulted in the negative consequences mentioned above.

Our Group has established relevant standard operating procedures to ensure adherence to HSE laws and regulations and to effectively manage the occurrence of workplace accidents. These procedures are part of the Group's HSE framework, aimed at preventing incidents and ensuring workplace safety. Our Group's HSE framework is structured to ensure that all operational sites, including these factories, comply with applicable HSE laws and regulations as part of our Group's overarching governance structure. Our Group's HSE framework will be reviewed and monitored by the Compliance Committee and periodic safety awareness and training will be conducted from time to time.

However, there is no assurance that workplace injuries, harm to employees or contractors, or non-compliance with HSE laws and regulations will not occur in the future.

9.1.10 Our insurance coverage may not fully cover the losses and liabilities that may arise from our business operations and are subject to renewal

Our factory operations involve various risks and hazards, including workplace accidents, fires, floods, and other natural disasters. To mitigate potential losses and liabilities, we maintain insurance coverage in relation to fire, all risks, group personal accident, group special occupational personal accident, foreign workers' hospitalisation, plant and equipment, and motor vehicle insurance.

Our insurance policies are subject to periodic renewal, which may result in changes to premiums, terms, or claim limits. If premiums increase significantly or claim limits are reduced, we may face higher costs to maintain the same level of coverage or be forced to reduce our insurance protection. Additionally, if claims exceed our policy coverage, we would be responsible for any shortfalls, which could materially and adversely affect our financial position.

During the Financial Periods Under Review and up to the LPD, we have not experienced any losses or liabilities from our business operations that resulted from insufficient insurance coverage. Our total insurance claims relating to our factory operations for FYE 2022, FYE 2023, FYE 2024, and FPE 2025 amounted to approximately RM0.01 million, RM0.01 million, RM0.01 million, and nil, respectively.

9. RISK FACTORS (*Cont'd*)

9.1.11 We require licences, permits, approvals and certificates from relevant government authorities and regulatory agencies for our business operations

We require and hold certain licences, permits and approvals issued by various government authorities and regulatory agencies and these approvals, licences and permits are essential for the conduct of our business. See Section 7.17 of this Prospectus for further details of our major approvals, licences and permits obtained including the applicable authorities, expiration dates and status of compliance.

As at the LPD, save for the non-compliance incidents set out in Section 7.21 of this Prospectus, we have obtained all major licences, permits and approvals which our Group is dependent on for our business operations in Malaysia.

As at the LPD, save for the non-compliance incidents set out in Section 7.21 of this Prospectus, there have not been any past circumstances where the Group was unable to fulfil new or existing terms or conditions imposed by the relevant authorities.

According to Section 3(1) of the ICA and the Industrial Co-ordination (Exemption) Order 1976, manufacturing companies with shareholders' funds of RM2.50 million and above or employing 75 or more full-time paid employees are required to have a manufacturing licence. Section 3(2) of the ICA provides that failure to comply with Section 3(1) of the ICA is an offence and on conviction, the offender is liable to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding six (6) months and a further fine not exceeding RM1,000 for every day during which such default continues. We had in the past, experienced non-compliance with Section 3(1) of the ICA at Kuching Factory, Ipoh Factory 2, Ipoh Factory 3 and Kota Kinabalu Factory. Please refer to Section 7.21 (i) of this Prospectus for further details.

According to Section 425 of the NLC, any person who, without lawful authority occupies, or erects any building on, any State land, reserved land or mining land, shall be guilty of an offence, and liable on conviction to a fine not exceeding RM500,000, or imprisonment for a term not exceeding 5 years. We had in the past, experienced non-compliance with Section 425 of the NLC at Ipoh Factory 2. Please refer to Section 7.21 (ii) of this Prospectus for further details.

Under the EQA 1974, failure to comply with the provisions of the EQA 1974 or any regulations made thereunder shall be an offence against the EQA 1974 and where no penalty is expressly provided, the offender shall be liable to a fine of at least RM5,000 and not exceeding RM250,000 or to imprisonment for a period not exceeding 2 years or to both. As at the LPD, as the employees identified by our Group to undertake the certification programmes have not been certified by the DGEQ as competent person, this would be a non-compliance of Section 49A of the EQA 1974. Please refer to Section 7.21 (v) of this Prospectus for further details.

As at the LPD, we have not been subject to any enforcement action with respect to the foregoing. However, there can be no assurance that we will not be subject to enforcement actions by the relevant authorities, including cessation of operation or monetary penalties.

Generally, the licences, permits and approvals we require and hold are subject to a variety of conditions which are either stipulated within the licences, permits and approvals themselves, or under the particular legislation and/or regulations of the issuing authorities. Certain of these licences, permits and approvals need to be renewed on a periodic basis or reassessed by the relevant regulatory authorities. If we are unable to fulfil any new or existing terms or conditions that may be imposed, we may not be able to renew or obtain the approvals, licences and permits required for our operations. Further, regulations of the issuing authorities may become more stringent from time to time and it may be costly for us to comply with the terms and conditions of these licences, permits and approvals.

9. RISK FACTORS (Cont'd)

In addition, as disclosed in Notes (2) and (7) in Section 7.17 and Section 7.22 of this Prospectus, PMW Concrete and PMW Industries have yet to comply with the conditions of their respective manufacturing licences, whereby the total workforce of each of PMW Concrete and PMW Industries shall comprise of at least 80% Malaysians.

Notwithstanding the announcement made by MITI on 16 December 2024 to defer the compliance in relation to the above condition, there is no assurance that MITI may change its decision and take action by issuing warnings, imposing penalties or additional conditions or restrictions, suspending and/or revoking our manufacturing licences for any breach or non-compliance of the condition. In the event of a revocation of our manufacturing licences, our Group's operations and financial performance will be materially affected. As at the LPD, save as disclosed above, we have complied with the relevant rules, regulations and requirements that apply to our major approvals, licences and permits.

Should there be any subsequent modifications of, or additions or new terms and conditions to the current compliance standards, we may incur additional costs to comply with the new or modified standards which may adversely affect our profitability. Any breach or material non-compliance with such regulations may result in the suspension, withdrawal or termination of the relevant licences, permits and approvals, financial penalties or cessation of our operations.

9.1.12 We rely on foreign workers in our operations

We rely on foreign workers in our business operations. As at the LPD, we have a total workforce of 695 employees, out of which 160 or 23.02% (including 1 expatriate) are foreign workers.

As the standard of living in Malaysia improves over time, we have found it increasingly difficult to hire local production workers for our manufacturing operations and this difficulty may increase in the future. In addition, the costs of foreign labour may continue to increase in the future. Besides, any increase in levy rate for foreign workers will increase our cost for labour which consequently may increase our cost of sales and decrease our profit margins if we are unable to pass such cost increases to our customers.

The number of foreign workers we may hire and our ability to obtain or renew work permits for our foreign workers are subject to regulations and approvals from the Ministry of Home Affairs.

There have not been past instances where we face difficulties in obtaining or renewing work permits for our foreign workers which impacted the Group's operations or financial performance.

9.2 RISKS RELATING TO OUR INDUSTRY

9.2.1 Our business is dependent on the performance and development of building construction and infrastructure industries

Spun poles and piles are mainly used in building construction and infrastructure developments. Any slowdown in these user industries will impact the demand for our products, which will negatively affect our financial performance. Factors that may affect the performance of the end-user industries include, among others, government budgets, fiscal policies, regulatory changes, economic growth, rate of urbanisation and construction activities.

9.2.2 We are subject to the risk of competition from other operators that manufacture similar services

We face competition from operators that manufacture or trade similar products, including spun poles and piles, and square piles, and from operators that manufacture or trade similar or substitute products. There can be no assurance that competition from existing operators and new entrants in Malaysia and other countries will not have a material adverse effect on our business and financial performance.

9. RISK FACTORS (*Cont'd*)

9.2.3 We are subject to risks related to changes in conditions in Malaysia as well as global events

Changes in Malaysia's political, social, economic, and regulatory conditions may adversely affect our business operations and financial performance. Examples of changes include, but are not limited to, changes in political leadership, geopolitical events, wars, acts of terrorism, riots, prolonged or emergence of new epidemics or pandemics, economic policies such as expropriation, nationalisation, fiscal and monetary policies such as changes in interest rates, methods of taxation, tax policies, and foreign worker levy, changes in international relationships and other matters that may influence consumer and business confidence and spending.

In addition, our business may also be affected by global events such as geopolitical events, financial crises, trade conflicts and sanctions, and technological changes.

Changes in political, social, economic, and regulatory conditions in Malaysia and global events are beyond our control. There can be no assurance that such changes and events will not materially affect our business operations and financial performance.

9.3 RISKS RELATING TO INVESTMENT IN OUR SHARES

9.3.1 No prior market for our Shares

Prior to our IPO, there has been no public market for our Shares. Hence, there is no assurance that upon Listing, an active market for the trading of our Shares will develop, or if developed, that such a market will be sustainable. There is also no assurance as to the liquidity of the market that may develop for our Shares, the ability of holders to sell our Shares or the prices at which holders would be able to sell our Shares.

There also can be no assurance that the IPO Price which has been determined after taking into consideration the factors set out in Section 4.4 of this Prospectus will correspond to the price at which our Shares will be traded on the ACE Market upon or subsequent to our Listing.

9.3.2 Delay in or failure of our Listing

The occurrence of certain events, including the following, may cause a delay in, or abortion of, our Listing:

- (a) our Company or our Underwriter fails to honour its obligations under the Underwriting Agreement;
- (b) identified investors fail to subscribe for the portions of the IPO Shares allotted to them; and/or
- (c) we are unable to meet the public shareholding spread requirements of the Listing Requirements, i.e. at least 25.00% of our issued share capital for which listing is sought must be held by a minimum number of 200 public shareholders holding not less than 100 Shares each at the time of Listing.

In the event that we fail to fulfil any of the events above, we will return in full, without interest, monies paid in respect of all applications, in compliance with Section 243(2) of the CMSA.

Nevertheless, we will endeavour to ensure compliance of the various listing requirements for our successful listing on the ACE Market.

9.3.3 Volatility of share prices traded on Bursa Securities

The trading price and volume of our Shares could be subject to fluctuations in response to various factors, some of which are not within our control and may be unrelated or disproportionate to our financial results. These factors may include material variations in our results and operations, changes in analysts' recommendations or projections, changes in general market conditions and broad market fluctuations.

The performance of Bursa Securities is very much dependent on external factors such as the performance of the regional and global stock exchanges and the flows of foreign funds. Market sentiment is also influenced by factors such as the prevailing economic and political climate of the country, and the potential for growth in various sectors of the economy. Other factors that may negatively affect investor sentiment include natural disasters, and health epidemics including outbreaks of contagious diseases. These factors contribute to the volatility of trading volumes on Bursa Securities, and of the market price of our Shares.

10.	RELATED PARTY TRANSACTIONS	
10.1	RELATED PARTY TRANSACTIONS	
10.1.1	Related party transactions	Under the Listing Requirements, a “related party transaction” is a transaction entered into by a listed issuer or its subsidiaries that involves the interest, direct or indirect, of a related party. A “related party” of a listed issuer is: (i) a director, having the meaning given in Section 2(1) of the CMSA, and includes any person who is or was within the preceding 6 months of the date in which the terms of the transaction were agreed upon, a director of the listed issuer, its subsidiary or holding company or a chief executive of the listed issuer, its subsidiary or holding company; or (ii) a major shareholder, and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed issuer or its subsidiaries or holding company, and has or had an interest or interests in one or more voting shares in a corporation and the number or aggregate number of those shares, is: (a) 10.0% or more of all the voting shares in the corporation; or (b) 5.0% or more of all the voting shares in the corporation where such person is the largest shareholder of the corporation; or (iii) a person connected with such director or major shareholder.
10.1.2	Material related party transactions entered into by our Group	Save for those disclosed below, the share sale and purchase agreements pursuant to the Acquisitions and in Section 10.3 of this Prospectus, there is no material related party transaction, existing or proposed, entered or to be entered into by our Group which involves the interests, direct or indirect, of our Directors, major shareholders and/or persons connected with them for the Financial Periods Under Review and up to the LPD: (i) PMW Concrete <u>Nature of relationship:</u> - Our Promoters are the directors and were shareholders of PMW Industries, Kumpulan Asma, TEK Properties and PMW Marketing. 30% of the equity interest in PMW Concrete was owned by Decor Poles, a wholly-owned company of our Promoter

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of transaction	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	1 June 2025 up to the LPD (RM'000)
1.	<u>Supplier:</u> PMW Industries <u>Purchaser:</u> PMW Concrete	Sale of concrete poles, steel poles, kicking accessories, block, raw materials, moulds and machinery	12,815 (16.90% of our Group's revenue)	23,663 (27.76% of our Group's revenue)	23,837 (17.67% of our Group's revenue)	23,846 (14.42% of our Group's revenue)	6,706 (8.51% of our Group's revenue)	-
2.	<u>Lessor:</u> PMW Industries <u>Lessee:</u> PMW Concrete	Rental income for industrial vehicles, moulds and machinery	3,357 (4.43% of our Group's revenue)	3,815 (4.48% of our Group's revenue)	4,787 (3.55% of our Group's revenue)	4,787 (2.90% of our Group's revenue)	1,596 (2.03% of our Group's revenue)	-
3.	<u>Lessor:</u> PMW Industries, Kumpulan Asma, TEK Properties <u>Lessee:</u> PMW Concrete	Rental income for land, stockyard, factory and office	421 (7.29% of our Group's other income)	421 (8.21% of our Group's other income)	325 (4.66% of our Group's other income)	630 (7.47% of our Group's other income)	477 (10.34% of our Group's other income)	-
4.	<u>Customer:</u> PMW Marketing <u>Supplier:</u> PMW Concrete	Purchase of concrete poles	140 (0.22% of our Group's cost of sales)	2,474 (3.50% of our Group's cost of sales)	19,293 (17.26% of our Group's cost of sales)	19,390 (14.13% of our Group's cost of sales)	5,947 (8.53% of our Group's cost of sales)	-
5.	<u>Customer:</u> PMW Marketing <u>Supplier:</u> PMW Concrete	Sales commission	1,542 (2.46% of our Group's cost of sales)	1,700 (2.40% of our Group's cost of sales)	2,023 (1.81% of our Group's cost of sales)	2,183 (1.59% of our Group's cost of sales)	744 (1.07% of our Group's cost of sales)	-

The above-mentioned transactions will subsist and will continue after our Listing. However, following the completion of the Acquisition of PMW Concrete on 5 May 2025 and by virtue of the shareholders' agreement signed on 16 June 2025, these transactions have ceased to be related party transactions as PMW Concrete had thereon become our subsidiary.

10. RELATED PARTY TRANSACTIONS (Cont'd)

(ii) Decor Poles

Nature of relationship

- Lee Hon Hwa and Lee Khim Hwa, our Promoters, are the directors and were shareholders of Mega Summit.
- Lee Hon Hwa and Lee Khim Hwa are also the directors and shareholders of Decor Poles.

Transacting parties	Nature of transaction	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	1 June 2025 up to the LPD (RM'000)
1. <u>Supplier:</u> Mega Summit	Sale of concrete poles	1,174 (1.55% of our Group's revenue)	1,968 (2.31% of our Group's revenue)	459 (0.34% of our Group's revenue)	-	-	-
<u>Purchaser:</u> Decor Poles							

The above-mentioned related party transaction had ceased since the beginning of FYE 2024 and Decor Poles is currently a dormant company.

(iii) Winabumi

Nature of relationship

- Richard Lee, the substantial shareholder of our Group, is a director and was a shareholder of Mega Summit. Lee Hon Hwa and Lee Khim Hwa, our Promoters, are directors and were shareholders of Mega Summit.
- Richard Lee and Lee Hon Hwa are also directors of Winabumi. Richard Lee, Lee Hon Hwa and Lee Khim Hwa were also shareholders of Winabumi.

Transacting parties	Nature of transaction	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	1 June 2025 up to the LPD (RM'000)
1. <u>Supplier:</u> Mega Summit	Sale of concrete poles, accessories, raw materials, spun piles and x-pointed shoe, sales of concrete piles, RC piles	17,730 (23.38% of our Group's revenue)	21,351 (25.05% of our Group's revenue)	29,807 (22.10% of our Group's revenue)	33,779 (20.43% of our Group's revenue)	21,417 (27.19% of our Group's revenue)	8,956
<u>Purchaser:</u> Winabumi							

10. RELATED PARTY TRANSACTIONS (Cont'd)

Transacting No. parties	Nature of transaction	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	1 June 2025 up to the LPD (RM'000)
2. <u>Lessor:</u> Mega Summit	Rental income for moulds and machinery	3,019 (3.98% of our Group's revenue)	6,055 (7.10% of our Group's revenue)	6,459 (4.79% of our Group's revenue)	6,659 (4.03% of our Group's revenue)	2,652 (3.37% of our Group's revenue)	1,985
<u>Lessee:</u> Winabumi	Rental income for stockyard and factory	600 (10.39% of our Group's other income)	1,005 (19.60% of our Group's other income)	1,140 (16.35% of our Group's other income)	1,140 (13.52% of our Group's other income)	475 (10.30% of our Group's other income)	330
3. <u>Customer:</u> Mega Summit	Purchase of concrete poles, RC piles, spun piles, kicking block	15,383 (24.53% of our Group's cost of sales)	10,454 (14.79% of our Group's cost of sales)	23,026 (20.60% of our Group's cost of sales)	30,344 (22.12% of our Group's cost of sales)	15,363 (22.03% of our Group's cost of sales)	8,827
<u>Supplier:</u> Winabumi							

The above-mentioned transactions will subsist and will continue after our Listing. However, following the completion of the Acquisitions of Existing Shares in Subsidiaries, these transactions have ceased to be related party transactions as Winabumi has on 5 September 2025 become our wholly-owned subsidiary.

(iv) Kumait

Nature of relationship

- Lee Hon Hwa and Lee Khim Hwa, the Promoters, are the directors and were shareholders of PMW Industries.
- Lee Hon Hwa and Lee Khim Hwa were also shareholders of Kumait.

Transacting No. parties	Nature of transaction	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	1 June 2025 up to the LPD (RM'000)
1. <u>Supplier:</u> PMW Industries	Sale of moulds, machinery and accessories	6,452 (8.51% of our Group's revenue)	-	11 (0.01% of our Group's revenue)	-	-	-
<u>Purchaser:</u> Kumait							

10. RELATED PARTY TRANSACTIONS (Cont'd)

The above-mentioned related party transaction had ceased since the beginning of FYE 2024 and Lee Hon Hwa and Lee Khim Hwa had on 12 August 2025 disposed their interest in Kumait to the local Saudi Arabian partner.

(v) Oman Poles

Nature of relationship

- Lee Hon Hwa and Lee Khim Hwa, our Promoters, are the directors and were shareholders of PMW Industries.
- Lee Hon Hwa and Lee Khim Hwa were also shareholders of Oman Poles. As at the LPD, Lee Hon Hwa and Lee Khim Hwa each holds 6.10% shareholding in MISK Investment, an Omani company which holds 99.00% equity interest in Oman Poles.

Transacting parties	Nature of transaction	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	1 June 2025 up to the LPD (RM'000)
1. <u>Supplier:</u> PMW Industries	Sale of moulds, machinery and accessories	960 (1.27% of our Group's revenue)	926 (1.09% of our Group's revenue)	1,693 (1.26% of our Group's revenue)	20 (0.01% of our Group's revenue)	-	-
<u>Purchaser:</u> Oman Poles							

The above-mentioned related party transaction will subsist and will continue after our Listing.

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10. RELATED PARTY TRANSACTIONS (Cont'd)

(vi) Benagusan Sdn Bhd

Nature of relationship

- Richard Lee, the substantial shareholder of our Group, is a director and was a shareholder of Winabumi Marketing.
- Richard Lee together with his son, Datuk Brian Lee Chemg Jey, are the directors and shareholders of Benagusan Sdn Bhd.

No.	Transacting parties	Nature of transaction	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	1 June 2025 up to the LPD (RM'000)
1.	Supplier: Winabumi Marketing Purchaser: Benagusan Sdn Bhd	Sale of spun piles and RC square piles	1,230 <i>(1.62% of our Group's revenue)</i>	966 <i>(1.13% of our Group's revenue)</i>	215 <i>(0.16% of our Group's revenue)</i>	-	-	15

The above-mentioned related party transaction will subsist and will continue after our Listing.

Our Group has commissioned a tax advisor, KPMG Tax Services Sdn Bhd to perform an update of local benchmarking analysis for the financial years ended 31 December 2021 and 31 December 2022 and to prepare transfer pricing documentation for FYE 2023 and FYE 2024. Based on the work done performed, it is reasonable to conclude that the related party transactions of our Group comply with the arm's length principle for FYE 2021, FYE 2022 and FYE 2023 and FYE 2024.

Further, there is no other material related party transactions that have been entered into by our Group which involves the interests, direct or indirect, of our Directors, major shareholders and/or persons connected with them but not yet effected up to the date of this Prospectus.

In relation to our Group's related party transactions during the Financial Periods Under Review, our Board having considered all aspects of the related party transactions, are of the opinion that all the above transactions were carried out on an arm's length basis, and on normal commercial terms which are not more favourable to the related parties than those generally available to the public but are nonetheless not to the detriment to our Group. Our Board will continue to monitor the transfer pricing arrangements of our Group to ensure compliance with the arm's length principle.

Under the Listing Requirements, related party transactions may be aggregated to determine its materiality if the transactions:

- (i) occur within a 12-month period;
- (ii) are entered into with the same party or with parties related to one another; or

if the transactions involve the acquisition or disposal of securities or interests in one corporation / asset or of various parcels of land contiguous to each other.

10. RELATED PARTY TRANSACTIONS (Cont'd)**10.2 TRANSACTIONS THAT ARE UNUSUAL IN NATURE OR CONDITION**

There are no transactions that were unusual in its nature or condition, involving goods, services, tangible or intangible assets, to which our Company and our Subsidiaries were a party in respect of the Financial Periods Under Review and up to the LPD.

10.3 OUTSTANDING LOANS AND/OR FINANCIAL ASSISTANCE MADE TO OR FOR THE BENEFIT OF RELATED PARTIES

Save as disclosed below, our Board has confirmed that there are no outstanding loan and/or financial assistance (including guarantees of any kind) made to our Group or by our Group to or for the benefit of any related parties for the Financial Periods Under Review and up to the LPD:

(i) Financial assistance (including guarantees of any kind)

As at LPD, the following individuals have jointly or severally provided personal guarantees for banking and financing facilities extended by Affin Bank Berhad, Affin Islamic Bank Berhad, CIMB Bank Berhad, HSBC Amanah Malaysia Berhad, HSBC Bank Malaysia Berhad, Maybank Islamic Berhad, Pac Lease Berhad, Public Bank Berhad, RHB Bank Berhad, RHB Islamic Bank Berhad, and United Overseas Bank (Malaysia) Berhad (collectively, "**Financiers**") to our Group.

No.	Financiers/ Borrower	Guarantor	Type of facility/ Purpose	Facility limit (RM'000)	Outstanding balance as at LPD (RM'000)
1.	Maybank Islamic Berhad/ Mega Summit	(a) Lee Hon Hwa (b) Lee Khim Hwa (c) Richard Lee ⁽¹⁾	1 Islamic trade facility/ To facilitate foreign exchange transactions, importation and local purchases of goods related to the business, finance expenses/ cost to support business, issuance of financial guarantee/ security deposit for custom and excise department, issuance of tender, performance bond, advance payment, immigration and other business-related purposes	5,000	854
2.	RHB Bank Berhad/ Mega Summit	(a) Lee Hon Hwa (b) Lee Khim Hwa (c) Richard Lee ⁽¹⁾	1 trade facility/ For working capital and general expenses, issuance of letter of credit for local purchase/ import, trust receipt and bankers' acceptance	2,700	456
3.	United Overseas Bank (Malaysia) Berhad/ Mega Summit	(a) Lee Hon Hwa (b) Lee Khim Hwa (c) Richard Lee ⁽¹⁾	1 trade facility and term loan/ For working capital requirement, imports and local purchases of goods, issue guarantee and to part finance purchase and acquisition of the Kota Kinabalu Factory	28,520	18,740
4.	Affin Bank Berhad/ Mega Summit	(a) Lee Hon Hwa	1 hire purchase facility/ For hiring of motor vehicle	117	57
5.	HSBC Amanah Malaysia Berhad/ Mega Summit	(a) Lee Hon Hwa (b) Lee Khim Hwa (c) Richard Lee ⁽¹⁾	8 hire purchase facilities/ For hiring of machinery	2,203	898

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Financiers/ Borrower		Guarantor	Type of facility/ Purpose	Facility limit (RM'000)	Outstanding balance as at LPD (RM'000)
6.	PAC Berhad/ Summit	Lease Mega	(a) Lee Hon Hwa (b) Lee Khim Hwa (c) Richard Lee ⁽¹⁾	8 hire purchase facilities/ For hiring of machinery	3,171	2,376
7.	RHB Berhad/ Summit	Bank Mega	(a) Lee Hon Hwa (b) Lee Khim Hwa (c) Richard Lee ⁽¹⁾	1 term loan/ For general expenses	1,000	490
8.	Maybank Islamic Berhad/ Mega Summit		(a) Lee Hon Hwa (b) Lee Khim Hwa (c) Richard Lee ⁽¹⁾	1 term loan/ To part finance the purchase of an office unit	357	356
9.	CIMB Berhad/ Concrete	Bank PMW	(a) Lee Hon Hwa (b) Lee Khim Hwa (c) Haji Zulkepli bin Hj Hussin ⁽²⁾ (d) Yusof bin Yeop Ahmat ⁽³⁾	1 overdraft facility and 1 bank guarantee/ For tender, performance and financial guarantee. The financial guarantee is confined to security deposit for utilities and customs / immigration	4,045	537
10.	Public Berhad/ Concrete	Bank PMW	(a) Lee Hon Hwa (b) Lee Khim Hwa (c) Haji Zulkepli bin Hj Hussin ⁽²⁾ (d) Yusof bin Yeop Ahmat ⁽³⁾	1 FX facility ⁽⁴⁾ and 1 trade facility ⁽⁴⁾ / For hedging of foreign exchange currency risk in line with the business and working capital	4,931	519
11.	RHB Bank Berhad/ PMW Concrete	Islamic	(a) Haji Zulkepli bin Hj Hussin ⁽²⁾	1 hire purchase facility/ For hiring of motor vehicle	386	253
12.	HSBC Malaysia Berhad/ Industries	Bank PMW	(a) Lee Hon Hwa (b) Lee Khim Hwa	1 FX facility/ To spot and forward foreign exchange contracts and currency option transactions to hedge against fluctuations in foreign exchange rates for trade-related and other permitted transactions	5,000	-
			(a) Lee Hon Hwa (b) Lee Khim Hwa	1 trade facility/ For issuance of security deposit/tender/performance bonds and other guarantee requirements related to the business and to finance imports and domestic purchases	2,000	1,235
13.	Public Berhad/ Industries	Bank PMW	(a) Lee Hon Hwa (b) Lee Khim Hwa (c) Late Lee Khee Chong ⁽⁵⁾ (d) Late Tan Eng Kim @ Tan Beng Kew ⁽⁶⁾	6 trade facilities and 1 FX facility/ For working capital and hedging of foreign exchange currency risk in line with the business	11,927	5,300
			(a) Lee Hon Hwa (b) Lee Khim Hwa	2 term loans and 2 trade facilities/ For working capital and to refinance and redeem Ipoh Factory 3	21,000	16,369

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Financiers/ Borrower	Guarantor	Type of facility/ Purpose	Facility limit (RM'000)	Outstanding balance as at LPD (RM'000)
		(a) Lee Hon Hwa	1 hire purchase facility/ For hiring of motor vehicle	142	98
14.	RHB Bank Berhad/ PMW Industries	(a) Lee Hon Hwa (b) Lee Khim Hwa	1 trade facility/ For working capital and trade financing	2,150	142
15.	HSBC Amanah Malaysia Berhad/ PMW Industries	(a) Lee Hon Hwa (b) Lee Khim Hwa	21 hire purchase facilities/ For hiring of machinery	5,254	2,275
16.	RHB Islamic Bank Berhad/ PMW Industries	(a) Lee Hon Hwa	1 hire purchase facility/ For hiring of motor vehicle	467	202
17.	Maybank Islamic Berhad/ PMW Industries	(a) Lee Hon Hwa (b) Lee Khim Hwa	1 Tradeline/ For importation and local purchases of goods related to business, conversion of Letter of Credit and Inwards Bills for Collection, importation and local purchases of goods related to the business, importation of goods related to the business in foreign currency, issuance of guarantee / security deposit for custom and excise department, utilities, suppliers, tender, performance bond, advance payment, immigration and other business-related purposes	4,600	3,994
18.	Public Bank Berhad/ PMW Marketing	(a) Lee Khim Hwa	2 hire purchase facilities/ For hiring of motor vehicles	1,131	648
19.	Affin Islamic Bank Berhad/ Winabumi	(a) Richard Lee ⁽¹⁾ (b) Datuk Brian Lee Cherng Jey ⁽⁷⁾	1 hire purchase facility/ For hiring of motor vehicles	114	98

Notes:

- (1) The guarantee was provided by Richard Lee as a director and shareholder of Mega Summit, Winabumi and Winabumi Marketing, respectively.
- (2) The guarantee was provided by Haji Zulkepli bin Hj Hussin as a director and shareholder of PMW Concrete.
- (3) The guarantee was provided by Yusof bin Yeop Ahmat as a director and shareholder of PMW Concrete.
- (4) Public Bank Berhad has on 26 February 2025 informed PMW Concrete that Public Bank Berhad will consider PMW Concrete's request for the discharge of the guarantee provided by Lee Hon Hwa and Lee Khim Hwa but will not consider the request to discharge the guarantee provided by Haji Zulkepli bin Hj. Hussin and Yusof bin Yeop Ahmat as our Company holds only 49.00% of the shares in PMW Concrete while Haji Zulkepli bin Hj. Hussin and Yusof bin Yeop Ahmat collectively hold the remaining 51.00% of the shares in PMW Concrete.
- (5) The guarantee was provided by the late Lee Khee Chong as a director and shareholder of PMW Industries.
- (6) The guarantee was provided by the late Tan Eng Kim @ Tan Beng Kew as a director and shareholder of PMW Industries.
- (7) The guarantee was provided by Datuk Brian Lee Cherng Jey as a director of Winabumi.

10. RELATED PARTY TRANSACTIONS (Cont'd)

In conjunction with the Listing, we have applied to the respective Financiers to obtain a release and/or discharge of the personal guarantees given by Lee Hon Hwa, Lee Khim Hwa, Lee Siew Yoke, Richard Lee, Datuk Brian Lee Cherng Jey, Haji Zulkepli bin Hj. Hussin, Yusof bin Yeop Ahmat, late Lee Khee Chong and/or late Tan Eng Kim @ Tan Beng Kew by substituting the same with a corporate guarantee from our Company. Until such release and discharge are obtained from the respective Financiers, Lee Hon Hwa, Lee Khim Hwa, Lee Siew Yoke, Richard Lee, Datuk Brian Lee Cherng Jey, Haji Zulkepli bin Hj. Hussin and/or Yusof bin Yeop Ahmat will (as the case may be) continue to jointly or severally guarantee the facilities extended to Mega Summit, PMW Concrete, PMW Industries, PMW Marketing and Winabumi, where applicable.

As at the date of this Prospectus, save for Public Bank Berhad's decision not to consider PMW Concrete's request to discharge the guarantee provided by Haji Zulkepli bin Hj. Hussin and Yusof bin Yeop Ahmat as disclosed in Note (4) above, we have received all conditional approvals from the Financiers to discharge the above guarantees by substituting the same with a corporate guarantee from our Company.

Save for the personal guarantees given by Haji Zulkepli bin Hj. Hussin and Yusof bin Yeop Ahmat in favour of Public Bank Berhad, we expect to fully substitute the personal guarantees with the corporate guarantee from our Company for all financiers which have given their conditional approval within 3 months of our Listing.

We have also requested our suppliers to release and/or discharge the personal guarantees given by our Promoters and/or Richard Lee to our suppliers for goods and/or services provided to our Subsidiaries. As at the LPD, save for 2 suppliers which have given approval to discharge and/or release the personal guarantees given and be substituted with a corporate guarantee from our Company, the personal guarantees given to our suppliers have been released and/or discharged. We expect to fully substitute the personal guarantees given to the remaining 2 suppliers with the corporate guarantee from our Company within 3 months of our Listing.

Moving forward, our Group has put in place internal control and compliance procedures in relation to advances, loans and financial assistance from or to third parties, and no further advances, loans or financial assistance will be taken from or provided to any related parties by our Group unless such advances and loans are permitted under law and the Listing Requirements.

10.4 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS**10.4.1 Audit and Risk Management Committee review**

In order to avoid any potential conflicts of interest, our Audit and Risk Management Committee will review the terms of all related party transactions (including the adequacy of the procedures and processes set to monitor the same) and ensure that any related party transactions (including recurrent related party transactions) are:

- Carried out on normal commercial terms not more favourable to the related parties than those generally available to third parties dealing at arm's length basis; and
- Not to the detriment of our Group as a whole.

In addition, our Directors will report and disclose all recurrent related party transactions (if any) annually in our Company's annual report, documenting the required details i.e. nature of the transactions made, names of the related parties involved and their relationship with our Group.

10. RELATED PARTY TRANSACTIONS (Cont'd)

10.4.2 Our Group's policy on related party transactions

We will be required to seek our shareholders' approval each time we enter into related party transactions in accordance with the Listing Requirements. However, if the related party transactions can be deemed as recurrent related party transactions, we may seek a general mandate from our shareholders to enter into these transactions without having to seek separate shareholders' approval each time we wish to enter into such related party transactions during the validity period of the mandate. The interested person shall abstain from deliberation and voting on resolution(s) pertaining to the respective transaction.

Our Group will seek such relevant shareholders' approval and an independent adviser may be required to be appointed to comment whether the related party transaction is fair and reasonable so far as the shareholders are concerned; and whether the transaction is to the detriment of minority shareholders. In such instance, the independent adviser shall also advise the minority shareholders on whether they should vote in favour of the transaction. Further, we will make disclosures in our annual report of the aggregate value of the recurrent related party transactions entered into by us based on the nature of the transactions made, names of the related parties involved and their relationship with our Group.

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11. CONFLICT OF INTEREST**11.1 INTEREST IN ENTITIES WHICH CARRY ON A SIMILAR TRADE AS THAT OF OUR GROUP OR WHICH ARE OUR CUSTOMERS OR SUPPLIERS****11.1.1 Involvement of our Directors and/or Substantial Shareholders in entities which carry on a similar trade as that of our Group**

Save as disclosed below, as at the LPD, our Directors and substantial shareholders of our Group do not have any interest, direct or indirect, in any entities which are carrying on a similar trade as that of our Group:

No.	Entity	Principal activities	Nature of interest
(i)	Decor Poles	Decor Poles is wholly-owned by the Promoters, which held the equity interest in the following companies: • 30.00% interest in PMW Concrete; and • 30.00% interest in Kumait Apart from investment holding, Decor Poles was also principally involved in the manufacturing and trading of concrete, decorative, lighting poles and its related products. Decor Poles is currently dormant.	The Promoters and substantial shareholders of our Group, namely Lee Hon Hwa and Lee Khim Hwa are also the directors and shareholders of Decor Poles.
(ii)	Kumait	Manufacturing and trading of concrete poles and currently serves the Saudi Arabian market.	Kumait is based in Saudi Arabia with 30% of its shareholding were owned by Decor Poles and the remaining 70% equity interest were held by a local Saudi Arabian partner. Decor Poles had on 12 August 2025 disposed its 30% equity interest in Kumait to the local Saudi Arabian partner.
(iii)	Oman Poles	Manufacture of other articles of concrete or cement such as pipes, basins, reservoirs, jars, window frames, statuary and other ornamental articles including the manufacturing and production of spun concrete poles for the purpose of electricity distribution.	Lee Hon Hwa and Lee Khim Hwa collectively hold 12.2% equity interest in MISK Investment, an Omani company which holds 99.0% equity interest in Oman Poles ⁽¹⁾ .
(iv)	PT Tiang	Engaging in the manufacturing industry for various types of cement-based goods for construction needs, such as concrete pipes/poles and prestressed concrete, for structures, civil buildings, and electricity poles.	PT Tiang is based in Indonesia with 40% of its shareholding owned by Lee Hon Hwa and Lee Khim Hwa, collectively and the remaining 60% equity interest are held by a local Indonesian partner.

Note:

- (1) Based on the Shareholders Agreement relating to Oman Poles dated 26 November 2013 entered into by Lee Khim Hwa and Lee Hon Hwa with their Omani partners, each shareholder shall engage in Oman Poles' lines of business in Oman only through Oman Poles and not independently (i.e., acting by himself, or with a third-party business partner) except if such businesses are already in existence at the time of signing of the Shareholders Agreement and this prohibition shall apply during the lifetime of the Shareholders Agreement and for 6 months after its termination. As the Shareholders Agreement shall cease to be in full force and effect in respect of a Party when that Party ceases to hold shares in Oman Poles, Lee Khim Hwa and Lee Hon Hwa, pursuant to the Shareholders Agreement, shall not independently, either by themselves or with a third party business partner, engage in Oman Poles' lines of business in Oman for a period of 6 months from 4 December 2024, being the date they cease to hold shares in Oman Poles. As at the LPD, there are no shareholders agreement entered into in relation to MISK Investment.

11. CONFLICT OF INTEREST (Cont'd)

While the Promoters are involved in entities which carry on a similar trade as that of our Group, our Board is of the opinion that these entities are not in conflict with our Group since Decor Poles is currently dormant while the other foreign entities are operating in different geographical market with different customer base. Nevertheless, our Board is of the view that any potential conflict of interest situation which may arise through the aforesaid interest has been mitigated on the following basis:

(i) Decor Poles

- (a) The Promoters have restructured and consolidated the overlapping activities to be under PMW Marketing, aimed at simplifying the group structure and eliminating redundancies. Decor Poles is currently dormant.
- (b) Following the completion of the Acquisition of PMW Concrete on 5 May 2025, Decor Poles has disposed its interest in PMW Concrete directly to our Company.
- (c) Following the completion of the disposal of Kumait on 12 August 2025, the Promoters intend to commence application to strike off Decor Poles from the CCM register in 2026 upon availability of audited report for the FYE 2025.

(ii) Kumait

Decor Poles had on 12 August 2025 disposed its 30.0% shareholdings, representing its entire equity interest in Kumait, to the local Saudi Arabian partner.

(iii) Oman Poles

- (a) Both Lee Hon Hwa and Lee Khim Hwa are solely shareholders of MISK Investment and are not involved in the management and the day-to-day operation of MISK Investment and Oman Poles.
- (b) Oman Poles' geographical presence is mainly in Oman and do not overlap with our Group's geographical presence. Further, Lee Hon Hwa and Lee Khim Hwa had attempted to procure written undertaking from Oman Poles not to compete with the business of our Group. However, they were unable to obtain agreement of their local partners to provide such undertaking as Lee Hon Hwa and Lee Khim Hwa, being passive investors, are not in the position to control or give directions as to how Oman Poles conduct its business.
- (c) In an effort to mitigate a potential conflict of interest arising from Lee Hon Hwa and Lee Khim Hwa's involvement in Oman Poles, Lee Hon Hwa and Lee Khim Hwa had, on 21 February 2025, provided a letter of undertaking to PMW to dispose of their shares in MISK Investment if a situation of conflict of interest arises, as soon as possible and in any event, no later than 12 months from the time PMW's Audit and Risk Management Committee determines that a conflict of interest situation has arisen.

(iv) PT Tiang

- (a) The possibility of PT Tiang venturing into the Malaysian market is highly unlikely as the process of obtaining the local operating license is stringent and requires high initial investment and collaboration with a local Malaysian partner.
- (b) Both Lee Hon Hwa and Lee Khim Hwa are commissioners (*komisaris*) (while the local Indonesian partner serves as the sole director in PT Tiang) and will retain their position as commissioners in PT Tiang solely to safeguard their investment in PT Tiang and are not involved in the management and day-to-day operation of PT Tiang.
- (c) Due to the bulky size and sheer weight of the poles to be produced, it is not financially feasible for PT Tiang to produce poles for markets or countries other than Kalimantan, Indonesia.
- (d) Apart from recurrent supplies of moulds and machinery as well as occasional technical advice, no other matter will take up the time and attention of both Lee Hon Hwa and Lee Khim Hwa. Hence, both Lee Hon Hwa and Lee Khim Hwa are able to focus on the management and operations of our Group.

11. CONFLICT OF INTEREST (Cont'd)

- (e) PT Tiang's geographical presence is mainly in West Kalimantan and do not overlap with our Group's geographical presence. Further, Lee Hon Hwa and Lee Khim Hwa had attempted to procure written undertaking from PT Tiang not to compete with the business of our Group. However, they were unable to obtain agreement of their local partners to provide such undertaking as Lee Hon Hwa and Lee Khim Hwa, being passive investors, are not in the position to control or give directions as how PT Tiang conduct its business.
- (f) In an effort to mitigate a potential conflict of interest arising from Lee Hon Hwa and Lee Khim Hwa's involvement in PT Tiang, Lee Hon Hwa and Lee Khim Hwa had, on 21 February 2025, provided a letter of undertaking to PMW to dispose of their shares in PT Tiang of a situation of conflict of interest arises, as soon as possible and in any event, no later than 12 months from the time PMW's Audit and Risk Management Committee determines that a conflict of interest situation has arisen.

11.1.2 Involvement of our Directors and/or Substantial Shareholders in entities which are our customers or suppliers

Save as disclosed below, as at the LPD, our Directors and substantial shareholders of our Group do not have any interest, direct or indirect, in any entities which are our customers or suppliers:

No.	Entity	Principal activities	Nature of transaction	Nature of interest
(i)	Oman Poles (Customer)	Manufacture of other articles of concrete or cement such as pipes, basins, reservoirs, jars, window frames, statuary and other ornamental articles including the manufacturing and production of spun concrete poles for the purpose of electricity distribution.	Sale of moulds and machinery	Lee Hon Hwa and Lee Khim Hwa collectively hold 12.2% equity interest in MISK Investment, an Omani company which holds 99.0% equity interest in Oman Poles.
(ii)	Benagusan Sdn Bhd (Customer)	Construction of buildings. Construction of foundations, including pile driving.	Sale of spun piles and RC square piles	Richard Lee, the substantial shareholder of our Group, is a director and shareholder of Winabumi Marketing. Richard Lee together with his son, Datuk Brian Lee Chong Jey, are the directors and shareholders of Benagusan Sdn Bhd.
(iii)	PT Tiang (Customer)	Engaging in the manufacturing industry for various types of cement-based goods for construction needs, such as concrete pipes/poles and prestressed concrete, for structures, civil buildings, and electricity poles.	Sale of moulds and machinery	PT Tiang is based in Indonesia with 40% of its shareholding owned by Lee Hon Hwa and Lee Khim Hwa, collectively and the remaining 60% equity interest are held by a local Indonesian partner.

Upon the Listing, sales made to Oman Poles and Benagusan Sdn Bhd and PT Tiang shall be deemed as related party transactions under the Listing Requirements. While the Promoters and substantial shareholders are involved in entities which are our customers, our Board is of the opinion that these entities are not in conflict with our Group since Benagusan Sdn Bhd is not an entity which is carrying on a similar trade as that of our Group while the other two foreign entities are operating in different geographical market with different customer base. Nevertheless, our Board is of the view that any potential conflict of interest situation which may arise through the aforesaid interest has been mitigated on the following basis:

11. CONFLICT OF INTEREST (Cont'd)**(i) Oman Poles**

- (a) Oman Poles is not a major customer of our Group. The total sales were 1.27%, 1.09%, 1.26%, 0.02% and 0.01% of our Group's revenue in FYE 2021, FYE 2022, FYE 2023, FYE 2024 and FPE 2025, respectively. The transactions with Oman Poles were on arm's length basis and on normal commercial terms.
- (b) Both Lee Hon Hwa and Lee Khim Hwa are solely shareholders of MISK Investment and are not involved in the management and the day-to-day operation of MISK Investment and Oman Poles.
- (c) Oman Poles' geographical presence is mainly in Oman and do not overlap with our Group's geographical presence. Further, Lee Hon Hwa and Lee Khim Hwa had attempted to procure written undertaking from Oman Poles not to compete with the business of our Group. However, they were unable to obtain agreement of their local partners to provide such undertaking as Lee Hon Hwa and Lee Khim Hwa, being passive investors, are not in the position to control or give directions as to how Oman Poles conduct its business.
- (d) In an effort to mitigate a potential conflict of interest arising from Lee Hon Hwa and Lee Khim Hwa's involvement in Oman Poles, Lee Hon Hwa and Lee Khim Hwa had, on 21 February 2025, provided a letter of undertaking to PMW to dispose of their shares in MISK Investment if a situation of conflict of interest arises, as soon as possible and in any event, no later than 12 months from the time PMW's Audit and Risk Management Committee determines that a conflict of interest situation has arisen.

(ii) Benagusan Sdn Bhd

- (a) Benagusan Sdn Bhd is not a major customer of our Group. The total sales were 1.62%, 1.13% and 0.16% of our Group's revenue in FYE 2021, FYE 2022 and FYE 2023, respectively. The transactions with Benagusan Sdn Bhd were on arm's length basis and on normal commercial terms.
- (b) Both Richard Lee and Datuk Brian Lee Cherng Jey are not involved in the management and the day-to-day operation of Benagusan Sdn Bhd other than to attend board meeting.

(iii) PT Tiang

- (a) PT Tiang is not a major customer of our Group. Our Group's last transaction with PT Tiang was in FYE 2019 and our Group does not have any transaction with PT Tiang during the Financial Periods Under Review and up to the LPD.
- (b) PT Tiang's geographical presence is mainly in West Kalimantan and do not overlap with our Group's geographical presence. Further, Lee Hon Hwa and Lee Khim Hwa had attempted to procure written undertaking from PT Tiang not to compete with the business of our Group. However, they were unable to obtain agreement of their local partners to provide such undertaking as Lee Hon Hwa and Lee Khim Hwa, being passive investors, are not in the position to control or give directions as to how PT Tiang conduct its business.
- (c) In an effort to mitigate a potential conflict of interest arising from Lee Hon Hwa and Lee Khim Hwa's involvement in PT Tiang, Lee Hon Hwa and Lee Khim Hwa had, on 21 February 2025, provided a letter of undertaking to PMW to dispose of their shares in PT Tiang if a situation of conflict of interest arises, as soon as possible and in any event, no later than 12 months from the time PMW's Audit and Risk Management Committee determines that a conflict of interest situation has arisen.

11. CONFLICT OF INTEREST (Cont'd)

Moving forward, following our Listing, our Audit and Risk Management Committee will continue to review and assess the financial risk and matters in relation to any related party transactions and potential conflict of interest situations that may arise to ensure that transactions are carried out in the best interest of our Group. These matters may include any transaction, procedure or course of conduct within our Group that raise questions of management integrity. In addition, we will also seek approval from shareholders for any related party transactions as required under the Listing Requirements.

11.2 MONITORING AND OVERSIGHT OF CONFLICT OF INTEREST

Upon our Listing, our Board as well as our Audit and Risk Management Committee will supervise any conflict of interest or potential conflict of interest situations and all Directors, substantial shareholders and/or Key Senior Management will disclose such conflict of interest situations, if any, to our Audit and Risk Management Committee for resolution as and when they arise.

In order to mitigate any possible conflict of interest situation, our Directors, substantial shareholders and/or Key Senior Management will declare to our Board and our Audit and Risk Management Committee of their interests in other companies at the onset and as and when there are changes in their respective interests in companies outside our Group. Our Audit and Risk Management Committee will then evaluate if such involvement by our Directors, substantial shareholders and/or Key Senior Management gives rise to a potential conflict of interest situation with our Group's business. When a determination has been made that there is a conflict of interest of a Director, substantial shareholder and/or Key Senior Management, our Audit and Risk Management Committee will:

- (i) immediately inform our Board of the conflict of interest situation; and
- (ii) make recommendations to our Board to direct the conflicted Director, substantial shareholder and/or Key Senior Management to:
 - (a) withdraw from all his/her executive involvement in our Group in relation to the matter that has given rise to the conflict of interest (in the case where the conflicted Director and/or substantial shareholder is an Executive Director). After his/her withdrawal, he/she will remain in the said executive position to perform his/her executive role in matters that will not give rise to conflict of interest situation; and
 - (b) abstain from all Board deliberation and involvements in matters where he/she has a conflict of interest situation. The conflicted Director(s) shall also abstain from any Board discussions relating to the recommendation of our Audit and Risk Management Committee and the conflicted Director(s) shall not vote or in any way attempt to influence the discussion of or voting on, the matter at issue. The conflicted Director(s) may however, at the request of our Audit and Risk Management Committee, be present at our meeting for the purposes of answering any questions. The conflicted Director(s) shall also abstain from voting in respect of his/her direct/indirect shareholdings in our Company, if any, on the resolutions pertaining to the said transactions to be tabled at the general meeting to be convened.

In circumstances where a Director is deemed to have a significant, ongoing and irreconcilable conflict of interest with our Group and where such conflict of interest significantly impedes the Director's ability to carry out his/her fiduciary duties and responsibilities to our Group, our Remuneration and Nomination Committee may determine if the resignation of the conflicted Director from our Board will be appropriate and necessary.

11. CONFLICT OF INTEREST (Cont'd)

- (iii) to identify the person(s) connected to the conflicted Director, substantial shareholder and/or Key Senior Management (if any) and review any business dealings with such person(s) to establish whether a conflict of interest situation arises. Thereafter, the conflicted Director, substantial shareholder and/or Key Senior Management shall undertake to ensure that persons connected to him/her shall abstain from voting in respect of their direct/indirect shareholdings in our Company, if any, on the resolutions pertaining to the said transactions to be tabled at the general meeting to be convened. The Audit and Risk Management Committee shall also continue to monitor such business dealings to ensure that they are conducted on arm's length basis and based on terms that are favourable to our Group.

11.3 DECLARATION BY ADVISERS ON CONFLICT OF INTEREST**11.3.1 Principal Adviser, Sponsor, Underwriter and Placement Agent**

KAF IB has confirmed that as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as the Principal Adviser, Sponsor, Underwriter and Placement Agent in relation to the Listing.

11.3.2 Legal Advisers

JLPW has confirmed that as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as the Legal Advisers to our Group in relation to the Listing.

11.3.3 Reporting Accountants

KPMG has confirmed that as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as the Reporting Accountants to our Group in relation to the Listing.

11.3.4 Independent Business and Market Research Consultants

Vital Factor has confirmed that as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as the Independent Business and Market Research Consultants to our Group in relation to the Listing.

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12. FINANCIAL INFORMATION

12.1 HISTORICAL FINANCIAL INFORMATION

Our historical financial information throughout the Financial Periods Under Review have been prepared in accordance with the MFRS and IFRS. The selected financial information included in this Prospectus is not intended to predict our Group's financial position, results and cash flows.

The Subsidiaries are assumed to be under the common control of our Company during the Financial Periods Under Review. As such, the historical financial information of our Group for the Financial Periods Under Review is presented based on the combined audited financial statements of our Group.

12.1.1 Combined statements of profit or loss and other comprehensive income

The following table sets out a summary of our combined statements of profit or loss and other comprehensive income for the Financial Periods Under Review which have been extracted from the Accountants' Report. It should be read with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Accountants' Report set out in Sections 12.3 and 13 respectively.

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	75,826	85,235	134,869	165,337	56,615	78,770
Cost of sales	(62,751)	(70,698)	(111,777)	(137,192)	(46,426)	(69,742)
GP	13,075	14,537	23,092	28,145	10,189	9,028
Other income	5,774	5,128	6,974	8,430	2,728	4,611
Administrative expenses	(4,284)	(5,540)	(6,179)	(9,355)	(2,865)	(4,839)
Net (loss)/gain on impairment of financial instruments	(272)	(170)	(143)	(108)	-	90
Other operating expenses	(653)	(984)	(1,760)	(2,339)	(241)	(590)
Results from operating profit	13,640	12,971	21,984	24,773	9,811	8,300
Finance income	95	119	155	228	81	66
Finance costs	(843)	(1,047)	(1,415)	(1,967)	(778)	(890)
Share of profit/(loss) of equity-accounted associate, net of tax	(114)	288	621	636	359	631
PBT	12,778	12,331	21,345	23,670	9,473	8,107
Tax expense	(4,425)	(2,347)	(5,816)	(6,228)	(2,273)	(1,139)
PAT	8,353	9,984	15,529	17,442	7,200	6,968
Profit and total comprehensive income attributable to:						
Owners of our Company	8,312	8,770	14,289	15,962	6,570	6,192
Non-controlling interests	41	1,214	1,240	1,480	630	776
	8,353	9,984	15,529	17,442	7,200	6,968
GP margin (%) ⁽¹⁾	17.24	17.06	17.12	17.02	18.00	11.46
PBT margin (%) ⁽²⁾	16.85	14.47	15.83	14.32	16.73	10.29
PAT margin (%) ⁽³⁾	11.02	11.71	11.51	10.55	12.72	8.85
Basic/Diluted EPS (sen) ⁽⁴⁾	0.93	0.98	1.60	1.79	0.74	0.69

Notes:

- (1) Computed based on GP divided by revenue.
- (2) Computed based on PBT divided by revenue.
- (3) Computed based on PAT divided by revenue.
- (4) Computed based on PAT attributable to owners of our Company divided by the issued share capital of 892,051,816 Shares after our IPO. There are no potential dilutive securities in issue during the respective Financial Periods Under Review.

12. FINANCIAL INFORMATION (Cont'd)**12.1.2 Combined statements of financial position**

The following table sets out the combined statements of financial position of our Group as at 31 December 2021, 2022, 2023, 2024 and 31 May 2025 which have been extracted from the Accountants' Report. It should be read with the Management's Discussion and Analysis of Financial Condition and Results of Operations and Accountants' Report set out in Sections 12.3 and 13 respectively.

	Audited				
	As at 31 December				As at 31 May
	2021	2022	2023	2024	2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
ASSETS					
Non-current assets					
Property, plant and equipment	27,641	38,885	40,275	43,225	46,675
Right-of-use assets	24,388	24,301	23,670	24,646	24,234
Intangible assets	-	-	-	-	2,500
Net investment in lease	99	-	-	-	-
Investment in associate	849	1,150	1,174	1,804	-
Total non-current assets	52,977	64,336	65,119	69,675	73,409
Current assets					
Inventories	10,460	10,833	16,084	21,738	18,815
Trade receivables	15,715	20,142	29,623	41,942	46,553
Other receivables, deposits and prepayments	1,728	2,849	3,823	4,591	5,316
Investment in quoted shares	2,328	2,175	-	-	-
Net investment in lease	173	99	-	-	-
Current tax assets	106	340	466	66	393
Fixed deposits with licensed banks	3,370	3,419	3,473	3,543	4,681
Cash and cash equivalent	25,047	26,648	32,451	40,455	46,214
Total current assets	58,927	66,505	85,920	112,335	121,972
TOTAL ASSETS	111,904	130,841	151,039	182,010	195,381
EQUITY AND LIABILITIES					
Share capital	-	-	-	63,550	68,550
Retained earnings	60,803	61,773	67,212	9,924	16,115
Invested equity	2,985	2,985	2,985	5,085	4,785
Merger reserve	-	-	-	-	(1,530)
Equity attributable to owners of our Company	63,788	64,758	70,197	78,559	87,920
Non-controlling interests	6,070	6,384	7,624	8,085	14,011
TOTAL EQUITY	69,858	71,142	77,821	86,644	101,931
Non-current liabilities					
Loans and borrowings	15,027	15,043	16,285	22,857	21,757
Lease liabilities	194	415	307	1,084	837
Deferred tax liabilities	3,617	4,224	4,821	5,329	5,456
Total non-current liabilities	18,838	19,682	21,413	29,270	28,050
Current liabilities					
Loans and borrowings	9,191	12,191	16,362	28,180	26,096
Lease liabilities	327	299	113	613	642
Trade payables	7,044	12,384	18,899	20,026	23,669
Other payables, deposits received and accruals	4,870	12,834	15,261	12,424	7,795
Contract liabilities	665	2,143	734	4,212	6,845
Current tax liabilities	1,111	166	436	641	352
Derivative financial liabilities	-	-	-	-	1
Total current liabilities	23,208	40,017	51,805	66,096	65,400
TOTAL LIABILITIES	42,046	59,699	73,218	95,366	93,450
TOTAL EQUITY AND LIABILITIES	111,904	130,841	151,039	182,010	195,381

12. FINANCIAL INFORMATION (Cont'd)**12.1.3 Combined statements of cash flows**

The following table sets out the combined and consolidated statements of cash flows of our Group for the Financial Periods Under Review, which have been extracted from the Accountants' Report. It should be read with the "Management's Discussion and Analysis of Results of Operations and Financial Condition" and Accountants' Report set out in Sections 12.3 and 13, respectively.

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Cash flows from operating activities						
Profit before tax	12,778	12,331	21,345	23,670	9,473	8,107
<i>Adjustments for:</i>						
Amortisation of right-of-use assets	535	667	640	786	233	453
Gain on bargain purchases on acquisition of a subsidiary	-	-	-	-	-	(763)
Remeasurement gain on interest previously held in an associate	-	-	-	-	-	(571)
Depreciation of property, plant and equipments	3,389	3,892	4,457	5,170	2,087	2,311
Dividend income	(371)	(121)	(273)	(43)	(9)	(49)
Fair value loss/(gain) on investment in quoted shares	(67)	348	-	-	-	-
Fair value loss on derivative liabilities	-	-	-	-	-	1
Gain on disposal of investment in quoted shares	(93)	(56)	(273)	-	-	-
(Gain)/Loss on disposal of property, plant and equipments	(291)	(15)	66	(504)	(2)	(14)
Gain on early termination of lease	-	-	-	(11)	#	-
Finance costs	843	1,047	1,415	1,967	778	890
Finance income	(95)	(119)	(155)	(228)	(81)	(66)
Impairment/(Reversal) of loss on trade receivable	272	170	143	108	-	(90)
Net (gain)/loss on unrealised forex	1	(79)	44	35	(62)	15
Property, plant and equipment written off	-	-	-	687	-	-
Share of (profit)/loss of equity-accounted associates, net of tax	114	(288)	(621)	(636)	(359)	(630)
Written down of obsolete inventories	-	-	532	-	-	-
Unrealised profits from transaction with associate	36	(12)	(3)	5	4	(25)
Operating profit before changes in working capital	17,051	17,765	27,317	31,006	12,062	9,569
Changes in inventories	2,306	(373)	(5,783)	(5,653)	(5,646)	8,290
Change in trade and other receivables, and prepayment	(4,018)	(5,693)	(10,598)	(13,180)	(8,867)	4,638
Change in trade and other payables	(109)	6,104	7,889	10,397	1,325	(6,867)
Change in contract liabilities	(628)	1,477	(1,408)	3,494	1,078	2,710
Cash flows from operating activities	14,602	19,280	17,417	26,064	(48)	18,340
Interest income received	83	113	154	228	81	66
Interest paid	(23)	(17)	(18)	(40)	(6)	(25)
Tax paid	(3,584)	(2,918)	(5,075)	(5,115)	(2,580)	(2,438)
Net cash generated from operating activities	11,078	16,458	12,478	21,137	(2,553)	15,943

12. FINANCIAL INFORMATION (Cont'd)

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Cash flows from investing activities						
Acquisition of investment in quoted shares	(1,438)	(591)	-	-	-	-
Acquisition of leasehold land	(971)	-	-	(189)	-	-
Acquisition of subsidiary, net of cash and cash equivalents acquired	-	-	-	-	-	62
Dividend received	371	121	273	43	9	49
Proceeds from disposal of investment in quoted shares	305	452	2,447	-	-	-
Increase in fixed deposits	(21)	(50)	(53)	(71)	(10)	(38)
Proceeds from disposal of property, plant and equipments	557	75	115	2,217	344	26
Purchase of property, plant and equipments	(3,049)	(11,478)	(2,793)	(7,909)	(2,771)	(3,104)
Proceed from net investment in lease	179	179	100	-	-	-
Net cash generated used in investing activities	(4,067)	(11,292)	89	(5,909)	(2,428)	(3,005)
Cash flows from financing activities						
Acquisition of shares from Controlling Shareholders	-	-	-	-	-	(1,830)
Capital contribution by non-controlling interest	-	-	-	30	-	-
Dividend paid	(2,000)	(1,500)	(7,200)	(20,750)	(8,250)	-
Interest paid	(820)	(1,030)	(1,397)	(1,927)	(773)	(864)
Repayment of lease liabilities	(348)	(387)	(303)	(282)	(45)	(259)
Net drawdown/(repayment) of banker's acceptance	429	2,138	3,793	10,764	5,068	(2,251)
Net drawdown/(repayment) of term loans	3,452	(1,508)	91	7,031	(778)	(999)
Repayment of hire purchase liabilities	(1,601)	(1,332)	(1,707)	(2,016)	(798)	(889)
Proceeds from issue of share	#	-	-	#	#	#
Net cash generated used in financing activities	(888)	(3,619)	(6,723)	(7,150)	(5,576)	(7,092)
Net increase in cash and cash equivalents	6,123	1,547	5,844	8,078	(10,557)	5,846
Effect of exchange rate changes	#	54	(41)	(74)	30	(87)
Cash and cash equivalents at the beginning of the financial year/period	18,924	25,047	26,648	32,451	32,451	40,455
Cash and cash equivalents at the end of the financial year/period	25,047	26,648	32,451	40,455	21,924	46,214

Note:

Less than RM1,000

12. FINANCIAL INFORMATION (Cont'd)**12.2 CAPITALISATION AND INDEBTEDNESS**

The table below sets out our capitalisation and indebtedness as at 31 August 2025 and after adjusting for the effects of Pre-IPO Internal Restructuring Exercise, Acquisitions, Public Issue and utilisation of proceeds.

	Unaudited	I	II
	As at 31 August 2025 (RM'000)	After the Acquisition of the Existing Shares in Subsidiaries (RM'000)	After I, Share Split, IPO and utilisation of proceeds (RM'000)
INDEBTEDNESS			
Current			
<u>Secured and guaranteed</u>			
Term loans	2,342	2,342	2,342
Hire purchases	2,300	2,319	2,319
Bankers' acceptances	21,353	21,353	21,353
	25,995	26,014	26,014
<u>Unsecured and unguaranteed</u>			
Lease Liabilities	640	712	712
<u>Unsecured and guaranteed</u>			
Letter of credit	1,390	1,390	1,390
	2,030	2,102	2,102
Non-current			
<u>Secured and guaranteed</u>			
Term loans	16,770	16,770	16,770
Hire purchases	4,260	4,340	4,340
	21,030	21,110	21,110
<u>Unsecured and unguaranteed</u>			
Lease Liabilities	681	681	681
	681	681	681
Total indebtedness	49,736	49,907	49,907
CAPITALISATION			
Total shareholders' equity/capitalisation	109,291	117,101	170,428
TOTAL CAPITALISATION AND INDEBTEDNESS	159,027	167,008	220,335
Gearing ratio (times)	0.46	0.43	0.29

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12. FINANCIAL INFORMATION (Cont'd)

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

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

12.3.1 Overview of our operations

During the Financial Periods Under Review, our business activities were as follows:

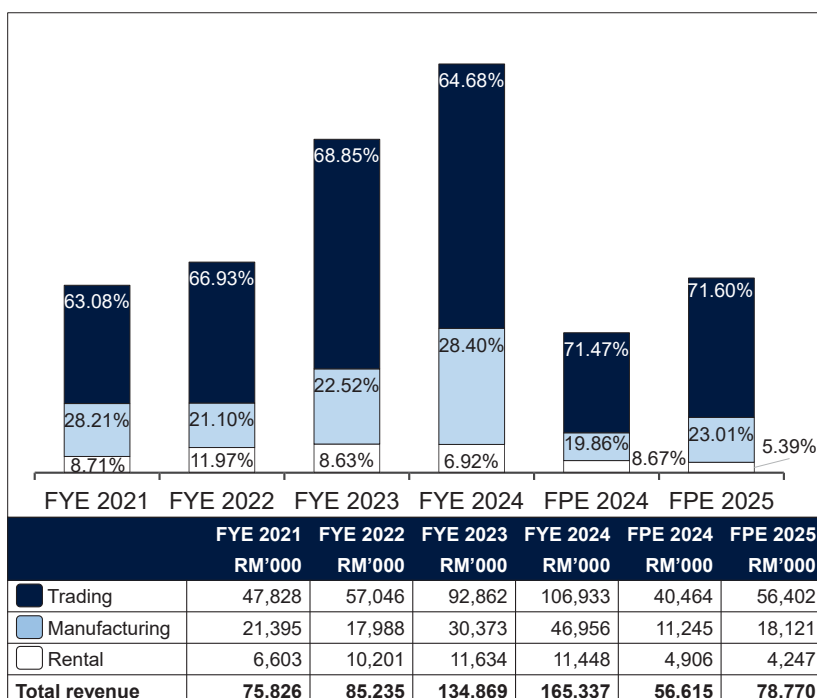
- trading of construction materials and other products, spun poles and piles, and other concrete products ("**trading segment**");
- manufacturing of spun poles and piles; moulds, machinery, and metal products; as well as other concrete products ("**manufacturing segment**"); and
- rental of moulds and machinery ("**rental segment**").

Our revenue is recognised at the point in time when the goods have been delivered and the control of the goods is transferred to the customers.

For the Financial Periods Under Review, our revenue increased from RM75.83 million in FYE 2021 to RM165.34 million for the FYE 2024, representing a CAGR of 29.67%.

During the Financial Periods Under Review, the trading segment constituted the largest proportion of our total revenue, which accounted for 63.08%, 66.93%, 68.85%, 64.68% and 71.60% of our total revenue for the FYE 2021, FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

This was followed by the manufacturing segment, which accounted for 28.21%, 21.10%, 22.52%, 28.40% and 23.01% of our total revenue for the FYE 2021, FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively, while rental segment accounted for 8.71%, 11.97%, 8.63%, 6.92% and 5.39% of our total revenue for the FYE 2021, FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.



Our principal market is Malaysia as it accounted for most of our revenue during the Financial Periods Under Review. Please refer to Section 7 of this Prospectus for further information about our business activities.

12. FINANCIAL INFORMATION (Cont'd)

12.3.2 Segmental analysis by revenue

(i) Revenue by business activities

The table below sets out the breakdown of our total revenue by business activities:

	Audited				Unaudited		Audited	
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025	FPE 2024	FPE 2025
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Trading	47,828	63.08	57,046	66.93	106,933	64.68	40,464	71.47
• Construction materials and other products ⁽¹⁾	26,657	35.16	35,938	42.16	47,470	28.71	19,683	34.77
• Spun poles and piles ⁽²⁾	19,257	25.40	14,630	17.17	42,156	25.50	16,430	29.02
• Other concrete products ⁽³⁾	1,914	2.52	6,478	7.60	13,368	8.09	4,351	7.68
• Lighting fixtures ⁽⁴⁾	-	-	-	-	3,939	2.38	-	-
Manufacturing	21,395	28.21	17,988	21.10	30,373	22.52	11,245	19.86
• Spun poles and piles ⁽⁵⁾	5,000	6.59	7,111	8.34	17,029	12.63	8,327	14.71
• Moulds, machinery, and metal products ⁽⁶⁾	16,044	21.16	10,441	12.25	13,088	9.70	2,733	4.82
• Other concrete products ⁽⁷⁾	351	0.46	436	0.51	256	0.19	185	0.33
Rental of moulds and machinery⁽⁸⁾	6,603	8.71	10,201	11.97	11,634	8.63	4,906	8.67
Total revenue	75,826	100.00	85,235	100.00	165,337	100.00	56,615	100.00

Notes:

- (1) Other products include concrete additives, diesel and fuel oil, metal and plastic accessories for concrete products (such as end plates and pointed shoes), and welding consumables and hand tools.
- (2) We traded standard poles, monopoles, decorative poles and spun piles throughout the Financial Periods Under Review.
- (3) Traded other concrete products comprises mainly concrete square piles, and a small proportion of kicking blocks.
- (4) Includes a small proportion of revenue (approximately 0.38%) from manufacturing lighting fixtures, which commenced in May 2025.
- (5) We manufactured standard poles, monopoles, and decorative poles throughout the Financial Periods Under Review, while the manufacturing of spun piles commenced in FYE 2024.

12. FINANCIAL INFORMATION (Cont'd)

(6) Include steel poles, moulds and machinery parts and accessories. The breakdown of revenue for the manufacturing of moulds, machinery and metal products are as follows:

	Audited				Unaudited		Audited			
	FYE 2021 (RM'000)	(%)	FYE 2022 (RM'000)	(%)	FYE 2023 (RM'000)	(%)	FYE 2024 (RM'000)	(%)	FPE 2024 (RM'000)	FPE 2025 (RM'000)
Moulds	9,458	12.47	2,414	2.83	3,800	2.82	12,509	7.57	280	3,488
Machinery	5,027	6.63	578	0.68	300	0.22	-	-	-	-
Metal products	1,559	2.06	7,449	8.74	8,988	6.66	6,457	3.90	2,453	2,239
Subtotal	16,044	21.16	10,441	12.25	13,088	9.70	18,966	11.47	2,733	5,727

(7) Other concrete products manufactured are kicking blocks.

(8) Includes a small proportion of revenue from the provision of maintenance and repair services for moulds and machinery that amounted to less than 1.00% of total revenue in any single financial year or financial period during the FYE 2021, FYE 2022, FYE 2023, FYE 2024, FPE 2024 and FPE 2025.

(ii) Revenue by geographical markets

The table below sets out the breakdown of our total revenue by geographical markets:

	Audited				Unaudited		Audited			
	FYE 2021 (RM'000)	(%)	FYE 2022 (RM'000)	(%)	FYE 2023 (RM'000)	(%)	FYE 2024 (RM'000)	(%)	FPE 2024 (RM'000)	FPE 2025 (RM'000)
Malaysia	61,212	80.72	82,734	97.07	131,077	97.18	153,212	92.67	56,615	74,037
Foreign countries	14,614	19.28	2,501	2.93	3,792	2.82	12,125	7.33	-	4,733
• Saudi Arabia	6,452	8.51	-	-	11	0.01	-	-	-	-
• USA	6,036	7.97	1,053	1.23	1,908	1.42	10,226	6.18	-	298
• Other countries	(1)2,126	2.80	(2)1,448	1.70	(3)1,873	1.39	(4)1,899	1.15	-	(5)4,435
Total revenue	75,826	100.00	85,235	100.00	134,869	100.00	165,337	100.00	56,615	78,770

Notes:

- (1) Include Indonesia, Oman and the Philippines.
- (2) Include Indonesia, Oman, the Philippines, and Poland.
- (3) Include Indonesia, Nigeria, Oman and the Philippines.
- (4) Include Bulgaria, Oman, the Philippines, Singapore and Vietnam.
- (5) Include Indonesia, Kuwait, Myanmar, Nigeria, the Philippines, Singapore and Vietnam.

12. FINANCIAL INFORMATION (Cont'd)**(iii) Sales volume by main products**

The table below sets out the sales volume of our main products:

	Unit of measure	FYE				FPE	
		2021	2022	2023	2024	2024	2025
Trading							
• Construction materials							
- Steel wire	tonne	3,329	3,830	5,272	4,905	1,903	2,054
- Cement	tonne	16,069	18,607	22,358	20,732	5,871	10,513
• Spun poles and piles	unit	34,055	29,924	91,024	90,658	34,283	37,191
• Other concrete products	unit	4,829	20,076	35,242	39,603	12,911	33,734
Manufacturing							
• Spun poles and piles	unit	14,117	19,191	32,354	51,365	16,203	26,137
• Moulds, machinery, and metal products							
- Moulds and machinery	unit	146	1,604	323	244	10	114
- Moulds	unit	123	12	42	244	10	114
- Machinery*	unit	23	1,592*	281	-	-	-
- Steel poles	unit	200	10,338	17,000	17,280	7,691	4,484

Note:

* Including accessories for machinery. For FYE 2022, the sales volume mainly comprised 1,588 units of accessories. The increase in sales volume in FYE 2022 was mainly contributed by 1,500 units of sockets while the remaining accessories primarily include pump taper pipes, support rollers and flanges.

(i) Commentary on revenue**(a) FYE 2022 compared to FYE 2021**

For FYE 2022, our total revenue increased by RM9.41 million or 12.41% to RM85.24 million (FYE 2021: RM75.83 million). The increase was contributed by increases in the trading and rental segments, and partially offset by decrease in revenue from the manufacturing segment.

Trading segment

Revenue from the trading segment increased by RM9.22 million or 19.27% to RM57.05 million in FYE 2022 (FYE 2021: RM47.83 million). This was mainly contributed by the following:

- increase in revenue from construction materials and other products category by RM9.28 million or 34.82% to RM35.94 million in FYE 2022 (FYE 2021: RM26.66 million). This was mainly attributed to higher sales of construction materials by RM6.88 million or 28.54% to RM30.97 million in FYE 2022 (FYE 2021: RM24.09 million), primarily sales of steel products and cement. This was reflected in the increase in sales volume of steel products and cement by 15.05% and 15.79% respectively, coupled with the increase in average selling price of these products, which increased by 9.20% and 5.26% respectively. The increase in sales was mainly attributed to the higher sales orders from related companies, PMW Concrete and Winabumi in FYE 2022.

12. FINANCIAL INFORMATION (Cont'd)

The increase in revenue from other products by RM2.41 million or 93.76% to RM4.97 million in FYE 2022 (FYE 2021: RM2.57 million) arising from the higher sales of end plates mainly due to increase in sales orders from our customers including a customer in Sarawak and Winabumi, as well as higher sales of concrete additives and consumables to PMW Concrete.

- increase in revenue from other concrete products by RM4.56 million or 238.45% to RM6.48 million in FYE 2022 (FYE 2021: RM1.91 million). This was attributed to higher sales of concrete square piles where the sales volume of concrete square piles increased by 315.74% in FYE 2022. The increase was attributed to increase in sales order from our customers including mainly construction companies and contractors.

The increase in revenue from the trading segment was partially moderated by a decrease in revenue from spun poles and piles category by RM4.63 million or 24.03% to RM14.63 million in FYE 2022 (FYE 2021: RM19.26 million). This was mainly attributed to lower sales of spun piles by RM5.38 million or 52.91% to RM4.79 million in FYE 2022 (FYE 2021: RM10.16 million) where the sales volume of spun piles decreased by 52.20% in FYE 2022.

Manufacturing segment

Revenue from the manufacturing segment decreased by RM3.41 million or 15.92% to RM17.99 million in FYE 2022 (FYE 2021: RM21.40 million). This was mainly due to the decrease in revenue from moulds, machinery and metal products category by RM5.60 million or 34.92% to RM10.44 million in FYE 2022 (FYE 2021: RM16.04 million), attributed to the lower sales of moulds by RM7.04 million or 74.48% to RM2.41 million in FYE 2022 (FYE 2021: RM9.46 million) as well as lower sales of machinery by RM4.45 million or 88.50% to RM0.58 million in FYE 2022 (FYE 2021: RM5.03 million). The decreases in revenue from moulds and machinery was mainly due to the completion of orders from our major customers, namely Kumait and Customer A Group in FYE 2021, which contributed revenue of RM11.02 million with sales volume of 73 units of moulds and machinery in FYE 2021 (FYE 2022: nil). The decreases in revenue were partially offset by an increase in revenue from steel poles by RM5.79 million or 4,522.66% to RM5.92 million in FYE 2022 (FYE 2021: RM0.13 million), which was mainly due to an increase in the sales of steel poles following the commencement of steel pole production in FYE 2021.

The decrease in revenue from the manufacturing segment was partially offset by an increase in revenue from the manufacturing of spun poles and piles by RM2.11 million or 42.22% to RM7.11 million in FYE 2022 (FYE 2021: RM5.00 million). This was mainly attributed to higher sales of manufactured spun standard poles by RM2.47 million or 63.60% to RM6.35 million in FYE 2022 (FYE 2021: RM3.88 million). The higher sales were mainly attributed to the increase in sales volume of manufactured spun standard poles by 39.48%, coupled with higher average selling price which increased by 17.30% in FYE 2022.

Rental segment

Revenue from the rental of moulds and machinery segment increased by RM3.60 million or 54.49% to RM10.20 million in FYE 2022 (FYE 2021: RM6.60 million). This was mainly due to an increase in revenue from the rental of moulds and machinery to PMW Concrete and Winabumi following an upward revision of monthly charges in FYE 2022.

12. FINANCIAL INFORMATION (Cont'd)**(b) FYE 2023 compared to FYE 2022**

For FYE 2023, the Group's total revenue increased by RM49.63 million or 58.23% to RM134.87 million (FYE 2022: RM85.24 million). The increase was mainly contributed by increases in the trading and manufacturing segments.

Trading segment

Revenue from the trading segment increased by RM35.82 million or 62.78% to RM92.86 million in FYE 2023 (FYE 2022: RM57.05 million). This was mainly contributed by the following:

- increase in revenue from spun poles and piles category by RM22.70 million or 155.19% to RM37.33 million in FYE 2023 (FYE 2022: RM14.63 million), attributed to higher sales of spun poles by RM22.67 million or 230.25% to RM32.51 million in FYE 2023 (FYE 2022: RM9.84 million). This was attributed to higher sales orders from our customers mainly contractors and telecommunications companies. The increase in sales of spun poles was reflected in the increase in sales volume of spun poles by 259.42% in FYE 2023.
- increase in revenue from construction materials and other products category by RM8.03 million or 22.34% to RM43.97 million in FYE 2023 (FYE 2022: RM35.94 million), attributed mainly to the increase in sales of construction materials by RM9.38 million or 30.28% to RM40.34 million in FYE 2023 (FYE 2022: RM30.97 million). Within construction materials, the increase was mainly attributed to higher sales of steel products, cement and concrete primarily due to increased sales orders from Winabumi and PMW Concrete, coupled with higher average selling price of cement in FYE 2023. The increase in sales of construction materials was partially moderated by a decrease in revenue from other products category by RM1.35 million or 27.17% to RM3.62 million in FYE 2023 (FYE 2022: RM4.97 million), mainly lower sales of consumables to PMW Concrete.
- increase in revenue from other concrete products category by RM5.09 million or 78.50% to RM11.56 million in FYE 2023 (FYE 2022: RM6.48 million). This was mainly attributed to the higher sales of concrete square piles where the sales volume of concrete square piles increased by 75.49% in FYE 2022. This was attributed to increase in sales order from our customers including mainly construction companies, contractors as well as property developers.

Manufacturing segment

Revenue from the manufacturing segment increased by RM12.39 million or 68.85% to RM30.37 million in FYE 2023 (FYE 2022: RM17.99 million). This was contributed by the following:

- increase in revenue from manufactured spun poles and piles by RM9.92 million or 139.47% to RM17.03 million in FYE 2023 (FYE 2022: RM7.11 million). This was mainly attributed to the increase in sales orders of manufactured spun poles, coupled with the increase in average selling price of manufactured spun poles. The higher sales order was reflected in the increase in sales volume of manufactured spun standard poles by 64.13% in FYE 2023 as well as an increase in the collective sales volume of manufactured decorative poles and monopoles by 105.77% in FYE 2023. This was attributed to the increase in sales order from our customers including mainly contractors, telecommunications companies, project management companies and distributors.

12. FINANCIAL INFORMATION (Cont'd)

- increase in revenue from manufacturing of moulds, machinery and metal products by RM2.65 million or 25.35% to RM13.09 million in FYE 2023 (FYE 2022: RM10.44 million). This was mainly attributed to higher sales orders of moulds as reflected in the increase in sales volume from 12 units in FYE 2022 to 42 units in FYE 2023, mainly from a major customer namely Customer F and Oman Poles. The increase in revenue was also contributed by an increase in the sales of steel poles mainly to PMW Concrete.

Rental segment

Revenue from the rental segment increased by RM1.43 million or 14.05% to RM11.63 million in FYE 2023 (FYE 2022: RM10.20 million). This was mainly due to the increase in revenue from the rental of moulds and machinery to PMW Concrete and Winabumi.

(c) FYE 2024 compared to FYE 2023

For FYE 2024, our total revenue increased by RM30.47 million or 22.59% to RM165.34 million (FYE 2023: RM134.87 million). The increase was mainly contributed by increases in the manufacturing and trading segments.

Trading segment

Revenue from the trading segment increased by RM14.07 million or 15.15% to RM106.93 million in FYE 2024 (FYE 2023: RM92.86 million). This was mainly contributed by the following:

- revenue contribution of RM3.94 million from the trading of lighting fixtures which commenced in June 2024.
- increase in revenue from construction materials and other products category by RM3.50 million or 7.97% to RM47.47 million in FYE 2024 (FYE 2023: RM43.97 million). This was mainly contributed by the revenue from sales of other products which increased by RM2.62 million or 72.22% to RM6.24 million in FYE 2024 (FYE 2023: RM3.62 million), mainly due to higher sales of end plates to Winabumi.

Meanwhile, revenue from construction materials alone increased by RM0.89 million or 2.21% to RM41.23 million in FYE 2024 (FYE 2023: RM40.34 million). This was mainly attributed to the increase in revenue from the sales of aggregates on the back of higher sales volume which increased by 46.71% in FYE 2024. The increase in revenue was also partly attributed to the increase in revenue from the sales of cement on the back of higher average selling prices, which increased by 17.78% in FYE 2024.

- increase in revenue from the trading of spun poles and piles by RM4.82 million or 12.92% to RM42.15 million in FYE 2024 (FYE 2023: RM37.33 million). This was mainly driven by an increase in the sales of spun piles by RM8.14 million or 168.82% to RM12.97 million in FYE 2024 (FYE 2023: RM4.82 million) arising from higher sales orders from our customers as reflected in the increase in sales volume of spun piles by 161.54% in FYE 2024.

This was partially offset by a decrease in revenue from the sales of spun poles by RM3.32 million or 10.22% to RM29.19 million in FYE 2024 (FYE 2023: RM32.51 million), mainly due to lower sales orders of spun poles from our customers as reflected in the decrease in sales volume by 9.94% in FYE 2024.

- increase in revenue from the trading of other concrete products by RM1.81 million or 15.61% to RM13.37 million in FYE 2024 (FYE 2023: RM11.56 million). This was mainly attributed to the increase in sales of concrete square piles arising from higher sales orders from our customers as reflected in the increase in sales volume by 12.20% in FYE 2024.

12. FINANCIAL INFORMATION (Cont'd)**Manufacturing segment**

Revenue from the manufacturing segment increased by RM16.58 million or 54.60% to RM46.95 million in FYE 2024 (FYE 2023: RM30.37 million). This was contributed by the increase in revenue from the manufacture of spun poles and piles by RM10.68 million or 62.73% to RM27.71 million in FYE 2024 (FYE 2023: RM17.03 million), contributed by the following:

- increase in sales of manufactured standard poles by RM6.45 million or 49.14% to RM19.58 million in FYE 2024 (FYE 2023: RM13.13 million) as reflected in the increase in sales volume by 59.34% in FYE 2024.
- increase in sales of manufactured monopoles by RM2.92 million or 123.20% to RM5.28 million in FYE 2024 (FYE 2023: RM2.37 million) as reflected in the increase in sales volume by 138.33% in FYE 2024.
- revenue contribution of RM1.86 million from the sales of manufactured spun piles, which we commenced manufacturing in May 2024.

The growth in revenue from the manufacturing segment was also contributed by an increase in revenue from the manufacturing of moulds, machinery and metal products by RM5.88 million or 44.91% to RM18.97 million in FYE 2024 (FYE 2023: RM13.09 million). This was mainly attributed to the higher sales orders of moulds as reflected in the increase in sales volume from 42 units in FYE 2023 to 244 units in FYE 2024, mainly from a major customer namely Customer A Group.

Rental segment

Revenue from the rental segment declined by RM0.19 million or 1.60% to RM11.45 million in FYE 2024 (FYE 2023: RM11.63 million), mainly due to a decrease in revenue from PMW Concrete arising from decrease in maintenance and repair services for moulds and machinery.

(d) FPE 2025 compared to FPE 2024

For FPE 2025, our total revenue increased by RM22.15 million or 39.13% to RM78.77 million (FPE 2024: RM56.62 million). This was mainly contributed by the increases in the trading and manufacturing segments.

Trading segment

Revenue from the trading segment increased by RM15.94 million or 39.39% to RM56.40 million in FPE 2025 (FPE 2024: RM40.46 million). This was mainly contributed by the following:

- increase in revenue from the trading of other concrete products by RM7.37 million or 169.34% to RM11.72 million in FPE 2025 (FPE 2024: RM4.35 million) attributed to increase in sales of concrete square piles. This was reflected in the increase in sales volume by 157.36% in FPE 2025 on the back of higher sales orders from our customers.
- increase in revenue from trading of spun poles and piles by RM6.36 million or 38.73% to RM22.79 million in FPE 2025 (FPE 2024: RM16.43 million) arising from increase in the sales of spun piles. This was mainly due to the increase in sales orders from our customers as reflected in the increase in sales volume by 164.23% in FPE 2025.

12. FINANCIAL INFORMATION (Cont'd)**Manufacturing segment**

Revenue from the manufacturing segment increased by RM6.88 million or 61.15% to RM18.12 million in FPE 2025 (FPE 2024: RM11.25 million). This was contributed by the increase in revenue from the manufacture of spun poles and piles by RM4.07 million or 48.84%, contributed by the following:

- increase in sales of manufactured spun piles by RM2.16 million following the commencement of the manufacturing of spun piles in May 2024.
- increase in sales of manufactured standard poles by RM1.79 million or 24.17% to RM9.19 million in FPE 2025 (FPE 2024: RM7.40 million), as reflected in the increase in sales volume by 34.90% in FPE 2025.

The increase was also partly attributed to the increase in revenue from the manufacturing of moulds, machinery and metal products by RM2.99 million or 109.55% to RM5.73 million in FPE 2025 (FPE 2024: RM2.73 million), mainly attributed to the increase in sales of moulds. This was mainly attributed to the higher sales orders of moulds as reflected in the increase in sales volume from 10 units in FPE 2024 to 114 units in FPE 2025, mainly from a customer in Nigeria.

Rental segment

Revenue from the rental segment declined by RM0.66 million or 13.43% to RM4.25 million in FPE 2025 (FPE 2024: RM4.91 million), mainly due to a decrease in revenue from the rental of moulds and machinery to PMW Concrete and Winabumi.

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12. FINANCIAL INFORMATION (Cont'd)**12.3.3 Segmental analysis by cost of sales****(i) Cost of sales by compositions**

The table below sets out the breakdown of our cost of sales by compositions:

Cost of sales by compositions	Audited				Unaudited		Audited					
	FYE 2021 (RM'000)	(%)	FYE 2022 (RM'000)	(%)	FYE 2023 (RM'000)	(%)	FYE 2024 (RM'000)	(%)	FPE 2024 (RM'000)	(%)	FPE 2025 (RM'000)	(%)
Material and product costs	49,697	79.20	55,068	77.89	89,825	80.36	110,678	80.67	35,999	77.54	58,039	83.22
• Finished goods for trading segment	36,964	58.91	46,272	65.45	71,052	63.57	86,307	62.91	31,547	67.95	49,622	71.15
• Input materials	12,733	20.29	8,796	12.44	18,773	16.79	24,371	17.76	4,452	9.59	8,417	12.07
Labour costs	4,472	7.13	5,996	8.48	7,927	7.09	8,467	6.17	3,294	7.10	3,026	4.34
Others	8,582	13.67	9,634	13.63	14,025	12.55	18,047	13.16	7,133	15.36	8,677	12.44
• Depreciation	2,933	4.67	3,374	4.77	3,700	3.31	4,539	3.31	1,719	3.70	2,022	2.90
• Freight costs	2,478	3.95	1,702	2.41	4,310	3.86	6,257	4.56	1,581	3.40	2,703	3.88
• Upkeep and maintenance	1,055	1.68	2,062	2.92	3,415	3.05	2,218	1.62	956	2.06	1,809	2.59
• Other costs ⁽¹⁾	2,116	3.37	2,496	3.53	2,600	2.33	5,033	3.67	2,877	6.20	2,143	3.07
	62,751	100.00	70,698	100.00	111,777	100.00	137,192	100.00	46,426	100.00	69,742	100.00

Note:

⁽¹⁾ Mainly comprised utilities, tools and consumables, sub-contracted manufacturing services, rental of machinery and cranes and insurance.

12. FINANCIAL INFORMATION (Cont'd)**(ii) Cost of sales by business activities**

The table below sets out the breakdown of our cost of sales by business activities:

Cost of sales by business activities	Audited				Unaudited		Audited			
	FYE 2021 (RM'000)	(%)	FYE 2022 (RM'000)	(%)	FYE 2023 (RM'000)	(%)	FYE 2024 (RM'000)	(%)	FPE 2025 (RM'000)	(%)
Trading	44,431	70.80	51,685	73.11	83,849	75.01	95,526	69.63	34,932	75.24
• Construction materials and other products ⁽¹⁾	24,416	38.91	32,791	46.38	39,596	35.42	42,154	30.73	17,454	37.60
• Spun poles and piles ⁽²⁾	18,255	29.09	12,711	17.98	33,409	29.89	37,378	27.25	13,386	28.83
• Other concrete products ⁽³⁾	1,760	2.80	6,183	8.75	10,844	9.70	12,476	9.09	4,092	8.81
• Lighting fixtures ⁽⁴⁾	-	-	-	-	-	-	3,518	2.56	-	-
Manufacturing	14,435	23.01	13,478	19.06	20,858	18.66	35,196	25.65	8,729	18.80
• Spun poles and piles ⁽⁵⁾	4,385	6.99	5,528	7.82	12,893	11.53	22,997	16.76	6,672	14.37
• Moulds, machinery, and metal products ⁽⁶⁾	9,794	15.61	7,633	10.79	7,746	6.93	12,041	8.78	1,951	4.20
• Other concrete products ⁽⁷⁾	256	0.41	317	0.45	219	0.20	158	0.11	106	0.23
Rental of moulds and machinery⁽⁸⁾	3,885	6.19	5,535	7.83	7,070	6.33	6,470	4.72	2,765	5.96
	62,751	100.00	70,698	100.00	111,777	100.00	137,192	100.00	46,426	100.00
									69,742	100.00

Notes:

- (1) Other products include concrete additives, diesel and fuel oil, metal and plastic accessories for concrete products (such as end plates and pointed shoes), and welding consumables and hand tools.
- (2) We traded standard poles, monopoles, decorative poles and spun piles throughout the Financial Periods Under Review.
- (3) Traded other concrete products comprises mainly concrete square piles, and a small proportion of kicking blocks.
- (4) Includes a small proportion of revenue (approximately 0.38%) from manufacturing lighting fixtures, which commenced in May 2025.
- (5) We manufactured standard poles, monopoles, and decorative poles throughout the Financial Periods Under Review, while the manufacturing of spun piles commenced in FYE 2024.
- (6) Include steel poles, moulds and machinery parts and accessories.
- (7) Other concrete products manufactured are kicking blocks.
- (8) Includes a small proportion from the provision of maintenance and repair services for moulds and machinery.

12. FINANCIAL INFORMATION (Cont'd)**(a) Material and product costs**

Material and product costs constitute the largest component of our total cost of sales which accounted for 79.20%, 77.89%, 80.36%, 80.67%, 77.54% and 83.20% of our total cost of sales for the FYE 2021, FYE 2022, FYE 2023, FYE 2024, FPE 2024 and FPE 2025 respectively.

Our material and product costs comprise the following:

- Finished goods for trading segment mainly include costs incurred to purchase the construction materials and other products, spun poles and piles, as well as other concrete products.
- Input materials for our manufacturing operations which mainly include costs incurred to purchase the raw materials such as cement, concrete, aggregate, and steel products, for the manufacturing of spun poles and piles, moulds, machinery and metal products, as well as other concrete products.

FYE 2022 compared to FYE 2021

For FYE 2022, our material and product costs increased by RM5.37 million or 10.81% to RM55.07 million (FYE 2021: RM49.68 million). This was mainly attributed to the higher costs incurred for the trading segment, mainly from construction materials and other products, as well as other concrete products. The higher costs incurred for these products were mainly due to the higher sales of construction materials and other products, as well as other concrete products, as reflected in the increase in revenue from the trading segment by 19.27% in FYE 2022. The increase was partially moderated by the decrease in material costs incurred from the manufacturing segment due to lower sales of moulds and machinery in FYE 2022. This was reflected in the decrease in revenue from the moulds, machinery and metal products category by 34.92% in FYE 2022.

FYE 2023 compared to FYE 2022

For FYE 2023, our material and product costs increased by RM34.76 million or 63.12% to RM89.83 million (FYE 2022: RM55.07 million). This was mainly attributed to the higher material and product costs incurred for both the trading and manufacturing segments on the back of higher sales as reflected in the increase in the total revenue by 58.23% in FYE 2023.

FYE 2024 compared to FYE 2023

For FYE 2024, our material and product costs increased by RM20.85 million or 23.22% to RM110.68 million (FYE 2023: RM89.83 million). This was mainly attributed to the higher costs incurred from the trading segment for construction materials and other products, spun piles as well as other concrete products. The higher costs incurred for these products were mainly due to higher sales as reflected in the increase in revenue from the trading segment by 15.15% in FYE 2024.

FPE 2025 compared to FPE 2024

For FPE 2025, our material and product costs increased by RM22.04 million or 61.22% to RM58.04 million in FPE 2025 (FPE 2024: RM36.00 million). This was mainly attributed to the higher costs incurred from the trading segment for spun poles and piles as well as other concrete products. The higher costs incurred for these products were mainly due to higher sales as reflected in the increase in revenue from the trading segment by 39.39% in FPE 2025.

12. FINANCIAL INFORMATION (Cont'd)**(b) Labour costs**

Labour costs comprised the salaries, employee contributions and other related costs for our workers involved in our trading, manufacturing as well as rental operations.

FYE 2022 compared to FYE 2021

Our labour costs increased by RM1.52 million or 34.08% to RM6.00 million in FYE 2022 (FYE 2021: RM4.47 million). This was mainly due to increase in the number of employees from 130 workers as at 31 December 2021 to 141 workers as at 31 December 2022, coupled with increase in salaries and bonuses. The increase in labour costs was also partly attributed to the increase in minimum wage to RM1,500 which took effect on 1 May 2022.

FYE 2023 compared to FYE 2022

Our labour costs increased by RM1.93 million or 32.20% to RM7.93 million in FYE 2023 (FYE 2022: RM6.00 million). This was mainly due to increase in the number of employees from 141 workers as at 31 December 2022 to 163 workers as at 31 December 2023, coupled with increase in salaries.

FYE 2024 compared to FYE 2023

Our labour costs increased by RM0.54 million or 6.81% to RM8.47 million in FYE 2024 (FYE 2023: RM7.93 million). This was mainly due to bonuses, increases in salaries coupled with increase in overtime salaries due to increase in production activities.

FPE 2025 compared to FPE 2024

Our labour costs decreased by RM0.26 million or 8.86% to RM3.03 million in FPE 2025 (FPE 2024: RM3.29 million). This was mainly due to decrease in number of employees from 167 workers as at 31 May 2024 to 133 workers (excluding workers of PMW Concrete) as at 31 May 2025. The decrease in number of workers was mainly due to the cessation of the manufacturing activities at the Kuching Factory in November 2024.

(c) Others**FYE 2022 compared to FYE 2021**

Our other cost of sales increased by RM1.05 million or 12.26% to RM9.63 million in FYE 2022 (FYE 2021: RM8.58 million). This was mainly attributed to the increase in upkeep and maintenance costs by RM1.01 million in FYE 2022, mainly for the repair and maintenance of the moulds and machinery, as well as the upkeep of our manufacturing facilities as well as open storage areas.

FYE 2023 compared to FYE 2022

Our other cost of sales increased by RM4.39 million or 45.58% to RM14.03 million in FYE 2023 (FYE 2022: RM9.63 million). This was mainly contributed by the increase in freight costs by RM2.61 million on the back of higher sales in FYE 2023 and increase in upkeep and maintenance costs by RM1.35 million mainly for the repair and maintenance of the moulds and machinery, as well as the upkeep of our manufacturing facilities as well as open storage areas.

12. FINANCIAL INFORMATION (Cont'd)**FYE 2024 compared to FYE 2023**

Other cost of sales increased by RM4.02 million or 28.67% to RM18.05 million in FYE 2024 (FYE 2023: RM14.03 million). This was mainly attributed to the increase of RM1.95 million in freight costs due to higher freight charges in FYE 2024, as well as increase of RM1.30 million in rental expenses of mainly machinery and industrial vehicles including cranes.

FPE 2025 compared to FPE 2024

Other cost of sales increased by RM1.54 million or 21.65% to RM8.68 million in FPE 2025 (FPE 2024: RM7.13 million). This was mainly attributed to the increase of RM1.12 million in freight costs on the back of higher sales in FPE 2025, as well as the increase of RM0.85 million for the upkeep and maintenance of our manufacturing facilities in FPE 2025.

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12. FINANCIAL INFORMATION (Cont'd)**Notes:**

- (1) *Other products include concrete additives, diesel and fuel oil, metal and plastic accessories for concrete products (such as end plates and pointed shoes), and welding consumables and hand tools.*
- (2) *We traded standard poles, monopoles, decorative poles and spun piles throughout the Financial Periods Under Review.*
- (3) *Traded other concrete products comprises mainly concrete square piles, and a small proportion of kicking blocks.*
- (4) *Includes a small proportion of revenue (approximately 0.38%) from manufacturing lighting fixtures, which commenced in May 2025.*
- (5) *We manufactured standard poles, monopoles, and decorative poles throughout the Financial Periods Under Review, while the manufacturing of spun piles commenced in FYE 2024.*
- (6) *Include steel poles, moulds and machinery parts and accessories.*
- (7) *Other concrete products manufactured are kicking blocks.*
- (8) *Includes a small proportion of GP from the provision of maintenance and repair services for moulds and machinery that amounted to less than 1.00% of total GP in any single financial year or financial period during the Financial Periods Under Review.*

(a) FYE 2022 compared to FYE 2021

For FYE 2022, our total GP increased by RM1.46 million or 11.18% to RM14.54 million (FYE 2021: RM13.08 million). This was mainly attributed to the increase in GP from the trading and rental segments, and partially offset by a decrease in GP from the manufacturing segment. Our GP margin declined from 17.24% in FYE 2021 to 17.06% in FYE 2022, mainly due to the decrease in GP margin from the manufacturing segment.

Trading segment

The GP from the trading segment increased by RM1.96 million or 57.82% to RM5.36 million in FYE 2022 (FYE 2021: RM3.40 million). This was mainly contributed by the following:

- increase in GP from the trading of spun poles and piles category by RM0.92 million or 91.52% to RM1.92 million in FYE 2022 (FYE 2021: RM1.00 million). This was mainly contributed by the increase in GP from the trading of spun poles by RM1.08 million, on the back of higher sales as reflected in the increase in revenue from the trading of spun poles by 8.25% in FYE 2022.
- increase in GP from the trading of construction materials and other products by RM0.91 million or 40.43% to RM3.15 million in FYE 2022 (FYE 2021: RM2.24 million). This was reflected in the increase in revenue by 34.82% in FYE 2022 on the back of higher sales of construction materials which were mainly steel products and cement.
- increase in GP from the trading of other concrete products by RM0.14 million or 91.56% to RM0.30 million in FYE 2022 (FYE 2021: RM0.15 million). This was reflected in the increase in revenue by 238.45% in FYE 2022 on the back of higher sales of concrete square piles.

Our GP margin from the trading segment improved from 7.10% in FYE 2021 to 9.40% in FYE 2022. This was mainly attributed to the improvement in GP margin from the trading of spun poles and piles category from 5.20% in FYE 2021 to 13.12% in FYE 2022. The increase in GP margin was contributed by the trading of spun poles arising from the increased sales of higher margin spun poles.

12. FINANCIAL INFORMATION (Cont'd)

The improvement in GP margin was partially moderated by a decrease in GP margin from the trading of other concrete products which decreased from 8.05% in FYE 2021 to 4.55% in FYE 2022. This was mainly due to the decrease in the average selling price of concrete square piles as we offered lower price to address the opportunities in concrete square piles market. This was part of our one-off marketing activities in FYE 2022 to promote the sales and enhance our market presence of this product. This was reflected in the higher sales volume of concrete square piles which increased by 315.74% in FYE 2022.

Manufacturing segment

The GP from the manufacturing segment decreased by RM2.45 million or 35.20% to RM4.51 million in FYE 2022 (FYE 2021: RM6.96 million). This was mainly due to the decrease in GP from the manufacturing of moulds, machinery and metal products by RM3.44 million or 55.07% to RM2.81 million in FYE 2022 (FYE 2021: RM6.25 million), which was also reflected in the decrease in revenue from this category by 34.92% following the completion of orders from Kumait and Customer A Group.

The decrease in GP was also partially offset by an increase in GP from the manufacturing of spun poles and piles by RM0.97 million or 157.40% to RM1.58 million in FYE 2022 (FYE 2021: RM0.62 million). This was mainly attributed to the higher sales of manufactured spun poles as reflected in the increase in revenue from the manufacturing of spun poles and piles category by 42.22%.

GP margin from the manufacturing segment decreased from 32.53% in FYE 2021 to 25.07% in FYE 2022. This was mainly due to the decrease in GP margin from the manufacturing of moulds, machinery and metal products category from 38.96% in FYE 2021 to 26.89% in FYE 2022. The decrease in GP margin was attributed to the decrease in GP contribution from the higher margin products from the manufacturing of moulds and machinery, following the completion of orders as mentioned above. The decrease in GP margin was also partly due to the increased GP contribution from the lower margin category namely manufacturing of steel poles which command a GP margin of 12.88% in FYE 2022.

Rental segment

The GP from the rental segment increased by RM1.95 million or 71.67% to RM4.67 million in FYE 2022 (FYE 2021: RM2.72 million), and GP margin improved from 41.16% in FYE 2021 to 45.74% in FYE 2022. This was mainly attributed to the upward revision of monthly charges for the rental of moulds and machinery to Winabumi in FYE 2022.

(b) FYE 2023 compared to FYE 2022

For FYE 2023, our total GP increased by RM8.56 million or 58.85% to RM23.09 million (FYE 2022: RM14.54 million). This was mainly attributed to the increase in GP from the manufacturing and trading segments. Our GP margin increased from 17.06% in FYE 2022 to 17.12% in FYE 2023, mainly contributed by the increase in GP margin from the manufacturing segment.

Trading segment

The GP from the trading segment increased by RM3.65 million or 68.12% to RM9.01 million in FYE 2023 (FYE 2022: RM5.36 million). This was mainly contributed by the following:

- trading of spun poles and piles by RM2.01 million or 104.53% to RM3.93 million in FYE 2023 (FYE 2022: RM1.92 million). This was mainly contributed by the increase in GP from the trading of spun poles by RM1.92 million on the back of higher sales as reflected in the increase in revenue from the trading of spun poles by 230.25% in FYE 2023.

12. FINANCIAL INFORMATION (Cont'd)

- trading of construction materials and other products by RM1.22 million 38.83% to RM4.37 million in FYE 2023 (FYE 2022: RM3.15 million). This was reflected in the increase in revenue by 22.34% in FYE 2023 on the back of higher sales of construction materials, mainly steel products, cement and concrete.
- trading of other concrete products by RM0.42 million or 143.73% to RM0.72 million in FYE 2023 (FYE 2022: RM0.30 million). This was mainly contributed by the higher sales of concrete square piles, as reflected in the increase in revenue from trading of other concrete products by 78.50% in FYE 2023.

Our GP margin from the trading segment improved from 9.40% in FYE 2022 to 9.71% in FYE 2023. This was mainly attributed to the increase in GP margin from the trading of construction materials and other products category from 8.76% in FYE 2022 to 9.94% in FYE 2023 arising from the higher increase in the average selling price of our construction materials and other products of 4.42% as compared to the increase in average cost of sales of our construction materials and other products of 3.06%.

The increase in GP margin from the trading segment was partially moderated by the decrease in GP margin from the trading of spun poles and piles category from 13.12% in FYE 2022 to 10.51% in FYE 2023. This was mainly due to the decrease in GP margin from the trading of spun poles arising from increased GP contribution of the lower margin spun poles.

Manufacturing segment

The GP from the manufacturing segment increased by RM5.01 million or 110.98% to RM9.52 million in FYE 2023 (FYE 2022: RM4.51 million). This was mainly contributed by the following:

- increase in GP from the manufacturing of spun poles and piles by RM2.55 million or 161.28% to RM4.14 million in FYE 2023 (FYE 2022: RM1.58 million). This was mainly attributed to the higher sales of manufactured spun poles, as reflected in the increase in revenue from the manufacturing of spun poles and piles by 139.47% in FYE 2023.
- increase in GP from the manufacturing of moulds, machinery and metal products by RM2.53 million or 90.24% to RM5.34 million in FYE 2023 (FYE 2022: RM2.81 million) which was mainly attributed to the higher sales of moulds and steel poles. This was reflected in the increase in revenue from the manufacturing of moulds, machinery and metal products by 25.35% in FYE 2023.

The GP margin from the manufacturing segment improved from 25.07% in FYE 2022 to 31.33% in FYE 2023, mainly attributed to the GP margin from the manufacturing of moulds, machinery and metal products category from 26.89% in FYE 2022 to 40.82% in FYE 2023 as these products commanded a higher margin.

The improvement in GP margin was also partly attributed to the increase in GP margin from the manufacturing of spun poles and piles from 22.26% in FYE 2022 to 24.29% in FYE 2023. The improvement was mainly due to the higher increase in the average selling price of spun poles of 42.04% as compared to the increase in average cost of sales of spun poles of 38.34%, on the back of increase in sales volume of spun poles by 68.60% in FYE 2023.

Rental segment

The GP from the rental segment decreased by RM0.10 million or 2.19% to RM4.56 million in FYE 2023 (FYE 2022: RM4.67 million). The GP margin from rental segment decreased from 45.74% in FYE 2022 to 39.23% in FYE 2023. This was mainly due to higher costs incurred arising from repair and maintenance of the moulds and machinery.

12. FINANCIAL INFORMATION (Cont'd)**(c) FYE 2024 compared to FYE 2023**

For FYE 2024, our total GP increased by RM5.05 million or 21.88% to RM28.15 million (FYE 2023: RM23.09 million). This was mainly attributed to the increase in GP from the trading and manufacturing segments. Our GP margin decreased slightly from 17.12% in FYE 2023 to 17.02% in FYE 2024, mainly due to the decrease in GP margin from the manufacturing segment.

Trading segment

The GP from the trading segment increased by RM2.39 million or 26.56% to RM11.41 million in FYE 2024 (FYE 2023: RM9.01 million), which was mainly contributed by the increase in GP from the trading of construction materials and other products category by RM0.95 million or 21.68% to RM5.32 million in FYE 2024 (FYE 2023: RM4.37 million). This was primarily due to the higher GP from the trading of construction materials on the back of higher selling prices of aggregates and cement in FYE 2024.

The increase in GP from the trading segment was also partly contributed by the increase in GP from the trading of spun poles and piles category by RM0.85 million or 21.73% to RM4.78 million in FYE 2024 (FYE 2023: RM3.93 million). This was attributed to the increase in GP from the trading of spun piles on the back of an increase in revenue from trading of spun piles by 168.82% in FYE 2024.

Our GP margin from the trading segment improved from 9.71% in FYE 2023 to 10.67% in FYE 2024, mainly contributed by the improvement in GP margin from the trading of construction materials and other products. The GP margin from the trading of construction materials and other products increased from 9.94% in FYE 2023 to 11.20% in FYE 2024, arising from an increase in the average selling price of our construction materials and other products by 13.47% compared to the increase in the average cost of sales of construction materials and other products of 11.88% in FYE 2024.

The improvement in GP margin from the trading segment was also partly attributed to the increase in GP margin from the trading of spun poles and piles, which increased from 10.51% in FYE 2023 to 11.33% in FYE 2024. This was primarily contributed by the higher average selling price of spun piles coupled with lower average cost of sales, as reflected in the lower proportion of cost of sales over revenue by 2.85% in FYE 2024.

Manufacturing segment

The GP from the manufacturing segment increased by RM2.25 million or 23.59% to RM11.76 million in FYE 2024 (FYE 2023: RM9.52 million), which was mainly contributed by the following:

- increase in GP from the manufacturing of moulds, machinery and metal products category by RM1.58 million or 29.63% to RM6.93 million in FYE 2024 (FYE 2023: RM5.34 million), which was mainly attributed to higher sales of moulds. This was reflected in the increase in revenue from the manufacturing of moulds, machinery and metal products category by 44.91% in FYE 2024.
- increase in GP from the manufacturing of spun poles and piles by RM0.58 million or 14.00% to RM4.72 million in FYE 2024 (FYE 2023: RM4.14 million). This was mainly attributed to the higher sales of manufactured standard poles, as reflected in the increase in revenue by 49.14% in FYE 2024.

The GP margin from the manufacturing segment declined from 31.33% in FYE 2023 to 25.04% in FYE 2024, mainly due to the following:

- decline in GP margin from the manufacturing of moulds, machinery and metal products category due to higher sales of lower margin moulds.

12. FINANCIAL INFORMATION (Cont'd)

- decrease in GP margin from the manufacturing of spun poles and piles mainly due to the lower average selling price of manufactured spun standard poles by 6.40% arising from the sales of lower priced spun poles.

Rental segment

The GP from the rental segment increased by RM0.41 million or 9.07% to RM4.98 million in FYE 2024 (FYE 2023: RM4.56 million). GP margin from this segment improved from 39.23% in FYE 2023 to 43.49% in FYE 2024. This was attributed to the higher costs were incurred for housekeeping activities at the factory leased to Winabumi, aimed at enhancing the overall operational environment.

(d) FPE 2025 compared to FPE 2024

For FPE 2025, our total GP declined by RM1.16 million or 11.39% to RM9.03 million (FPE 2024: RM10.19 million), mainly due to the decrease in GP from the trading segment. The overall GP margin declined from 18.00% in FPE 2024 to 11.46% in FPE 2025.

Trading segment

GP from the trading segment declined by RM1.63 million or 29.43% to RM3.90 million in FPE 2025 (FPE 2024: RM5.53 million), and GP margin declined from 13.67% in FPE 2024 to 6.92% in FPE 2025. This was mainly attributed to the decrease in GP and GP margin from the trading of spun poles and piles due to higher average purchase costs of the spun poles and piles. During the Financial Periods Under Review, our trading of spun poles and piles comprised the standard poles and piles that were manufactured by PMW Concrete and Winabumi, and supplied to our Group which we subsequently sold to our customers.

Manufacturing segment

GP from the manufacturing segment increased by RM1.13 million or 44.99% to RM3.65 million in FPE 2025 (FPE 2024: RM2.52 million). This was mainly contributed by the increase in GP from the manufacturing of moulds, machinery and metal products category as well as manufacturing of spun poles and piles category. This was reflected in the increase in revenue from these categories by 109.55% and 48.84% in FPE 2025 respectively.

GP margin from the manufacturing segment declined from 22.37% in FPE 2024 to 20.13% in FPE 2025. The lower GP margin was primarily due to higher overhead expenses associated with the rental of industrial vehicle and upkeep to reorganising or relocating the finished goods warehouse and factory housekeeping activities aimed at improving the overall operational environment. Despite increased production volume in FPE2025, the overhead expenses grew at a higher rate, resulted in an increase in cost per unit, thereby reducing the overall GP margin.

Rental segment

The GP from the rental segment decreased by RM0.67 million or 31.06% to RM1.48 million in FPE 2025 (FPE 2024: RM2.14 million) and this was mainly due to decrease in revenue from the rental segment. GP margin from this segment declined from 43.64% in FPE 2024 to 34.75% in FPE 2025. This was attributed to the higher costs were incurred for housekeeping activities at the factory leased to Winabumi, aimed at enhancing the overall operational environment.

12. FINANCIAL INFORMATION (Cont'd)**12.3.5 Other income**

The table below presents the breakdown of our other income:

Other income	Audited				Unaudited		Audited					
	FYE 2021 (RM'000)	(%)	FYE 2022 (RM'000)	(%)	FYE 2023 (RM'000)	(%)	FYE 2024 (RM'000)	(%)	FPE 2024 (RM'000)	(%)	FPE 2025 (RM'000)	(%)
Commission income ⁽¹⁾	1,542	26.71	1,700	33.15	2,023	29.01	2,183	25.90	815	29.89	744	16.14
Transportation income ⁽²⁾	1,961	33.96	498	9.71	1,664	23.86	2,008	23.82	586	21.49	804	17.44
Rental income ⁽³⁾	1,006	17.42	1,381	26.93	1,440	20.65	1,822	21.61	617	22.62	1,047	22.71
Management fees from associate ⁽⁴⁾	-	-	480	9.36	480	6.88	200	2.37	200	7.33	-	-
Fair value gain on short term fund	17	0.29	288	5.62	347	4.98	642	7.62	193	7.08	404	8.76
Dividend income	371	6.43	121	2.36	273	3.91	43	0.51	9	0.33	49	1.06
Sales of scrap ⁽⁵⁾	46	0.80	59	1.15	131	1.88	523	6.20	133	4.88	113	2.45
Gain on disposal of fixed assets	291	5.04	15	0.29	-	-	504	5.98	2	0.07	14	0.30
Gain on bargain purchase on acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	763	16.55
Remeasurement gain on interest previously held in an associate	-	-	-	-	-	-	-	-	-	-	571	12.38
Others	⁽⁶⁾ 540	9.35	⁽⁷⁾ 586	11.43	⁽⁸⁾ 616	8.83	⁽⁹⁾ 505	5.99	⁽¹⁰⁾ 172	6.31	⁽¹¹⁾ 102	2.21
Total	5,774	100.00	5,128	100.00	6,974	100.00	8,430	100.00	2,727	100.00	4,611	100.00

Notes:

- (1) Commission income received from PMW Concrete for facilitation of standard pole sales.
- (2) Transportation income refers to delivery fees charged to our customers for the delivery of products.
- (3) Mainly rental income from Winabumi for the rental of stockyard and factory, as well as rental income from PMW Concrete for the rental of land, stockyard, factory and office.
- (4) Management fees from PMW Concrete relating to the provision of management services including production planning, technical advice and support;
- (5) Sales of scrap including mainly metal scrap from production;
- (6) For FYE 2021, others mainly include realised gain on foreign exchange, gain on disposal of equity investment, and income received from PMW Concrete for the supply of labour;
- (7) For FYE 2022, others mainly include government grant received from Malaysia Digital Economy Corporation Sdn Bhd (MDEC) under the MDEC Digital Smart Automation Grant Programme, income received from PMW Concrete for the shared software subscription costs, and unrealised gain on foreign exchange;
- (8) For FYE 2023, others mainly include gain on disposal of equity investment, realised gain on foreign exchange, and income received from PMW Concrete for the shared software subscription costs;

12. FINANCIAL INFORMATION (Cont'd)

- (9) For FYE 2024, others mainly include insurance claims and income received from PMW Concrete for the shared software subscription costs.
- (10) For FPE 2024, others mainly include unrealised gain on foreign exchange, income received from PMW Concrete for the supply of labour and income received from PMW Concrete for the shared software subscription costs.
- (11) For FPE 2025, others mainly comprised income received from PMW Concrete for the shared software subscription costs.

FYE 2022 compared to FYE 2021

In FYE 2022, our other income decreased by RM0.65 million or 11.19% mainly due to decrease in transportation income by RM1.46 million pertaining to delivery fees charged to our customers for the delivery of products. The decrease was mainly attributed to lower export sales made in FYE 2022 as reflected in 82.89% decrease in revenue from foreign countries. The decrease was partially offset by the receipt of management fee from PMW Concrete by RM0.48 million for the provision of management services including production planning, technical advice and support.

FYE 2023 compared to FYE 2022

In FYE 2023, our other income increased by RM1.85 million or 36.00% mainly due to increase in transportation income by RM1.17 million pertaining to delivery fees charged to our customers for the delivery of products. The increase was mainly attributed to higher domestic sales made in FYE 2023 as reflected in 58.43% increase in revenue from Malaysia.

FYE 2024 compared to FYE 2023

In FYE 2024, our other income increased by RM1.46 million or 20.88% mainly contributed by the RM0.50 million from the gains on disposal of machinery and equipment at the Kuching Factory to non-related parties. The increase in other income was also partly attributed to the increase in sales of scrap by RM0.39 million, as well as increase in rental income by RM0.38 million due to the additional rental of stockyard to PMW Concrete as well as increase in rental rates of factories to PMW Concrete and Winabumi.

FPE 2025 compared to FPE 2024

In FPE 2025, our other income increased by RM1.88 million or 69.09%. This was attributed to the gain on bargain purchase on acquisition of a subsidiary of RM0.76 million arising from the completion of acquisition of PMW Concrete in May 2025 as well as RM0.57 million arising from the remeasurement gain on interest previously held in an associate. The increase was also partly due to the increase in rental income of RM0.43 million arising from increased rental rates and additional rental of stockyard to PMW Concrete.

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12. FINANCIAL INFORMATION (Cont'd)

12.3.6 Administrative expenses

The table below presents the breakdown of our administrative expenses:

	Audited				Unaudited				Audited			
	FYE 2021 (RM'000)	(%)	FYE 2022 (RM'000)	(%)	FYE 2023 (RM'000)	(%)	FYE 2024 (RM'000)	(%)	FPE 2024 (RM'000)	(%)	FPE 2025 (RM'000)	(%)
Administrative expenses												
Staff costs ⁽¹⁾	2,264	52.85	2,851	51.46	3,004	48.62	4,728	50.54	1,291	45.06	2,651	54.79
Depreciation and amortisation	991	23.13	1,151	20.78	1,204	19.49	1,405	15.02	605	21.12	741	15.31
Travelling and entertainment expenses	186	4.34	366	6.61	397	6.42	427	4.56	190	6.63	226	4.67
Licence, registration, quit rent and associated processing fees	142	3.31	217	3.92	345	5.58	333	3.56	111	3.87	240	4.96
Professional fees and listing expenses	123	2.87	312	5.63	336	5.44	787	8.41	220	7.68	212	4.38
Others ⁽²⁾	578	13.50	643	11.60	893	14.45	1,675	17.91	448	15.64	769	15.89
Total	4,284	100.00	5,540	100.00	6,179	100.00	9,355	100.00	2,865	100.00	4,839	100.00

Notes:

(1) Include directors' remuneration.

(2) Others mainly include office expenses, utilities and upkeep of facilities, penalty, and rental expenses.

FYE 2022 compared to FYE 2021

In FYE 2022, our administrative expenses increased by RM1.26 million or 29.32% mainly due to the following:

- increase in staff costs by RM0.59 million mainly contributed to an increase in salaries in FYE 2022, as well as an increase in the number of administrative, finance, and marketing staff from 17 employees in FYE 2021 to 22 employees in FYE 2022.
- increase in professional fees and listing expenses by RM0.19 million mainly attributed to the legal fees and IPO listing-related expenses in FYE 2022.

FYE 2023 compared to FYE 2022

In FYE 2023, our administrative expenses increased by RM0.64 million or 11.53% mainly due to the following:

- increase in other administrative expenses by RM0.25 million mainly due to office expenses, utilities and upkeep of facilities, and rental expenses.
- increase in staff costs by RM0.15 million mainly attributed to director's remuneration arising from the increase in salaries and bonus payments.
- increase in licence, registration, quit rent and associated processing fees by RM0.13 million.

12. FINANCIAL INFORMATION (Cont'd)

FYE 2024 compared to FYE 2023

In FYE 2024, our administrative expenses increased by RM3.18 million or 51.40% mainly due to the following:

- increase in staff costs by RM1.72 million contributed by increase in the number of administrative, finance, and marketing staff from 30 employees in FYE 2023 to 36 employees in FYE 2024.
- increase in professional fees and listing expenses by RM0.45 million which was mainly attributed to legal fees and IPO listing-related expenses in FYE 2024.
- increase in other administrative expenses by RM0.78 million, mainly office expenses, tax service fees, as well as expenses on utilities and upkeep of facilities.

FPE 2025 compared to FPE 2024

In FPE 2025, our administrative expenses increased by RM1.97 million or 68.90% mainly due to the following:

- increase in staff costs by RM1.36 million arising from increase in salaries, coupled with the staff costs for PMW Lighting which commenced operations in June 2024, as well as PMW Concrete which was acquired in May 2025.
- increase in depreciation and amortisation by RM0.14 million arising from the leasing of the office in Kuala Lumpur as well as depreciation for the renovation of office.
- increase in licence, registration, quit rent and associated processing fees by RM0.13 million mainly pertaining to the subscription fees for information technology related services.

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12. FINANCIAL INFORMATION (Cont'd)

12.3.7 Other operating expenses and net loss/(gain) on impairment of financial instruments

The table below presents the breakdown of our other operating expenses:

	Audited				Unaudited		Audited	
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2024	FPE 2025	FPE 2025
Other operating expenses	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Sales incentives	477	212	791	631	-	-	133	22.54
Obsolete inventories written down	-	-	269	-	-	-	-	-
Travelling expenses	74	169	250	205	47	19.50	104	17.63
Entertainment	2	104	139	204	87	36.10	102	17.29
Marketing expenses	47	34	120	245	66	27.39	135	22.88
Rental expenses	15	98	44	52	30	12.45	45	7.63
Unrealised loss on foreign exchange	1	-	44	35	-	-	15	2.54
Fair value loss on equity investments	-	348	-	-	-	-	-	-
Realised foreign exchange loss	-	-	-	278	10	4.15	53	8.98
Fixed asset written off	-	-	-	687	-	-	-	-
Others ⁽¹⁾	37	19	103	2	1	0.41	3	0.51
	653	984	1,760	2,339	241	100.00	590	100.00
	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Net (loss)/gain on impairment of financial instruments⁽²⁾

(272) (170) (143) (108) - 90

Notes:

- (1) Others mainly include utilities and upkeep of motor vehicles. For FYE 2023, others also include loss on disposal of fixed assets.
- (2) For the Financial Periods Under Review, the net loss or gain on impairment of financial instruments was attributed to allowance or reversal for impairment loss on receivables.

12. FINANCIAL INFORMATION (Cont'd)**FYE 2022 compared to FYE 2021**

For FYE 2022, our other operating expenses increased by RM0.33 million or 50.69% mainly due to the following:

- fair value loss on equity investments of RM0.35 million.
- increase in entertainment expenses by RM0.10 million.

The increase was partially offset by decrease in sales incentives by RM0.27 million arising from the decrease in export sales in FYE 2022.

There was a net loss on impairment of financial instruments of RM0.27 million and RM0.17 million for the FYE 2021 and FYE 2022, pertaining to trade receivables that were past due.

FYE 2023 compared to FYE 2022

For FYE 2023, our other operating expenses increased by RM0.78 million or 78.86% mainly due to the following:

- increase in sales incentives by RM0.58 million arising from the increased sales as reflected in the 58.23% growth of our revenue in FYE 2023.
- write-down of unsaleable second-grade poles and decorative poles of RM0.27 million to their net realisable value.

There was a net loss on impairment of financial instruments of RM0.14 million for the FYE 2023 mainly from impairment to our trade receivables of RM0.30 million attributed to our related party, Kumait.

This was offset by the reversal of net loss on impairment of financial instruments of RM0.16 million due to payment received from our customer that was previously impaired.

FYE 2024 compared to FYE 2023

For FYE 2024, our other operating expenses increased by RM0.58 million or 32.90%, mainly attributed to RM0.69 million of fixed asset written off pertaining to Kuching Factory and workers' hostel. The increase was partially offset by a decrease in sales incentives by RM0.16 million.

There was a net loss on impairment of financial instruments of RM0.11 million for the FYE 2024, mainly arising from trade receivables that were past due.

FPE 2025 compared to FPE 2024

For FPE 2025, our other operating expenses increased by RM0.35 million or 144.81%, mainly attributed to the following:

- increase in sales incentives by RM0.13 million arising from the increased sales as reflected in the 39.13% growth of our revenue in FPE 2025.
- increase in marketing expenses by RM0.07 million.
- increase in travelling expenses by RM0.06 million.
- increase in realised loss on foreign exchange of RM0.04 million.

There was a net gain on impairment of financial instruments of RM0.09 million for the FPE 2025 pertaining to the reversal for impairment on receivables, mainly due to payment received from our customer of which the amount receivables were previously impaired.

12. FINANCIAL INFORMATION (Cont'd)**12.3.8 Finance income**

The table below presents the breakdown of our finance income:

	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Interest income	83	87.37	113	94.96	154	99.35	228	100.00	81	100.00	66	100.00
Lease interest	12	12.63	6	5.04	1	0.65	-	-	-	-	-	-
	95	100.00	119	100.00	155	100.00	228	100.00	81	100.00	66	100.00

FYE 2022 compared to FYE 2021

For FYE 2022, our finance income increased by RM0.02 million or 25.26% mainly due to higher interest rates on deposits.

FYE 2023 compared to FYE 2022

For FYE 2023, our finance income increased by RM0.04 million or 30.25% mainly due to higher interest rates on deposits.

FYE 2024 compared to FYE 2023

For FYE 2024, our finance income increased by RM0.07 million or 47.10% due to the increase in interest income attributed to higher placement of fixed deposits in FYE 2024.

FPE 2025 compared to FPE 2024

For FPE 2025, our finance income declined by RM0.02 million or 18.52% following the withdrawal of a fixed deposit.

12.3.9 Finance costs

The table below presents the breakdown of our finance costs:

	Audited								Unaudited		Audited	
	FYE 2021		FYE 2022		FYE 2023		FYE 2024		FPE 2024		FPE 2025	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Interest expenses on:												
• term loans	426	50.53	484	46.23	604	42.69	691	35.13	262	33.68	367	41.24
• banker's acceptance	251	29.78	359	34.29	544	38.44	919	46.72	386	49.61	345	38.76
• hire purchase	143	16.96	187	17.86	249	17.60	317	16.12	125	16.07	153	17.19
• finance lease	23	2.73	17	1.62	18	1.27	40	2.03	5	0.64	25	2.81
	843	100.00	1,047	100.00	1,415	100.00	1,967	100.00	778	100.00	890	100.00

12. FINANCIAL INFORMATION (Cont'd)**FYE 2022 compared to FYE 2021**

For FYE 2022, our finance costs increased by RM0.20 million or 24.20% mainly due to the increase in interest expense on banker's acceptance resulting from higher utilisation for working capital purposes, as well as term loans attributed to higher interest rate.

FYE 2023 compared to FYE 2022

For FYE 2023, our finance costs increased by RM0.37 million or 35.15% mainly due to the increase in interest expense on banker's acceptance resulting from higher utilisation for working capital purposes, as well as term loans attributed to higher interest rate.

FYE 2024 compared to FYE 2023

For FYE 2024, our finance costs increased by RM0.55 million or 39.01% mainly due to the increase in interest expense on banker's acceptance resulting from the higher utilisation for working capital purposes.

FPE 2025 compared to FPE 2024

For FPE 2025, our finance costs increased by RM0.11 million or 14.40% mainly due to the increase in interest expense on term loans following the drawdown of term loan in the second half of FYE 2024 to refinance the construction of Ipoh Factory 3.

12.3.10 PBT, PAT and income tax expense

The table below presents our PBT, PAT and effective tax rate:

	Audited				Unaudited	Audited
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
PBT (RM'000)	12,778	12,331	21,345	23,670	9,473	8,107
PBT margin (%)	16.85	14.47	15.83	14.32	16.73	10.29
Income tax expense (RM'000)	(4,425)	(2,347)	(5,816)	(6,228)	(2,273)	(1,139)
Effective tax rate (%)	34.63	19.03	27.25	26.31	24.00	14.05
Statutory tax rate (%)	24.00	24.00	24.00	24.00	24.00	24.00
PAT (RM'000)	8,353	9,984	15,529	17,442	7,200	6,968
PAT margin (%)	11.02	11.71	11.51	10.55	12.72	8.85

FYE 2022 compared to FYE 2021

Our PBT decreased by RM0.45 million or 3.50% in FYE 2022, which was mainly due to the increase in administrative expenses, other operating expenses, and finance costs by RM1.26 million, RM0.33 million, and RM0.20 million respectively, as well as the decrease in other income by RM0.65 million. This was partially offset by the increase in our GP by RM1.46 million on the back of an increase in revenue by RM9.41 million in FYE 2022.

Our PBT margin decreased from 16.85% in FYE 2021 to 14.47% in FYE 2022, which was mainly due to lower GP margin which decreased from 17.24% for FYE 2021 to 17.06% for FYE 2022, as well as increase in administrative expenses, other operating expenses, and finance costs, coupled with decrease in other income.

Our PAT increased by RM1.63 million or 19.54% in FYE 2022 and our PAT margin improved from 11.02% in FYE 2021 to 11.71% in FYE 2022. This was mainly attributed to the lower tax expenses incurred in FYE 2022.

12. FINANCIAL INFORMATION (Cont'd)

For FYE 2021, our effective tax rate was at 34.63%, which was higher than the statutory tax rate of 24.00%. This was mainly attributed to under provision of deferred tax in the prior year amounting to RM1.15 million, mainly arising from the fair value gain on industrial land as well as non-deductible expenses such as entertainment expenses, depreciation of assets and non-tax deductible donation under Section 44(6) of the Malaysian Income Tax Act, 1967 to association and schools.

For FYE 2022, our effective tax rate was at 19.03%, which was lower than the statutory tax rate of 24.00%. This was mainly attributed to overprovision of current tax in the prior year as we utilised the prior year export allowance in FYE 2022.

FYE 2023 compared to FYE 2022

Our PBT increased by RM9.01 million or 73.10% in FYE 2023, which was mainly due to increase in our GP of RM8.56 million or 58.85% on the back of an increase in revenue by 58.23% in FYE 2023. This was mainly attributed to the increase in revenue and GP from our manufacturing and trading segments.

Our PBT margin improved from 14.47% in FYE 2022 to 15.83% in FYE 2023, which was mainly due to the lower proportion of administrative expenses, other operating expenses, and finance costs against the revenue generated in FYE 2023 at 6.94% (FYE 2022: 8.88%). This was coupled with higher GP margin which increased from 17.06% for FYE 2022 to 17.12% for FYE 2023.

Correspondingly, our PAT increased by RM5.54 million or 55.52% in FYE 2023 while our PAT margin declined from 11.71% in FYE 2022 to 11.51% in FYE 2023.

For FYE 2023, our effective tax rate was at 27.25%, which was higher than the statutory tax rate of 24.00%. This was mainly attributed to the under provision of current tax in prior year of RM0.42 million, under provision of deferred tax in prior year period of RM0.14 million, as well as non-deductible expenses such as entertainment expenses, depreciation of assets and non-tax deductible donation under Section 44(6) of the Malaysian Income Tax Act, 1967 to association and schools.

FYE 2024 compared to FYE 2023

Our PBT increased by RM2.33 million or 10.89% in FYE 2024, which was mainly due to the increase in our GP of RM5.05 million or 21.88% on the back of an increase in revenue by 22.59% in FYE 2024.

Our PBT margin decreased from 15.83% in FYE 2023 to 14.32% in FYE 2024, which was mainly due to the increase in administrative expenses, other operating expenses, and finance costs.

Similarly, our PAT increased by RM1.91 million or 12.32% in FYE 2024 while PAT margin decreased from 11.51% in FYE 2023 to 10.55% in FYE 2024.

For FYE 2024, our effective tax rate was at 26.31%, which was higher than the statutory tax rate of 24.00%. This was mainly attributed to non-deductible expenses such as depreciation, as well as differentials in tax rates.

FPE 2025 compared to FPE 2024

Our PBT decreased by RM1.37 million or 14.42% in FPE 2025, and PBT margin declined from 16.73% in FPE 2024 to 10.29% in FPE 2025. This was mainly due to the decrease in GP and GP margin in FPE 2025.

12. FINANCIAL INFORMATION (Cont'd)

In addition, the decrease was partly attributed to the increase in administrative expenses mainly due to the increase in staff costs arising from increase in salaries, coupled with the staff costs for PMW Lighting which commenced operations in June 2024, as well as PMW Concrete which was acquired in May 2025.

The decrease in PBT was partially offset by an increase in other income mainly contributed by RM0.76 million of gain on bargain purchase arising from the completion of acquisition of PMW Concrete in May 2025 as well as RM0.57 million arising from the gain on interest previously held in associate.

Similarly, our PAT decreased by RM0.23 million or 3.22% in FPE 2025, and PAT margin decreased from 12.72% in FPE 2024 to 8.85% in FPE 2025.

For FPE June 2025, our effective tax rate was at 14.05%, which was lower than the statutory tax rate of 24.00%. This was mainly attributed to the tax exempt income of RM0.47 million, over provision of deferred tax in prior year of RM0.32 million as well as over provision of current tax in prior year period of RM0.11 million.

12.3.11 Significant factors materially affecting our operations and financial results**(i) Our business and financial performance are dependent on our ability to continually secure new contracts and purchase orders**

During the Financial Periods Under Review and up to the LPD, most of our revenue was from non-recurrent contracts and purchase orders. In this respect, our business sustainability and financial performance depends on our ability to continually securing new contracts and purchase orders from our customers. If we are unable to continuously secure new contracts and purchase orders in sufficient number and value, our business sustainability and future financial performance would be adversely affected.

(ii) Impact of the fluctuations in the prices of materials that we purchase

Our main materials purchased for our trading and manufacturing operations include steel materials, cement, sand, and aggregates. In general, steel materials, cement, sand, and aggregate are commodities and their prices are subject to market price fluctuations that are beyond our control. A sustained increase and/or adverse fluctuations in the prices of one or more of these input materials may have an adverse effect on our financial performance. There can be no assurance that we will be able to fully pass on all of the increases in the prices of input materials to our customers. In the event we are unable to pass on these price increases to our customers, our margins and our financial performance will be adversely affected.

(iii) Impact of foreign exchange

Our business is exposed to the risk of foreign exchange fluctuations where 19.27%, 2.93%, 2.81%, 7.37% and 6.01% of our total revenue for FYE 2021, FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively, were transacted in foreign currencies including USD and EUR, while 3.71%, 6.99%, 3.43%, 4.22% and 8.11% of our total purchases of materials and services for FYE 2021, FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively, were transacted in foreign currencies, including USD and CNY.

For the Financial Periods Under Review, the breakdown of our revenue and purchases transacted in RM and foreign currencies are as follows:

12. FINANCIAL INFORMATION (Cont'd)

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	75,826	85,235	134,869	165,337	78,770
RM	61,212	82,734	131,083	153,140	74,037
USD	14,614	1,991	3,786	10,372	4,733
EUR	-	510	-	1,825	-
Purchases	47,632	61,514	97,766	119,592	50,645
RM	45,769	57,079	94,033	114,545	46,540
USD	633	1,588	980	2,434	2,583
CNY	1,230	2,847	2,753	2,613	1,522

The details of our foreign currency exchange gains and losses during the Financial Periods Under Review are as follows:

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Realised gain/(loss) on foreign exchange	190	29	84	(278)	(53)
Unrealised gain/(loss) on foreign exchange	(1)	79	(44)	(35)	(15)
Net gain/(loss)	189	108	40	(313)	(68)

Our business is subject to risks relating to any unfavourable foreign currency exchange rate fluctuations which could materially affect our financial performance. During the Financial Periods Under Review, our Group used forward currency contracts to manage some of our foreign currency exposure in relation to sales and purchases that are transacted in foreign currency.

(iv) Impact on interest rates fluctuations

As at 31 May 2025, our total bank borrowings were RM47.85 million. All our bank borrowings were interest-bearing, including RM40.89 million based on floating interest rates, while the remaining RM6.96 million based on fixed interest rates. We incurred finance costs of RM0.84 million, RM1.05 million, RM1.42 million, RM1.97 million and RM0.89 million in FYE 2021, FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

In this respect, any increases in the interest rates or drawdown of borrowings may impact on our financial performance. If we fail or encounter difficulties in meeting the financial obligations when they fall due, this will result in a financial distress condition which will affect our operations and financial performance. For the Financial Periods Under Review and up to the LPD, we have not defaulted on any payments of either principal or interests in relation to our borrowings.

(v) Impact of inflation

Our business, financial condition or results of our operations for the Financial Periods Under Review were not materially affected by the impact of inflation. However, there can be no assurance that future inflation would not impact on our business operations and financial performance.

(vi) Government/economic/fiscal/monetary policies

Our business is subject to risks relating to government, economic, fiscal or monetary policies as well as regulatory risks, geopolitical events, as well as occurrence of force majeure events in Malaysia and the foreign markets that we served. Any unfavourable changes in such government policies, economic conditions, fiscal or monetary policies may materially affect our operations in Malaysia and global markets. Please refer to Section 9.2.3 of this Prospectus for further details.

12. FINANCIAL INFORMATION (Cont'd)**12.3.12 Liquidity and capital resources****(i) Working capital**

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

As at 31 May 2025, our cash and bank balances were RM46.21 million and our total borrowings (including hire purchase liabilities) were RM47.85 million. As at 31 May 2025, our gearing ratio was 0.47 times and current ratio was 1.87 times. As at the LPD, we have banking facilities of RM53.33 million, of which RM22.41 million has yet to be utilised.

Based on the above and taking into consideration our funding requirements for our committed capital expenditure, expected cash flow to be generated from our operations, the amount that is available under our existing banking facilities, as well as proceeds to be raised from the Public Issue, our Board believes that we have adequate working capital to meet our present and foreseeable requirements for 12 months from the date of this Prospectus.

(ii) Cash flows

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

	Audited				
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Net cash from operating activities	11,078	16,458	12,478	21,137	15,943
Net cash (used in)/from investing activities	(4,067)	(11,292)	89	(5,909)	(3,005)
Net cash used in financing activities	(888)	(3,619)	(6,723)	(7,150)	(7,092)
Net increase in cash and cash equivalents	6,123	1,547	5,844	8,078	5,846
Effect of exchange rate changes	*	54	(41)	(74)	(87)
Cash and cash equivalents at the beginning of the financial year	18,924	25,047	26,648	32,451	40,455
Cash and cash equivalents at the end of the financial year^(a)	25,047	26,648	32,451	40,455	46,214

Note:

* Less than RM1,000

(a) The components of our cash and cash equivalents are set out as below:

	Audited				
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Cash and bank balances	6,480	7,850	7,533	9,994	13,162
Short-term deposits	1,160	1,625	2,828	1,417	1,905
Money market fund*	17,407	17,173	22,090	29,044	31,147
	25,047	26,648	32,451	40,455	46,214

* Represents the investment in unit trust fund which primarily invests in money market instruments. For further details, please refer to Note 12.2 of the Accountants' Report as set out in Section 13 of this Prospectus.

12. FINANCIAL INFORMATION (Cont'd)**(a) Net cash from operating activities****FYE 2021**

For FYE 2021, our Group's net cash generated from operating activities was RM11.08 million after taking into account the following:

- increase in trade and other receivables, and prepayment by RM4.02 million, which was mainly due to higher outstanding trade receivables with an amount of RM15.71 million as at 31 December 2021 (31 December 2020: RM12.76 million);
- decrease in inventories of RM2.31 million, which was mainly attributed to the decrease in work-in-progress and finished goods after delivery to our customers;
- decrease in contract liabilities by RM0.63 million following the delivery of goods to our customers; and
- decrease in trade and other payables by RM0.11 million, which was mainly due to lower outstanding other payables as at 31 December 2021.

FYE 2022

For FYE 2022, our Group's net cash generated from operating activities was RM16.46 million after taking into account the following:

- increase in trade and other payables of RM6.10 million, which was mainly due to an increase in outstanding trade payables by RM5.34 million as there were higher purchases of input materials at the end of FYE 2022. This also reflected in the increase in purchases to RM61.51 million in FYE 2022 (FYE 2021: RM47.63 million);
- increase in trade and other receivables, and prepayment of RM5.69 million, mainly due to higher outstanding trade receivables by PMW Concrete with an outstanding amount of RM9.74 million as at 31 December 2022 (31 December 2021: RM6.02 million).

The increase is also partly attributed to higher outstanding other receivables by PMW Concrete of RM1.23 million as at 31 December 2022 (31 December 2021: RM0.47 million). This was pertaining to the amount due from the PMW Concrete mainly arising from the commission income and management fee income.

- increase in contract liabilities by RM1.48 million, mainly attributed to deposits collected from customers for trading of spun piles upon confirmation of purchase orders; and
- increase in inventories of RM0.37 million, mainly attributed to RM3.54 million of raw materials for preparation of spun poles and piles production.

FYE 2023

For the FYE 2023, our Group's net cash generated from operating activities was RM12.48 million after taking into account the following:

- increase in trade and other receivables, and prepayment of RM10.60 million, which was mainly due to higher outstanding trade receivables by the third parties with an outstanding amount of RM9.55 million as at 31 December 2023 (31 December 2022: RM4.57 million), as well as amount owing by the related parties, Oman Poles, Kumait, and Winabumi, a total outstanding amount of RM8.82 million as at 31 December 2023 (31 December 2022: RM6.27 million). This was mainly due to higher revenue and billings during the second half of FYE 2023;

12. FINANCIAL INFORMATION (Cont'd)

- increase in trade and other payables of RM7.89 million, which was mainly due to higher outstanding trade payables by RM6.51 million as there were higher purchases of input materials in FYE 2023. This also reflected in the increase in purchases to RM97.77 million in FYE 2023 (FYE 2022: RM61.51 million)
- increase in inventories of RM5.78 million, mainly attributed to RM10.23 million of finished goods pertaining to mainly spun poles and piles, as well as RM4.49 million of raw materials for preparation of spun poles and piles production.
- decrease in contract liabilities by RM1.41 million following the delivery of goods to our customers.

FYE 2024

For the FYE 2024, our Group's net cash generated from operating activities was RM21.14 million after taking into account the following:

- increase in trade and other receivables, and prepayment of RM13.18 million, which was mainly due to higher outstanding trade receivables, mainly from third parties with an outstanding amount of RM27.78 million as at 31 December 2024 (31 December 2023: RM9.55 million);
- increase in trade and other payables of RM10.40 million, which was due to capitalisation of amount due to controlling shareholders;
- increase in inventories of RM5.65 million, mainly attributed to higher inventory of finished goods comprising mainly spun piles; and
- increase in contract liabilities by RM3.49 million, mainly attributed to deposits collected from customers for the manufacturing of moulds upon confirmation of purchase orders.

FPE 2025

For the FPE 2025, our Group's net cash generated from operating activities was RM15.94 million after taking into account the following:

- decrease in inventories of RM8.29 million mainly attributed to lower inventory of finished goods comprising mainly spun poles and piles;
- decrease in trade and other payables by RM6.87 million, mainly due to the absence of dividend payables in FPE 2025;
- decrease in trade and other receivables, and prepayment of RM4.64 million, which was mainly due to lower outstanding trade and other receivables (excluding the outstanding trade receivables of PMW Concrete which was acquired in May 2025);
- increase in contract liabilities by RM2.71 million, mainly attributed to deposits collected from customers for the manufacturing of moulds upon confirmation of purchase orders.

(b) Net cash used in/from investing activities**FYE 2021**

For the FYE 2021, our Group's net cash used in investing activities was RM4.07 million after taking into account the following:

- RM3.05 million used for the purchase of property, plant, and equipment ("PPE") in FYE 2021 and the remaining RM1.06 million was funded by borrowings. The total purchases of PPE in FYE 2021 were RM4.11 million, mainly include the purchase of machinery and equipment (RM2.70 million) and motor vehicles (RM0.77 million);
- acquisition of investment in equity instruments of RM1.44 million; and
- acquisition of leasehold land of RM0.97 million.

12. FINANCIAL INFORMATION (Cont'd)

The net cash used was partially offset by the proceeds of RM0.56 million from disposal of machinery and equipment, and motor vehicles.

FYE 2022

For the FYE 2022, our Group's net cash used in investing activities was RM11.29 million which was mainly attributed to RM11.48 million used for the purchase of PPE, and the remaining RM3.72 million was funded by borrowings. The total purchases of PPE in FYE 2022 were RM15.20 million, mainly include the purchase of capital work-in-progress (RM9.35 million), machinery and equipment (RM3.12 million), and buildings (RM2.18 million).

FYE 2023

For the FYE 2023, our Group's net cash from investing activities was RM0.09 million which was mainly attributed to proceeds of RM2.45 million from the disposal of investment in equity instruments, as well as RM0.27 million dividend received.

The net cash generated was partially offset by the RM2.79 million used for the purchase of PPE and the remaining RM3.24 million was funded by borrowings. The total purchases of PPE in FYE 2023 were RM6.03 million, mainly include machinery and equipment (RM2.70 million), motor vehicles (RM1.48 million), and buildings (RM1.09 million).

FYE 2024

For the FYE 2024, our Group's net cash used in investing activities was RM5.91 million which was mainly attributed to RM7.91 million used for the purchase of PPE and the remaining RM2.61 million was funded by borrowings. The total purchases of PPE in FYE 2024 were RM10.52 million, mainly include the purchase of machinery and equipment (RM4.77 million), buildings (RM2.27 million), motor vehicles (RM1.52 million) and capital work-in-progress (RM1.28 million).

The net cash used was partially offset by the proceeds of RM2.22 million from the disposal of PPE mainly machinery and equipment, as well as motor vehicles.

FPE 2025

For the FPE 2025, our Group's net cash used in investing activities was RM3.00 million which was mainly attributed to RM3.10 million used for the purchase of PPE and the remaining RM0.67 million was funded by borrowings. The total purchases of PPE in FPE 2025 were RM3.77 million, mainly include the purchase of machinery and equipment (RM1.37 million), buildings (RM1.22 million), and capital work-in-progress (RM0.86 million).

(c) Net cash used in financing activities**FYE 2021**

For the FYE 2021, our Group's net cash used in financing activities was RM0.89 million after taking into account the following:

- dividend paid of RM2.00 million;
- net repayment of hire purchase liabilities of RM1.60 million; and
- interest paid of RM0.82 million.

This was partially offset by RM3.45 million from the net drawdown of term loans.

12. FINANCIAL INFORMATION (Cont'd)**FYE 2022**

For the FYE 2022, our Group's net cash used in financing activities was RM3.62 million after taking into account the following:

- net repayment of term loans of RM1.51 million;
- dividend paid of RM1.50 million;
- net repayment of hire purchase liabilities of RM1.33 million; and
- interest paid of RM1.03 million.

This was partially offset by RM2.14 million from the net drawdown of banker's acceptance.

FYE 2023

For the FYE 2023, our Group's net cash used in financing activities was RM6.72 million after taking into account the following:

- dividend paid of RM7.20 million;
- net repayment of hire purchase liabilities of RM1.71 million; and
- interest paid of RM1.40 million.

This was partially offset by RM3.79 million from the net drawdown of banker's acceptance.

FYE 2024

For the FYE 2024, our Group's net cash used in financing activities was RM7.15 million after taking into account the following:

- dividend paid of RM20.75 million;
- net repayment of hire purchase liabilities of RM2.02 million; and
- interest paid of RM1.93 million.

This was partially offset by RM10.76 million from the net drawdown of banker's acceptance and RM7.03 million from the net drawdown of term loans.

FPE 2025

For the FPE 2025, our Group's net cash used in financing activities was RM7.09 million after taking into account the following:

- net repayment of banker's acceptances of RM2.25 million;
- RM1.83 million used for the acquisition of shares in PMW Concrete;
- net repayment of term loans of RM1.00 million;
- net repayment of hire purchase liabilities of RM0.89 million; and
- interest paid of RM0.86 million.

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12. FINANCIAL INFORMATION (Cont'd)**(iii) Borrowings**

As at 31 May 2025, our Group's total interest-bearing bank borrowings was RM47.85 million, all of which are denominated in RM, as set out below:

	<-----As at 31 May 2025----->		
	Payable within 12 months (RM'000)	Payable after 12 months (RM'000)	Total (RM'000)
Term loans ⁽¹⁾	2,268	17,067	19,335
Hire purchase liabilities ⁽²⁾	2,270	4,691	6,961
Banker's acceptance ⁽³⁾	21,557	-	21,557
Total	26,095	21,758	47,853

Gearing ratio⁽⁴⁾ 0.47

Notes:

- (1) Term loans were used mainly for the construction of new production facilities, factory upgrades and working capital purposes.
- (2) Hire purchase liabilities were used to partially finance the purchase of machinery and equipment, and motor vehicles.
- (3) Banker's acceptance was mainly used for working capital purposes.
- (4) Calculated based on total loans and borrowings divided by total equity.

The maturity profile and average effective interest rates of our bank borrowings as at 31 May 2025 are set out below:

	Average interest rates	<-----As at 31 May 2025----->			Total (RM'000)
		Less than 1 year (RM'000)	1 to 5 years (RM'000)	More than 5 years (RM'000)	
Term loans	3.00% to 4.95%	2,268	8,260	8,807	19,335
Hire purchase liabilities	2.28% to 5.19%	2,270	4,691	-	6,961
Banker's acceptance	4.21% to 4.77%	21,557	-	-	21,557
Total		26,095	12,951	8,807	47,853

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

	(RM'000)
Floating rate borrowings ⁽¹⁾	40,892
Fixed-rate borrowings ⁽²⁾	6,961
Total borrowings	47,853

Notes:

- (1) Include banker's acceptance and term loans.
- (2) Include hire purchase liabilities.

As at the LPD, we do not have any borrowings which were non-interest bearing and/or in foreign currency. Our Group has not defaulted on payments of principal sums and/or interests concerning any borrowings for the Financial Periods Under Review and up to the LPD.

We did not encounter any seasonality in the trend of our borrowings and there are no restrictions on the use of our committed banking facilities.

12. FINANCIAL INFORMATION (Cont'd)

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

As at the LPD, save as disclosed above, our Group did not use any other credit facilities.

(iv) Treasury policies and objectives

Our Group's operations have been funded through shareholder's equity, cash generated from our business operations and external sources of funds. The external sources of funds consist primarily of banking facilities from financial institutions. The normal credit terms granted by our suppliers typically ranged between 14 days and 90 days.

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

- term loans mainly for construction of new production facilities, factory upgrades and working capital purposes;
- hire purchase liabilities mainly to finance the purchase of plant and equipment, and motor vehicles; and
- banker's acceptance mainly for working capital purposes.

The interest rates for our bank borrowings are based on the market rates prevailing at the dates of the respective transactions. As at the LPD, our Group has available banking facilities of RM53.33 million, of which RM22.41 million has yet to be utilised.

The main objective of our capital management is to ensure that we maintain a strong credit rating and healthy capital ratios in order to support our business and maximise shareholders' value. We manage our capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, we may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. We monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt.

(v) Financial instruments for hedging purposes

During the Financial Periods Under Review, our Group used forward exchange contracts to manage some of our foreign currency exposure in relation to the sales that are transacted in foreign currency. Please refer to Note 27.6.1 of the Accountants' Report included in Section 13 of this Prospectus for further details.

(vi) Financial guarantees

As at the LPD, we do not have any financial guarantee contracts.

(vii) Material litigation, claims or arbitration

As at the LPD, neither our Company nor our subsidiaries are involved in any material litigation, claim or arbitration either as plaintiff or defendant and we are not aware of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially or adversely affect our position or business.

(viii) Material contingent liabilities

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

12. FINANCIAL INFORMATION (Cont'd)**(ix) Material commitment for capital expenditures**

As at the LPD, our Group's material capital commitments are summarised as follows:

	Capital commitment (RM'000)	Source of funds	
		Internally generated funds/ bank borrowings (RM'000)	IPO proceeds (RM'000)
Approved and/or contracted for:			
• Purchase of new machinery and equipment	5,163	5,163	-
Approved but not contracted for:			
• Establish the Tanjung Manis Facility ⁽¹⁾	50,249	3,541	46,708
• Purchase of new machinery and equipment	581	-	581
Total	55,993	8,704	47,289

Note:

- (1) The total estimated cost of establishing the Tanjung Manis Facility is RM50.25 million, excluding the cost of land which is amount to approximately RM12.59 million. We have accepted the provisional offer for the acquisition of the land in Tanjung Manis in 25 August 2025 and paid a deposit of RM5,000. However, subsequent to the LPD, STIDC decided to participate in the development of the Tanjung Manis Facility through equity involvement and the sale of the land in Tanjung Manis to our Group will not be pursued.

Please refer to Section 7.15 of this Prospectus for further details of our business strategies and plans.

12.3.13 Key financial ratios

The following table provides the key financial ratios for the Financial Periods Under Review:

	FYE 2021	FYE 2022	Audited		
			FYE 2023	FYE 2024	FPE 2025
Average trade receivables turnover period (days) ⁽¹⁾	69	77	67	79	85
Average trade payables turnover period (days) ⁽²⁾	34	50	51	52	47
Average inventory turnover (days) ⁽³⁾	68	55	44	50	44
Current ratio (times) ⁽⁴⁾	2.54	1.66	1.66	1.70	1.87
Gearing ratio (times) ⁽⁵⁾	0.35	0.38	0.42	0.59	0.47

Notes:

- (1) Computed based on average opening and closing trade receivables over revenue for each of the respective financial periods, multiplied by 365 days for FYE 2021, FYE 2022, FYE 2023, and FYE 2024, and 151 days for FPE 2025:

	FYE 2021 (RM'000)	FYE 2022 (RM'000)	Audited		
			FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)
Opening net trade receivables	12,764	15,715	20,142	29,623	41,942
Closing net trade receivables	15,715	20,142	29,623	41,942	46,553
Revenue	75,826	85,235	134,869	165,337	78,770
Average trade receivables turnover (days)	69	77	67	79	85

12. FINANCIAL INFORMATION (Cont'd)

- (2) Computed based on average opening and closing trade payables over cost of sales for the respective financial periods, multiplied by 365 days for FYE 2021, FYE 2022, FYE 2023, and FYE 2024, and 151 days for FPE 2025:

	Audited				
	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)
Opening trade payables	4,757	7,044	12,384	18,899	20,026
Closing trade payables	7,044	12,384	18,899	20,026	23,669
Cost of sales	62,751	70,698	111,777	137,192	69,742
Average trade payables turnover period (days)	34	50	51	52	47

- (3) Computed based on average opening and closing inventories over cost of sales for the respective financial periods, multiplied by 365 days for FYE 2021, FYE 2022, FYE 2023, and FYE 2024 and 151 days for FPE 2025:

	Audited				
	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)
Inventory opening balance	12,766	10,460	10,833	16,084	21,738
Inventory closing balance	10,460	10,833	16,084	21,738	18,815
Cost of sales	62,751	70,698	111,777	137,192	69,742
Average inventory turnover (days)	68	55	44	50	44

- (4) Computed based on current assets over current liabilities as at each financial period end.
- (5) Computed based on total borrowings (include hire purchase) over total equity as at each financial period end.

(i) Trade receivables

The breakdown of our Group's trade receivables is as set out below:

	Audited				
	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)
Trade receivables	15,986	20,584	30,097	42,494	47,009
Less:					
Impairment loss ^(a)	(271)	(442)	(474)	(552)	(456)
Net trade receivables	15,715	20,142	29,623	41,942	46,553
Revenue	75,826	85,235	134,869	165,337	78,770
Average trade receivables turnover period (days) ^(b)	69	77	67	79	85

Notes:

- (a) Impairment losses pertaining to the trade receivables that were past due. These impairment losses were past overdue outstanding amounts from various customers, after taking into considerations the payment history of these customers and follow-up communications and reminders. As at FPE 2025, the impairment loss was associated with 4 customers. As at the LPD, we are no longer dealing with these customers.

Our Group's policy for the provision for impairment loss of trade receivables include assessing the collectability of the trade receivables which takes into considerations the payment history records, quantum of amount owing and financial condition of the customers.

- (b) Computed based on average opening and closing trade receivables over revenue for each of the respective financial periods, multiplied by 365 days for FYE 2021, FYE 2022, FYE 2023, and FYE 2024 and 151 days for FPE 2025.

12. FINANCIAL INFORMATION (Cont'd)

For the Financial Periods Under Review, the normal credit terms granted to customers range from 30 to 90 days. Other credit terms are assessed and approved on a case-by-case basis.

For the Financial Periods Under Review, our average trade receivables turnover period ranges between 67 days and 85 days, which was within the normal credit period granted to our customers.

Our Group's average trade receivable turnover period increased from 69 days as at 31 December 2021 to 77 days as at 31 December 2022. This was mainly attributed to higher outstanding trade receivables mainly from PMW Concrete and Winabumi.

Our Group's average trade receivable turnover period improved from 77 days as at 31 December 2022 to 67 days as at 31 December 2023. This was mainly due to improvement in collections from customers. This was reflected in the lower proportion of past due trade receivables balances over the total trade receivables in FYE 2023.

Our Group's average trade receivable turnover period increased from 67 days as at 31 December 2023 to 79 days as at 31 December 2024, mainly due to higher sales in the last quarter of FYE 2024. This was reflected in the higher proportion of trade receivables over revenue of 25.37% in FYE 2024 compared to 21.96% in FYE 2023.

Our Group's average trade receivable turnover period further increased from 79 days as at 31 December 2024 to 85 days as at 31 May 2025, mainly due to slower collection from customers. This was reflected in the higher proportion of past due trade receivables balances over the total trade receivables of 47.17% in FPE 2025 compared to 44.94% in FYE 2024.

The ageing analysis of our trade receivables as at 31 May 2025 is as follows:

	Not past due	Past due (days)				Total
		1 – 30	31 – 60	61 – 90	>90	
Net trade receivables (RM'000)	25,054	14,003	624	640	6,232	46,553
<i>Proportion of net trade receivables (%)</i>	<i>53.82</i>	<i>30.08</i>	<i>1.34</i>	<i>1.37</i>	<i>13.39</i>	<i>100.00</i>
Subsequent collections as at the LPD (RM'000)	17,374	13,995	624	620	5,535	38,108
Net trade receivables net of subsequent collections (RM'000)	7,680	48	-	20	697	8,445
<i>% of total net receivables net of subsequent collections</i>	<i>90.94</i>	<i>0.57</i>	<i>-</i>	<i>0.24</i>	<i>8.25</i>	<i>100.00</i>

As at the LPD, RM38.18 million or 81.86% of our net trade receivables as at 31 May 2025 has been subsequently collected. The remaining RM8.45 million or 18.14% of our net trade receivables are still outstanding as at the LPD.

12. FINANCIAL INFORMATION (Cont'd)**(ii) Trade payables**

The breakdown of our Group's trade payables is as set out below:

	Audited				
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Trade payables	7,044	12,384	18,899	20,026	23,669
Cost of sales	62,751	70,698	111,777	137,192	69,742
Average trade payables turnover period (days) ^(a)	34	50	51	52	47

Note:

- (a) Computed based on average opening and closing trade payables over the total cost of sales for the respective financial periods, multiplied by 365 days for FYE 2021, FYE 2022, FYE 2023, and FYE 2024, and 151 days for FPE 2025.

For the Financial Periods Under Review, the normal credit terms granted by our suppliers range from 14 to 90 days.

The Group's average trade payables turnover period has been on an increasing trend from 34 days as at 31 December 2021 to 50 days as at 31 December 2022, and further increased to 51 days as at 31 December 2023 and 52 days as at 31 December 2024. This was mainly due to higher outstanding trade payable balances on the back of higher purchases of materials, finished products and services during the Financial Periods Under Review.

Our Group's average trade payables turnover period increased from 34 days as at 31 December 2021 to 50 days as at 31 December 2022. This was mainly due to higher outstanding trade payable balances of RM12.38 million as at 31 December 2022 as compared to RM7.04 million as at 31 December 2021 arising from past due outstanding amount to our suppliers.

Our Group's average trade payables turnover period increased from 50 days as at 31 December 2022 to 51 days as at 31 December 2023. This was mainly due to higher outstanding trade payable balances of RM18.90 million as at 31 December 2023 as compared to RM12.38 million as at 31 December 2022 arising from higher purchases of materials, finished products and services in FYE 2023.

Our Group's average trade payables turnover period increased from 51 days as at 31 December 2023 to 52 days as at 31 December 2024. This was mainly due to higher outstanding trade payable balances of RM20.03 million as at 31 December 2024 as compared to RM18.90 million as at 31 December 2023 arising from higher purchases of materials, finished products and services in FYE 2024.

Our Group's average trade payables turnover period improved from 52 days as at 31 December 2024 to 47 days as at 31 May 2025 due to improvement in payments to suppliers.

12. FINANCIAL INFORMATION (Cont'd)

The ageing analysis of our trade payables as at 31 May 2025 is as follows:

	Not past due	Past due (days)				Total
		1 – 30	31 – 60	61 – 90	>90	
Trade payables (RM'000)	12,837	5,710	2,834	1,835	453	23,669
Proportion of trade payables (%)	54.24	24.13	11.97	7.75	1.91	100.00
Subsequent payments as at the LPD (RM'000)	12,027	5,685	2,832	1,834	453	22,831
% of subsequent payments as at the LPD	52.68	24.90	12.41	8.03	1.98	100.00
Outstanding trade payables (RM'000)	810	25	2	1	-	838

As at the LPD, RM22.83 million or 96.46% of our trade payables as at 31 May 2025 has been subsequently paid. The remaining RM0.84 million or 3.54% of our trade payables are still outstanding as at the LPD.

(iii) Inventories

The breakdown of our Group's inventories is as set out below:

	Audited				
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Inventories	10,460	10,833	16,084	21,738	18,815
Cost of sales	62,751	70,698	111,777	137,192	69,742
Average inventory turnover (days) ^(a)	68	55	44	50	44

Note:

- (a) Computed based on average opening and closing inventories over cost of sales for the respective financial periods, multiplied by 365 days for FYE 2021, FYE 2022, FYE 2023, and FYE 2024, and 151 days for FPE 2025.

Our Group's average inventory turnover period improved from 68 days as at 31 December 2021 to 55 days as at 31 December 2022. This was mainly attributed higher cost of sales in FYE 2022 arising from higher overall sales during the financial year, as reflected in the growth of 12.41% in the total revenue.

Our Group's average inventory turnover period improved from 55 days as at 31 December 2022 to 44 days as at 31 December 2023, mainly attributed to higher cost of sales in FYE 2023 arising from higher overall sales during the financial year, as reflected in the 58.23% growth of total revenue.

Our Group's average inventory turnover period increased from 44 days as at 31 December 2023 to 50 days as at 31 December 2024, mainly due to the higher inventory of finished goods.

Our Group's average inventory turnover period declined from 50 days as at 31 December 2024 to 44 days as at 31 May 2025, mainly due to the lower inventory of finished goods.

12. FINANCIAL INFORMATION (Cont'd)**(iv) Current ratio**

The table below sets out a summary of our current ratio for the financial periods indicated:

	Audited				
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
Current assets (RM'000)	58,927	66,505	85,920	112,334	121,972
Current liabilities (RM'000)	23,208	40,017	51,805	66,096	65,400
Current ratio (times) ^(a)	2.54	1.66	1.66	1.70	1.87

Note:

(a) Computed based on current assets over current liabilities

As at 31 December 2022, our Group's current ratio was 1.66 times which was lower compared to 2.54 times as at 31 December 2021. This was mainly due to increase in our current liabilities by RM16.81 million, mainly attributed to the higher trade and other payables as well as higher outstanding balances for loans and borrowings as at 31 December 2022.

As at 31 December 2023, our Group's current ratio was 1.66 times which was the same as the current ratio of 1.66 times as at 31 December 2022. There was an increase in our current assets by RM19.42 million, mainly attributed to the higher trade receivables, increase in cash and cash equivalents as well as higher inventory balances as at 31 December 2023. However, these were offset by the increase in our current liabilities by RM11.79 million, mainly attributed to the higher outstanding trade payables as well as higher outstanding balances for loans and borrowings as at 31 December 2023.

Our Group's current ratio as at 31 December 2024 was 1.70 times, which was higher compared to 1.66 times as at 31 December 2023. This was mainly due to the increase in our current assets by RM26.41 million, mainly attributed to higher outstanding trade receivables as well as cash and cash equivalents. This was partially offset by an increase in our current liabilities by RM14.29 million, mainly attributed to higher outstanding balances for loans and borrowings and higher contract liabilities as at 31 December 2024.

Our Group's current ratio as at 31 May 2025 was 1.87 times, which was higher compared to 1.70 times as at 31 December 2024. There was an increase in our current assets by RM9.64 million mainly attributed to the increase in cash and cash equivalents, as well as higher trade receivables as at 31 May 2025.

(v) Gearing ratio

The table below sets out a summary of our gearing ratio for the financial years indicated:

	Audited				
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
Total borrowings ^(a) (RM'000)	24,218	27,234	32,647	51,037	47,853
Total equity (RM'000)	69,858	71,142	77,821	86,644	101,931
Gearing ratio (times) ^(b)	0.35	0.38	0.42	0.59	0.47

Note:

(1) Computed based on total borrowings (include hire purchase liabilities) over total equity as at each financial period end.

As at 31 December 2022, our Group's gearing ratio was 0.38 times which was slightly higher compared to 0.35 times as at 31 December 2021. This was mainly due to the increase in bank borrowings including banker's acceptances by RM2.14 million for working capital to purchase input materials, as well as hire purchase by RM2.39 million for the purchase of plant and equipment.

12. FINANCIAL INFORMATION (Cont'd)

As at 31 December 2023, our Group's gearing ratio was 0.42 times which was slightly higher compared to 0.38 times as at 31 December 2022. This was mainly due to the increase in banker's acceptances by RM3.79 million for working capital to purchase input materials.

Our Group's gearing ratio increased from 0.42 times as at 31 December 2023 to 0.59 times as at 31 December 2024. This was mainly due to the higher outstanding bank borrowings as at 31 December 2024 including banker's acceptances utilised for working capital to purchase input materials, as well as term loans arising from the drawdown to refinance the construction of Ipoh Factory 3.

Our Group's gearing ratio declined from 0.59 times as at 31 December 2024 to 0.47 times as at 31 May 2025. This was mainly due to increase in retained earnings by 62.40% from RM9.92 million as at 31 December 2024 to RM16.12 million as at 31 May 2025, coupled with lower outstanding bank borrowings as at 31 May 2025 following the repayments of our bank borrowings during the FPE 2025.

12.3.14 Order book

Generally, our sales are based on purchase orders from customers including those customers where we have lump sum contracts or umbrella contracts.

As at the LPD, our Group's order book includes the unbilled amount from contracts secured and purchased orders secured but yet to be fulfilled, as follows:

	Unbilled order book as at the LPD	Expected timeline to be recognised		
		FYE 2025	FYE 2026	FYE 2027
	(RM million)	(RM million)	(RM million)	(RM million)
PMW Concrete's contracts	68.85	7.79	30.53	30.53
Winabumi's contracts	4.97	4.97	-	-
Others ⁽¹⁾	61.05	15.60	36.26	9.19
Total	134.87	28.36	66.79	39.72

Note:

- (1) Comprise purchase orders secured by our Group including PMW Concrete and Winabumi. For clarity, these purchase orders refer to those purchase orders secured from customers whom we do not have contracts with.

12.3.15 Trend analysis

As at the LPD, save as disclosed in this Prospectus and to the best of our Board's knowledge and belief, our operations have not been and are not expected to be affected by any of the following:

- (i) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have, a material favourable or unfavourable impact on our financial performance, position and operations, save as disclosed in this section and Sections 7 and 9 of this Prospectus;
- (ii) material commitment for capital expenditure, as set out in Section 12.3.12 (ix) of this Prospectus;
- (iii) unusual, infrequent events or transactions or any significant economic changes that have materially affected our financial performance, position and operations, save as disclosed in this section and Sections 7 and 9 of this Prospectus;
- (iv) known trends, demands, commitments, events or uncertainties that had resulted in a material impact on our revenue and/or profits as well as our liquidity and capital resources, save as disclosed in this section and Sections 7, 8 and 9 of this Prospectus; and
- (v) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our Group's historical financial statements not indicative of the future financial performance and position, save as disclosed in this section and Sections 7 and 9 of this Prospectus.

12. FINANCIAL INFORMATION (Cont'd)

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

12.3.16 Significant changes

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

12.3.17 Accounting policies which are peculiar to our Group

There are no accounting policies which are peculiar to our Group. For further information on the significant accounting policies of our Group, please refer of the Accountants' Report included in Section 13 of this Prospectus.

12.4 DIVIDEND POLICY

Our Group presently does not have any formal dividend policy and the declaration of dividends and other distributions are subject to the discretion of our Board. As we are an investment holding company, our ability to declare and pay dividends or make other distributions to our shareholders are dependent upon the dividends we receive from our Subsidiaries, present and future. The payment of dividends by our Subsidiaries is dependent upon various factors, including but not limited to, their distributable profits, financial performance, and cash flow requirements for operations and capital expenditures, as well as other factors that their respective boards of Directors deem relevant.

In addition to the factors above which may affect the ability of our Subsidiaries to pay dividends to us, our Board will also consider, among others the following, when recommending the actual dividends for approval by shareholders or when declaring any interim dividends:

- (i) the level of our cash, gearing, return on equity and retained earnings;
- (ii) our expected financial performance;
- (iii) our working capital requirements;
- (iv) our other investment plans;
- (v) any material impact on tax laws and other regulatory requirements;
- (i) any restrictive covenants contained in our current and future financial arrangements; and
- (ii) the general economic and business conditions and other factors deemed relevant by our Board.

Investors should note that this dividend policy merely describes our present intention and shall not constitute legally binding statements in respect of our future dividends which are subject to modifications (including non-declaration thereof) at our Board's discretion. We cannot assure you that we will be able to pay dividends or that our Board will declare dividends in the future. There can also be no assurance that future dividends declared by our Board, if any, will not differ materially from historical dividend levels. See Section 9.3 of this Prospectus for risk relating to investment in our shares.

The dividends declared and paid for the Financial Periods Under Review are as follows:

	Audited				
	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Dividends declared	⁽²⁾ 2,000	⁽³⁾ 8,700	⁽⁵⁾ 8,250	⁽⁷⁾ 80,300	-
Dividends paid	⁽²⁾ 2,000	⁽⁴⁾ 1,500	⁽⁶⁾ 7,200	⁽⁸⁾ 20,750	-
PAT	8,353	9,984	15,529	17,442	6,968
Dividend payout ratio (%) ⁽¹⁾	23.94	87.14	53.13	460.38	-

12. FINANCIAL INFORMATION (Cont'd)**Notes:**

- (1) *Computed based on dividing the dividends declared during the financial year or financial period by the PAT of the corresponding financial year or financial period.*
- (2) *In FYE 2021, our Group declared dividends of RM2.00 million, all of which was paid in FYE 2021.*
- (3) *In FYE 2022, our Group declared dividends of RM8.70 million, of which our Group paid RM1.50 million in FYE 2022 and the remaining RM7.20 million in FYE 2023.*
- (4) *The dividends paid by our Group in FYE 2022 amounted to RM1.50 million, all of which had been declared in FYE 2022.*
- (5) *In FYE 2023, our Group declared dividends of RM8.25 million, all of which our Group paid in FYE 2024.*
- (6) *The dividends paid by our Group in FYE 2023 amounted to RM7.20 million, all of which had been declared in FYE 2022.*
- (7) *In FYE 2024, our Group declared dividends of RM80.30 million, of which RM12.50 million was paid in FYE 2024, RM67.80 million was utilised for the allotment of shares in subsidiaries.*
- (8) *The dividends paid by our Group in FYE 2024 amounted to RM20.75 million, of which RM8.25 million had been declared in FYE 2023.*

The dividends disclosed above were funded by our Group's internally generated funds. The dividends will not affect the execution and implementation of our Group's business strategies. Together with the IPO proceeds, our Group believes that it will have sufficient funding of cash from operations and bank borrowings for the funding requirement for its operations and its expansion plans. We do not intend to declare any dividends from the LPD up to the point of our Listing.

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12. FINANCIAL INFORMATION (Cont'd)**12.5 REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL INFORMATION**

KPMG PLT
 (LLP0010081-LCA & AF 0758)
 Chartered Accountants
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 8, First Avenue, Bandar Utama
 47800 Petaling Jaya
 Selangor Darul Ehsan, Malaysia

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 Website www.kpmg.com.my

The Board of Directors
PMW International Berhad
 Lot 133077, Jalan Lahat
 Bukit Merah Industrial Estate
 31500 Lahat, Perak, Malaysia

2 October 2025

Dear Sirs,

PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")

Report on the compilation of pro forma combined statements of financial information for inclusion in the Company's prospectus in connection with the initial public offering of 267,616,000 ordinary shares in the Company ("Shares") ("IPO") ("Prospectus") in conjunction with the listing of and quotation for the entire enlarged issued Shares on the ACE Market of Bursa Malaysia Securities Berhad ("Listing")

We have completed our assurance engagement to report on the compilation of pro forma combined statements of financial information of PMW, comprising:

- (i) the pro forma combined statement of financial position of PMW as of 31 May 2025;
- (ii) the pro forma combined statement of profit or loss and other comprehensive income of PMW for the financial period ended 31 May 2025 and for the financial year ended 31 December 2024, including pro forma earnings per share; and
- (iii) the pro forma combined statement of cash flows of PMW for the financial period ended 31 May 2025 and for the financial year ended 31 December 2024.

("Collectively (i) to (iii) are referred to as the "Pro Forma Combined Statements of Financial Information")

The Pro Forma Combined Statements of Financial Information and the related notes as set out in Attachment A have been stamped by us for identification purposes. The applicable criteria on the basis on which the Board of Directors of the Company (the "Directors") have compiled the Pro Forma Combined Statements of Financial Information are described in the notes to the Pro Forma Combined Statements of Financial Information. The Pro Forma Combined Statements of Financial Information is prepared in accordance with the requirements of Chapter 9, Part II Division I: Equity of the Prospectus Guidelines issued by the Securities Commission Malaysia ("Prospectus Guidelines") and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants.

12. FINANCIAL INFORMATION (Cont'd)

PMW International Berhad ("PMW" or the "Company")
*Report on the compilation of Pro Forma Combined Statements
 of Financial Information for inclusion in the Prospectus in
 connection with the Listing
 2 October 2025*

The Pro Forma Combined Statements of Financial Information, together with the related notes as set out in Attachment A, have been compiled by the Directors for inclusion in the Prospectus solely to illustrate the impact of events or transactions set out in the notes of Attachment A on the Company's:

- (i) pro forma combined statement of financial position as at 31 May 2025 as if the events or transactions had taken place on 31 May 2025;
- (ii) pro forma combined statement of profit or loss and other comprehensive income for the financial year ended 31 December 2024 and for the financial period ended 31 May 2025, including pro forma combined earnings per share, as if the events or transactions had taken place on 1 January 2024.
- (iii) pro forma combined statement of cash flows for the financial period ended 31 May 2025 and financial year ended 31 December 2024, as if the events or transactions had taken place on 1 January 2024.

As part of this process, information about the Group's financial position, financial performance and cash flows have been extracted by the Directors from the accountants' report on the combined financial statements of the Company for the financial period ended 31 May 2025 and financial year ended 31 December 2024, on which an audit report dated 2 October 2025 has been issued.

Directors' Responsibility for the Pro Forma Combined Statements of Financial Information

The Directors are responsible for compiling the Pro Forma Combined Statements of Financial Information on the basis described in the notes of Attachment A as required by the Prospectus Guidelines and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants.

Reporting Accountants' Quality Management and Independence

Our 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*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the *By-Laws (On Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

12. FINANCIAL INFORMATION (Cont'd)

PMW International Berhad ("PMW" or the "Company")
*Report on the compilation of Pro Forma Combined Statements
 of Financial Information for inclusion in the Prospectus in
 connection with the Listing
 2 October 2025*

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion as required by the Prospectus Guidelines about whether the Pro Forma Combined Statements of Financial Information have been compiled, in all material respects, by the Directors on the basis described in the notes of Attachment A.

We conducted our engagement in accordance with Malaysian Approved Standard on Assurance Engagement (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Pro Forma Combined Statements of Financial Information on the basis described in the notes of Attachment A.

For the purpose 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 Combined Statements of Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Combined Statements of Financial Information.

The purpose of the Pro Forma Combined Statements of Financial Information included in the Prospectus is solely to illustrate the impact of significant events or transactions on unadjusted financial information of the Group as if the events had occurred or the transactions 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 would have been as presented.

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

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

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

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

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

Opinion

In our opinion, the Pro Forma Combined Statements of Financial Information have been compiled, in all material respects, on the basis described in the notes of Attachment A.

12. FINANCIAL INFORMATION (Cont'd)

PMW International Berhad ("PMW" or the "Company")
*Report on the compilation of Pro Forma Combined Statements
 of Financial Information for inclusion in the Prospectus in
 connection with the Listing
 2 October 2025*

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1.1 of Attachment A, where for the purpose of the pro forma combined statement of financial position, the purchase consideration to acquire Winabumi Sdn. Bhd. ("Winabumi") were measured and accounted for based on RM1.00 per PMW share derived from the Share Sale and Purchase Agreement, and the identifiable assets and liabilities of Winabumi to be acquired by PMW were measured and accounted for based on the carrying amounts of the identifiable assets and liabilities of Winabumi derived from the audited financial statements for the financial year ended 31 December 2024. The Directors will ascertain the fair value of the purchase consideration and the assets and liabilities of Winabumi as at the date of completion of the acquisition of Winabumi in accordance with MFRS 3, Business Combinations. Any adjustment to the fair values of the purchase consideration and the assets and liabilities of Winabumi may have a corresponding effect on the goodwill and net assets of the Group.

Other Matter

Our report on the Pro Forma Combined Statements of Financial Information have been prepared for inclusion in the Prospectus in connection with the Listing and should not be relied upon for any other purposes.


KPMG PLT
 (LLP0010081-LCA & AF 0758)
 Chartered Accountants


Ooi Eng Siong
 Approval number: 03240/02/2026 J
 Chartered Accountant

12. FINANCIAL INFORMATION (Cont'd)**Attachment A****PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")**
Pro Forma Combined Statements of Financial Information and the notes thereon**Notes to the Pro Forma Combined Statements of Financial Information****1. Introduction**

The Pro Forma Combined Statements of Financial Information (as defined herein), together with the related notes, have been compiled by the Board of Directors of PMW (the "Directors") for illustrative purposes for inclusion in the Company's prospectus in connection with the initial public offering of 267,616,000 ordinary shares in the Company ("Shares") ("IPO") ("Prospectus") in conjunction with the listing of and quotation for the entire enlarged issued Shares on the ACE Market of Bursa Malaysia Securities Berhad ("Listing") and should not be relied upon for any other purposes.

The Pro Forma Combined Statements of Financial Information comprises the following:

- Section 2: The pro forma combined statement of financial position of PMW as at 31 May 2025 ("Pro Forma SOFP") prepared based on the assumption that the events and transactions set out in Note 1.1 to Note 1.3 were effected on 31 May 2025;
- Section 3: The pro forma combined statement of profit or loss and other comprehensive income of PMW for the financial year ended 31 December 2024 and for the financial period ended 31 May 2025 ("Pro Forma SOCI"), including pro forma combined earnings per share, prepared based on the assumption that the events or transactions set out in Note 1.1 to Note 1.2 had occurred on 1 January 2024; and
- Section 4: The pro forma combined statement of cash flows of PMW for the financial period ended 31 May 2025 and financial year ended 31 December 2024 ("Pro Forma SOCF"), prepared based on the assumption that the events or transactions set out in Note 1.1 and Note 1.2 had occurred on 1 January 2024.

(collectively, the Pro forma SOFP, Pro Forma SOCI and Pro Forma SOCF are referred to as the "Pro Forma Combined Statements of Financial Information")

The Pro Forma SOFP is to be read separately from the Pro Forma SOCI and Pro Forma SOCF as the assumptions applied to each pro forma combined statements are different, which is set out in the notes under each respective pro forma combined statement.

1.1 Material Transactions

Paragraphs 9.19 and 9.20 of Chapter 9, Part II Division 1: Equity of the Prospectus Guidelines issued by the Securities Commission Malaysia ("SC") ("Prospectus Guidelines"), require the effects of material acquisitions and disposals ("Material Transactions") to be illustrated in the Pro Forma Combined Statements of Financial Information. The Material Transactions relates to whether the Company had acquired or disposed a material entity or business or entered into any agreement to acquire or dispose any material entity or business during the period from 1 January 2024 to the latest practicable date of 30 September 2025.

(i) Acquisition of PMW Concrete Industries Sdn. Bhd. ("PMW Concrete")

On 13 March 2025, PMW entered into a conditional share sale and purchase agreement with Decor Poles Sdn. Bhd. ("Decor Poles") and Yusof Bin Yeop Ahmat to acquire 49.00% of the issued share capital of PMW Concrete comprising 490,000 ordinary shares for a purchase consideration of RM2.99 million to be satisfied entirely by cash. The PMW Concrete acquisition has been completed on 5 May 2025 and the measurement of the fair values of the assets and liabilities of PMW Concrete has been completed on 31 May 2025.

Prior to the acquisition, PMW Concrete was accounted for as a 30% associate in the Accountants' Report. Upon completion of the acquisition of PMW Concrete, PMW Concrete has been accounted for as a 49% owned subsidiary of the Group by virtue of an agreement with its other shareholders. The Group has *de facto* control over PMW Concrete on the basis that it has the current ability to direct the activities of PMW Concrete that significantly affect its return.



12. FINANCIAL INFORMATION (Cont'd)**Attachment A****PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")**
Pro Forma Combined Statements of Financial Information and the notes thereon**1.1 Material Transactions (continued)****(ii) Proposed Acquisition of Winabumi Sdn. Bhd. ("Winabumi")**

Lee Hon Hwa, Lee Khim Hwa and Lee Siew Yoke (collectively the "Promoters") had on 13 January 2025 completed the acquisition of 70.00% equity interest in Winabumi from its previous shareholders. Winabumi is not recognised as a combining entity in the Accountants' Report as at 31 May 2025 as it does not meet the common control definition (the control was transitory).

Subsequently, on 13 March 2025, PMW entered into a conditional share sale and purchase agreement with the Promoters and Lee Fuh Min @ Richard to acquire 100.00% of the issued share capital of Winabumi comprising 100,000 ordinary shares for a purchase consideration of RM4.54 million to be satisfied entirely by the issuance of 4,538,000 new Shares at an issue price of RM1.00 each.

Upon completion of the Proposed Acquisition of Winabumi, Winabumi will be accounted for as a wholly-owned subsidiary of the Group.

The Material Transactions set out in (i) and (ii) above will be accounted for using the acquisition method in accordance with MFRS 3, *Business Combinations*. Under the acquisition method, the acquirer shall recognise:

- (i) the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed as goodwill in the consolidated statement of financial position; or
- (ii) the excess of the fair value of the net assets acquired and liabilities assumed over the aggregate consideration transferred as bargain purchase in the profit or loss.

The identifiable assets and liabilities of Winabumi to be acquired by PMW were measured and accounted for in the Pro Forma SOFP based on the carrying amounts of the identifiable assets and liabilities of Winabumi derived from the audited financial statements for the financial year ended 31 December 2024, and not at their fair values as at the completion date of the acquisition of Winabumi. The Winabumi acquisition has been completed on 5 September 2025. The Directors will measure the fair values of the assets and liabilities of Winabumi within one (1) year from the date of completion of the acquisition of Winabumi in accordance with MFRS 3, *Business Combinations*. Any adjustment to the fair values of the assets and liabilities of Winabumi may have a corresponding effect on the goodwill and net assets of the Group.

The goodwill on consolidation that would be recognised from the Proposed Acquisition of Winabumi is as follows:

	Proposed Acquisition of Winabumi (RM)
Purchase consideration- Satisfied via issuance of new PMW shares ⁽¹⁾	4,538,000
Less: Identifiable net assets as at 31 May 2025 ⁽²⁾	(6,449,442)
Gain on bargain purchase	<u>1,911,442</u>

(1) For illustration purposes, the PMW shares is based on RM1.00 per share derived from the Share Sale and Purchase Agreement. From accounting perspective, the fair value of PMW shares on acquisition date would be determined at a later stage to establish the accounting purchase consideration.

(2) Adjusted for elimination of intercompany's lease arrangement.



12. FINANCIAL INFORMATION (Cont'd)**Attachment A****PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")**
Pro Forma Combined Statements of Financial Information and the notes thereon**1.2 Acquisition of Remaining Shares in Combining Entities**

On 13 March 2025, PMW entered into a conditional share sale and purchase agreement with the Promoters and Lee Fuh Min @ Richard to acquire the entire remaining equity interest not owned by PMW in PMW Industries Sdn. Bhd. ("PMW Industries"), Kumpulan Asma Sdn. Bhd. ("Kumpulan Asma"), TEK Properties Sdn. Bhd. ("TEK Properties"), PMW Marketing Sdn. Bhd. ("PMW Marketing"), PMW Tower Sdn. Bhd. ("PMW Tower"), Winabumi Marketing Sdn. Bhd. ("Winabumi Marketing") and Mega Summit Sdn. Bhd. ("Mega Summit"), collectively to be satisfied entirely by the issuance of new PMW Shares based on purchase consideration as follows:

Combining entities	Shares acquired		Purchase consideration satisfied by issuance of new PMW Shares		Effective ownership interest and voting interest acquired
	RM	Number of ordinary shares	RM	Number of ordinary shares	%
PMW Industries	1,000,002	1,000,002	1,088,000	1,088,000	2.95
Kumpulan Asma	450,000	450,000	467,000	467,000	5.45
TEK Properties	2,200,000	2,200,000	2,236,000	2,236,000	30.55
PMW Marketing	400,002	400,002	983,000	983,000	16.67
PMW Tower ^(a)	100	100	1	1	100.00
Winabumi Marketing	50,100	50,100	3,625,000	3,625,000	100.00
- From Promoters	35,070	35,070	2,537,500	2,537,500	70%
- From Richard	15,030	15,030	1,087,500	1,087,500	30%
Mega Summit	7,000,000	7,000,000	7,718,000	7,718,000	33.34
- From Promoters	700,000	700,000	773,000	773,000	3.34%
- From Richard	6,300,000	6,300,000	6,945,000	6,945,000	30%
Total			16,117,001	16,117,001	

Note:

- (a) Since PMW Tower is a dormant entity and is in a net liability position as at 31 December 2024, the purchase consideration will be RM1.

The Acquisition of Remaining Shares in Combining Entities will be accounted for using book value accounting. Under book value accounting, the difference between the consideration paid and the share capital of the acquiree is accounted for as merger reserve. The Acquisition of Remaining Shares in Combining Entities has been completed on 8 September 2025.



12. FINANCIAL INFORMATION (Cont'd)**Attachment A****PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")**
Pro Forma Combined Statements of Financial Information and the notes thereon**1.3 Share Split, IPO and Utilisation of Proceeds****(i) Share Split**

In conjunction with the IPO, the Company will undertake a share split. The basis of share split is one (1) existing Share into eight (8) Shares resulting in 89,205,102 Shares into 713,640,816 Shares. There is no financial impact to the Pro Forma Combined Statements of Financial Position arising from the Share Split. The share split has been completed on 23 September 2025

(ii) IPO

The IPO entails the initial public offering of 267,616,000 Shares in the Company which comprises the following:

(a) Public Issue

Public issue of 178,411,000 new ordinary shares in the Company ("Issue Shares") at the indicative price of RM0.34 per Issue Share raising total gross proceeds of approximately RM60.66 million.

(b) Offer for Sale

The offer for sale of 89,205,000 existing ordinary shares in the Company ("Offer Shares") by Lee Hon Hwa, Lee Khim Hwa, Lee Siew Yoke and Lee Fuh Min @ Richard (collectively, the "Selling Shareholders") at the indicative price of RM0.34 per Offer Share.

The Company will not receive any proceeds from the Offer for Sale. The gross proceeds of RM30.33 million from the Offer for Sale will accrue entirely to the Selling Shareholders.

(iii) Utilisation of Proceeds

The gross proceeds from the Public Issue amounting to RM60.66 million are intended to be utilised as follows:

	RM
Capital expenditure ⁽¹⁾	47,288,771
Working Capital	5,695,859
Estimated listing expenses ⁽²⁾	7,675,110
	60,659,740

Notes:

- (1) The Group has earmarked RM47.29 million of the total gross proceeds to be raised from the Public Issue for its capital expenditure requirements, as follows:

Details	RM
Construction of new plant at Tanjung Manis, Sarawak	46,708,271
Purchase of new machinery and equipment	580,500
	47,288,771

As at the latest practicable date, the Group has yet to enter into any contractual binding agreements or issue any purchase orders in relation to the above capital expenditure. Accordingly, the use of proceeds earmarked for capital expenditure is not reflected in the Pro Forma Combined Statements of Financial Information.



12. FINANCIAL INFORMATION (Cont'd)**Attachment A****PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")**
Pro Forma Combined Statements of Financial Information and the notes thereon**1.3 Share Split, IPO and Utilisation of Proceeds (continued)****(iii) Utilisation of Proceeds (continued)****Notes (continued):**(2) *The estimated listing expenses comprise the following:*

Details	RM
Professional fees	5,860,748
Underwriting, placement and brokerage fees	1,330,722
Fees to authorities	87,000
Other miscellaneous expenses and contingencies	396,640
	7,675,110

The total listing expenses to be borne by the Company is estimated to be RM7.68 million. As at 31 May 2025, RM2.95 million has been paid of which RM2.65 million recorded as prepayment of the Group while RM0.30 million has been recorded in profit or loss.

The balance of the estimated listing expenses of RM7.38 million (where RM2.65 million has been recorded as prepayment), of which approximately RM2.59 million directly attributable to the Public Issue will be debited against the share capital of the Company, and the remaining estimated listing expenses of approximately RM4.79 million will be charged out to the profit and loss of the Group.

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12. FINANCIAL INFORMATION (Cont'd)**Attachment A****PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")**
Pro Forma Combined Statements of Financial Information and the notes thereon**2. Pro Forma SOFP**

The pro forma combined statements of financial position of PMW as at 31 May 2025 ("Pro Forma SOFP") as set out below has been prepared for illustrative purposes only to show the impact of events or transactions referred to in Note 1.1 to Note 1.3 had these transactions been effected on 31 May 2025, and should be read in conjunction with the said notes in this section.

			Pro Forma I	Pro Forma II	Pro Forma III
		As at 31 May 2025⁽¹⁾	After adjustment for the Material Transactions	After Pro Forma I and the Acquisition of Remaining Shares in Combining Entities	After Pro Forma II and the Share Split, IPO and Utilisation of Proceeds
	Note	RM	RM	RM	RM
Assets					
Property, plant and equipment	2.3(a)	46,675,225	46,898,669	46,898,669	46,898,669
Right-of-use assets		24,233,894	24,233,894	24,233,894	24,233,894
Intangible assets		2,500,000	2,500,000	2,500,000	2,500,000
Net investment in lease	2.3(b)	-	13,161	13,161	13,161
Total non-current assets		73,409,119	73,645,724	73,645,724	73,645,724
Inventories	2.3(c)	18,815,026	35,727,234	35,727,234	35,727,234
Trade and other receivables	2.3(d)	47,773,824	32,023,415	32,023,415	32,023,415
Prepayments	2.3(e)	4,094,872	4,133,754	4,133,754	1,487,706
Net investment in lease	2.3(b)	-	78,956	78,956	78,956
Current tax assets		392,910	392,910	392,910	392,910
Fixed deposits with licensed banks		4,681,479	4,681,479	4,681,479	4,681,479
Cash and cash equivalents	2.3(f)	46,213,646	46,986,929	46,986,929	102,919,052
Total current assets		121,971,757	124,024,677	124,024,677	177,310,752
Total assets		195,380,876	197,670,401	197,670,401	250,956,476

Note:

⁽¹⁾ Extracted from the combined financial statements of PMW for the financial period ended 31 May 2025.



12. FINANCIAL INFORMATION (Cont'd)**Attachment A**

PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")
 Pro Forma Combined Statements of Financial Information and the notes thereon

2. Pro Forma SOFP (continued)

			Pro Forma I	Pro Forma II	Pro Forma III
		As at 31	After	After Pro Forma I and the	After Pro
	Note	May 2025⁽¹⁾	adjustment	Acquisition of	Forma II and the Share
		RM	for the	Remaining	Split, IPO and
			Material	Shares in	Utilisation of
			Transactions	Combining	Proceeds
			RM	Entities	RM
				RM	
Equity					
Share capital	2.3(g)	68,550,101	73,088,101	89,205,102	147,274,966
Retained earnings	2.3 (h)	16,115,353	18,026,795	18,026,795	13,243,006
Invested equity	2.3(i)	4,785,174	4,785,174	-	-
Merger reserves	2.3(j)	(1,530,000)	(1,530,000)	(4,382,960)	(4,382,960)
Equity attributable to owners of the Company		87,920,628	94,370,070	102,848,937	156,135,012
Non-controlling interests	2.3(k)	14,010,664	14,010,664	5,531,797	5,531,797
Total equity		101,931,292	108,380,734	108,380,734	161,666,809
Liabilities					
Loans and borrowings		21,757,291	21,757,291	21,757,291	21,757,291
Lease liabilities	2.3(l)	837,177	850,559	850,559	850,559
Deferred tax liabilities	2.3(m)	5,455,271	5,462,144	5,462,144	5,462,144
Total non-current liabilities		28,049,739	28,069,994	28,069,994	28,069,994
Loans and borrowings		26,095,483	26,095,483	26,095,483	26,095,483
Lease liabilities	2.3(l)	642,469	721,205	721,205	721,205
Trade and other payables	2.3(n)	31,464,465	26,846,476	26,846,476	26,846,476
Contract liabilities		6,845,282	6,845,282	6,845,282	6,845,282
Current tax liabilities	2.3(o)	351,635	710,716	710,716	710,716
Derivative financial liabilities		511	511	511	511
Total current liabilities		65,399,845	61,219,673	61,219,673	61,219,673
Total liabilities		93,449,584	89,289,667	89,289,667	89,289,667
Total equity and liabilities		195,380,876	197,670,401	197,670,401	250,956,476

Note:⁽¹⁾ Extracted from the combined financial statements of PMW for the financial period ended 31 May 2025.

12. FINANCIAL INFORMATION (Cont'd)**Attachment A**

PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")
 Pro Forma Combined Statements of Financial Information and the notes thereon

2. Pro Forma SOFP (continued)**Supplementary information**

		Pro Forma I	Pro Forma II	Pro Forma III
		After adjustment for the Material Transactions	After Pro Forma I and the Acquisition of Remaining Shares in Combining Entities	After Pro Forma II and the Share Split, IPO and Utilisation of Proceeds
	As at 31 May 2025⁽¹⁾			
Number of ordinary shares	68,550,101	73,088,101	89,205,102	892,051,816
Net assets per share attributable to owners of the Company [^] (RM)	1.28	1.29	1.15	0.18
Net assets per share [#] (RM)	1.49	1.48	1.21	0.18
Gearing ratio ^{>}	0.48	0.46	0.46	0.31

Note:

[^] Computed based on equity attributable to owners of the Company over the number of ordinary shares in the Company

[#] Computed based on total equity over the number of ordinary shares in the Company.

[>] Computed based on total loans and borrowings and total lease liabilities divided by total equity.

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12. FINANCIAL INFORMATION (Cont'd)**Attachment A****PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")**
Pro Forma Combined Statements of Financial Information and the notes thereon**2. Pro Forma SOFP (continued)****2.1 Basis of preparation**

The applicable criteria on the basis on which the Directors have compiled the Pro Forma SOFP are as described below. The Pro Forma SOFP is prepared in accordance with the requirements of SC's Prospectus Guidelines and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants.

The Pro Forma SOFP has been prepared based on:

- (i) the combined financial statements of PMW for the financial period ended 31 May 2025 which were prepared in accordance with MFRS Accounting as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards") and IFRS Accounting Standards issued by the International Accounting Standards Board ("IFRS Accounting Standards"), on which an auditors' report 2 October 2025 has been issued. The auditors' report was not subject to any qualification, modification or disclaimer of opinion; and
- (ii) the audited financial statements of Winabumi for the financial period ended 31 May 2025 which were prepared in accordance with MFRS Accounting Standards and IFRS Accounting Standards, on which an auditors' report dated 2 October 2025 have been issued. The auditors' reports were not subject to any qualification, modification or disclaimer of opinion.

The Pro Forma SOFP have been prepared in a manner consistent with the format of the financial statements and the accounting policies adopted by the Group and adjusted for the events and transactions detailed in Note 1.1 to Note 1.3. The Pro Forma SOFP does not include effects of the adoption of MFRS Accounting Standards which are effective for the annual period beginning on 1 June 2025.

The pro forma adjustments are appropriate for the purpose of preparing the Pro Forma SOFP.

The Pro Forma SOFP is not necessarily indicative of the Group's financial position that would have been attained had the events and transactions detailed in Note 1.1 to Note 1.3 actually occurred at the respective dates. The Pro Forma SOFP has been prepared for illustrative purposes only.

2.2 Pro forma adjustments to the Pro Forma SOFP**2.2.1 Pro Forma I – Adjustment for the Material Transactions**

Pro Forma I incorporate the effects of the Material Transactions comprising the Proposed Acquisition of Winabumi as described in Note 1.1(ii).

2.2.2 Pro Forma II – Acquisition of Remaining Shares in Combining Entities

Pro Forma II incorporates the effects of Pro Forma I and the Acquisition of Remaining Shares in Combining Entities as described in Note 1.2.

2.2.3 Pro Forma III – Share Split, IPO and Utilisation of Proceeds

Pro Forma III incorporates the effects of Pro Forma II and the Share Split, IPO and Utilisation of Proceeds as described in Note 1.3(i), Note 1.3(ii) and Note 1.3(iii) respectively.



12. FINANCIAL INFORMATION (Cont'd)**Attachment A****PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")**
Pro Forma Combined Statements of Financial Information and the notes thereon**2.3 Effects on the Pro Forma SOFP****(a) Movement in property, plant and equipment**

	RM
Balance as at 31 May 2025	46,675,225
Effects of Pro Forma I:	
- Proposed Acquisition of Winabumi	223,444
Pro Forma I, II and III	46,898,669

(b) Movement in net investment in lease

	Current RM	Non-current RM
Balance as at 31 May 2025	-	-
Effects of Pro Forma I:		
- Proposed Acquisition of Winabumi	78,596	13,161
Pro Forma I, II and III	78,596	13,161

(c) Movement in inventories

	RM
Balance as at 31 May 2025	18,815,026
Effects of Pro Forma I:	
- Proposed Acquisition of Winabumi	16,912,208
Pro Forma I, II and III	35,727,234

(d) Movement in trade and other receivables

	RM
Balance as at 31 May 2025	47,773,824
Effects of Pro Forma I:	
- Proposed Acquisition of Winabumi	(15,750,409)
Pro Forma I, II and III	32,023,415

(e) Movement in prepayments

	RM
Balance as at 31 May 2025	4,094,872
Effects of Pro Forma I:	
- Proposed Acquisition of Winabumi	38,882
Pro Forma I and II	4,133,754
Effects of Pro Forma III:	
- Transfer of prepaid listing expenses to profit and loss	(2,646,048)
Pro Forma III	1,487,706



12. FINANCIAL INFORMATION (Cont'd)**Attachment A****PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")**
Pro Forma Combined Statements of Financial Information and the notes thereon**2.3 Effects on the Pro Forma SOFP (continued)****(f) Movement in cash and cash equivalents****RM**

Balance as at 31 May 2025	46,213,646
Effects of Pro Forma I:	
- Proposed Acquisition of Winabumi	773,283
Pro Forma I and II	46,986,929
Effects of Pro Forma III:	
- Proceeds from the Public Issue	60,659,740
- Payment for listing expenses	(4,727,617)
Pro Forma III	102,919,052

(g) Movement in share capital**RM**

Balance as at 31 May 2025	68,550,101
Effects of Pro Forma I:	
- Issuance of PMW Shares for the Proposed Acquisition of Winabumi	4,538,000
Pro Forma I	73,088,101
Effects of Pro Forma II:	
- Issuance of new PMW Shares pursuant to the Acquisition of Remaining Shares in Combining Entities	16,117,001
Pro Forma II	89,205,102
- Issuance of Issue Shares pursuant to the Public Issue	60,659,740
- Estimated listing expenses directly attributable to the Public Issue	(2,589,876)
Pro Forma III	147,274,966

(h) Movement in retained earnings**RM**

Balance as at 31 May 2025	16,115,353
Effects of Pro Forma I:	
- Proposed Acquisition of Winabumi	1,911,442
Pro Forma I and II	18,026,795
Estimated listing expenses charged to profit or loss of the Group	(4,783,789)
Pro Forma III	13,243,006

12. FINANCIAL INFORMATION (Cont'd)**Attachment A****PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")**
Pro Forma Combined Statements of Financial Information and the notes thereon**2.3 Effects on the Pro Forma SOFP (continued)****(i) Movement in invested equity****RM**

Balance as at 31 May 2025 and Pro Forma I	4,785,174
Effects of Pro Forma II:	
- Acquisition of Remaining Shares in Combining Entities	(4,785,174)
Pro Forma II and III	-

(j) Movement in merger reserves**RM**

Balance as at 31 May 2025 and Pro Forma I	(1,530,000)
Effects of Pro Forma II:	
- Acquisition of Remaining Shares in Combining Entities	(2,852,960)
Pro Forma II and III	(4,382,960)

(k) Movement in non-controlling interest**RM**

Balance as at 31 May 2025 and Pro Forma I	14,010,664
Effects of Pro Forma II:	
- Acquisition of Remaining Shares in Combining Entities	(8,478,867)
Pro Forma II and III	5,531,797

(l) Movement in lease liabilities**Current
RM****Non-current
RM**

Balance as at 31 May 2025	642,469	837,177
Effects of Pro Forma I:		
- Proposed Acquisition of Winabumi	78,736	13,382
Pro Forma I, II and III	721,205	850,559

(m) Movement in deferred tax liabilities**RM**

Balance as at 31 May 2025	5,455,271
Effects of Pro Forma I:	
- Proposed Acquisition of Winabumi	6,873
Pro Forma I, II and III	5,462,144



12. FINANCIAL INFORMATION (Cont'd)**Attachment A**

PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")
 Pro Forma Combined Statements of Financial Information and the notes thereon

2.3 Effects on the Pro Forma SOFP (continued)**(n) Movement in trade and other payables****RM**

Balance as at 31 May 2025	31,464,465
Effects of Pro Forma I:	
- Proposed Acquisition of Winabumi	(4,617,989)
Pro Forma I, II and III	26,846,476

(o) Movement in current tax liabilities**RM**

Balance as at 31 May 2025	351,635
Effects of Pro Forma I:	
- Proposed Acquisition of Winabumi	359,081
Pro Forma I, II and III	710,716

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12. FINANCIAL INFORMATION (Cont'd)**Attachment A****PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")**
Pro Forma Combined Statements of Financial Information and the notes thereon**3. Pro Forma SOCI**

The pro forma combined statement of profit or loss and other comprehensive income of the Group as of 31 May 2025 and as of 31 December 2024 ("Pro Forma SOCI"), including pro forma combined earnings per share as set out below have been prepared for illustrative purposes only to show the effects of the transaction referred to in Note 1.1 and Note 1.2 had this transaction been effected on 1 January 2024, and should be read in conjunction with the said notes in this section.

	Financial period ended 31 May 2025 ⁽¹⁾ RM	Adjustments RM	Pro Forma I After adjustment for the Material Transactions and Acquisition of Remaining Shares in Combining Entities RM
Revenue	78,769,722	(8,715,316)	70,054,406
Cost of sales	(69,741,753)	18,068,908	(51,672,845)
Gross profits	9,027,969	9,353,592	18,381,561
Other income	4,611,233	(2,979,824)	1,631,409
Administrative expenses	(4,838,756)	(2,375,535)	(7,214,291)
Net gain on impairment of financial instruments	90,118	-	90,118
Other operating expenses	(589,947)	(229,998)	(819,945)
Results from operating activities	8,300,617	3,768,235	12,068,852
Finance income	65,697	17,962	83,659
Finance costs	(889,672)	(7,567)	(897,239)
Share of profit of equity-accounted associate, net of tax	630,110	(630,110)	-
Profit before tax	8,106,752	3,148,520	11,255,272
Tax expense	(1,139,164)	(1,220,881)	(2,360,045)
Profit and total comprehensive income for the period	6,967,588	1,927,639	8,895,227
Profit and total comprehensive income attributable to:			
Owners of the Company	6,191,861	1,302,585	7,494,446
Non-controlling interest	775,727	625,054	1,400,781
Profit and total comprehensive income for the period	6,967,588	1,927,639	8,895,227
Weighted average number of shares	72,845,208		88,476,625
Basic and diluted pro forma earnings per share attributable to the Owners of the Company (sen)	8.50		8.47

Notes:

- (1) Extracted from the combined financial statements of PMW for the financial period ended 31 May 2025.
- (2) The pro forma basic and diluted earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period ended 31 May 2025.



12. FINANCIAL INFORMATION (Cont'd)**Attachment A****PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")**
Pro Forma Combined Statements of Financial Information and the notes thereon**3. Pro Forma SOCI (continued)**

	Financial year ended 31 December 2024 ⁽¹⁾ RM	Adjustments RM	Pro Forma I After adjustment for the Material Transactions and Acquisition of Remaining Shares in Combining Entities RM
Revenue	165,337,773	(821,614)	164,516,159
Cost of sales	(137,192,372)	16,620,480	(120,571,892)
Gross profits	28,145,401	15,798,866	43,944,267
Other income	8,430,441	(4,096,171)	4,334,270
Administrative expenses	(9,355,159)	(5,697,609)	(15,052,768)
Net (loss)/gain on impairment of financial instruments	(107,765)	164,456	56,691
Other operating expenses	(2,338,960)	(569,609)	(2,908,569)
Results from operating activities	24,773,958	5,599,933	30,373,891
Finance income	227,750	42,518	270,268
Finance costs	(1,967,363)	(28,577)	(1,995,940)
Share of profit of equity-accounted associate, net of tax	635,711	(635,711)	-
Profit before tax	23,670,056	4,978,163	28,648,219
Tax expense	(6,228,190)	(1,863,028)	(8,091,218)
Profit and total comprehensive income for the period	17,441,866	3,115,135	20,557,001
Profit and total comprehensive income attributable to:			
Owners of the Company	15,961,745	3,492,808	19,454,553
Non-controlling interest	1,480,121	(377,673)	1,102,448
Profit and total comprehensive income for the period	17,441,866	3,115,135	20,557,001
Weighted average number of shares	3,164,639		18,734,466
Basic and diluted pro forma earnings per share attributable to the Owners of the Company (sen)	504.38		103.84

Notes:

(1) Extracted from the combined financial statements of PMW for the financial year ended 31 December 2024.

(2) The pro forma basic and diluted earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year ended 31 December 2024.

12. FINANCIAL INFORMATION (Cont'd)**Attachment A****PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")**

Pro Forma Combined Statements of Financial Information and the notes thereon

3. Pro Forma SOCI (continued)**3.1 Basis of preparation**

The applicable criteria on the basis on which the Directors have compiled the Pro Forma SOCI are as described below. The Pro Forma SOCI is prepared in accordance with the requirements of SC's Prospectus Guidelines and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants.

The Pro Forma SOCI has been prepared based on:

- (i) the combined financial statements of PMW for the financial period ended 31 May 2025 and financial year 31 December 2024 which were prepared in accordance with MFRS Accounting Standards and IFRS Accounting Standards, on which an auditors' report 2 October 2025 has been issued. The auditors' report was not subject to any qualification, modification or disclaimer of opinion; and
- (ii) the audited financial statements of PMW Concrete and Winabumi for the financial period ended 31 May 2025 and financial year 31 December 2024 which were prepared in accordance with MFRS Accounting Standards and IFRS Accounting Standards, on which an auditors' report dated 2 October 2025 have been issued. The auditors' reports were not subject to any qualification, modification or disclaimer of opinion.

The Pro Forma SOCI have been prepared in a manner consistent with the format of the financial statements and the accounting policies adopted by the Group and adjusted for the events and transactions detailed in Note 1.1. and Note 1.2 The Pro Forma SOCI does not include effects of the adoption of MFRS Accounting Standards which are effective for the annual period beginning on 1 June 2025.

The pro forma adjustments are appropriate for the purpose of preparing the Pro Forma SOCI.

The Pro Forma SOCI is not necessarily indicative of the results that would have been attained had the events and transactions detailed in Note 1.1 and Note 1.2 actually occurred at the respective dates. The Pro Forma SOCI has been prepared for illustrative purposes only.

3.2 Pro forma adjustments to the Pro Forma SOCI**3.2.1 Pro Forma I – Adjustment for the Material Transactions and Acquisition of Remaining Shares in Combining Entities**

Pro Forma I incorporate the effects of the Material Transactions comprising the Acquisition of PMW Concrete, Proposed Acquisition of Winabumi and Acquisition of Remaining Shares in Combining Entities as described in Note 1.1(i), Note 1.1(ii) and Note 1.2 respectively.



12. FINANCIAL INFORMATION (Cont'd)**Attachment A****PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")**
Pro Forma Combined Statements of Financial Information and the notes thereon**3. Pro Forma SOCI (continued)****3.3 Earnings per share**

The basic and diluted pro forma earnings per share have been illustrated by dividing the profit attributable to the owners of the Company with the number of ordinary shares in issue adjusted for the followings:

	Number of shares
Shares issued for the Proposed Acquisition of Winabumi	4,538,000
Shares issued for Proposed Acquisition of Remaining Shares in Combining Entities (see Note 1.2)	16,117,001
Reduction in invested equity upon the acquisition of PMW Concrete	(300,000)
Reduction in invested equity upon the Proposed Acquisition of Remaining Shares in Combining Entities (see Note 1.2)	(4,785,174)
Adjustment to the number of shares for the financial year ended 31 December 2024	15,569,827
Effect of weighted average number of ordinary shares as per actual acquisition date of PMW Concrete	61,590
Adjustment to the number of shares for the financial period ended 31 May 2025	15,631,417

The impact to pro forma earnings per share is further illustrated as follows:

Weighted average number of ordinary shares (included invested equity)	As per combined financial statements of PMW	Adjustment	Pro Forma
Financial year ended 31 December 2024	3,164,639	15,569,827	18,734,466
Financial period ended 31 May 2025	72,845,208	15,631,417	88,476,625

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12. FINANCIAL INFORMATION (Cont'd)**Attachment A****PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")**
Pro Forma Combined Statements of Financial Information and the notes thereon**4. Pro Forma SOCF**

	Financial period ended 31 May 2025 ⁽¹⁾ RM	Adjustments RM	Pro Forma I After adjustment for the Material Transactions and Acquisition of Remaining Shares in Combining Entities RM
Cash flows from operating activities			
Profit before tax	8,106,752	3,148,520	11,255,272
<i>Adjustments for:</i>			
Amortisation of right-of-use assets	452,912	4,412	457,324
Gain on bargain purchase on acquisition of a subsidiary	(762,518)	762,518	-
Remeasurement gain on interest previously held in an associate	(571,049)	571,049	-
Depreciation of property, plant and equipment	2,310,724	174,017	2,484,741
Dividend income	(48,680)	-	(48,680)
Fair value loss on derivative financial liabilities	511	-	511
Finance cost	889,672	7,567	897,239
Finance income	(65,697)	(17,962)	(83,659)
Gain on disposal of property, plant and equipment	(13,521)	-	(13,521)
Net loss on unrealised foreign exchange	14,884	-	14,884
Reversal of impairment loss on trade receivable	(90,118)	-	(90,118)
Share of profit of equity-accounted associate, net of tax	(630,110)	630,110	-
Unrealised profits from transaction with associate	(25,110)	25,110	-
Operating profit before changes in working capital	9,568,652	5,305,341	14,873,993
Change in inventories	8,290,282	(8,533,328)	(243,046)
Change in trade and other receivables, and prepayment	4,637,675	(31,979)	4,605,696
Change in trade and other payables	(6,867,388)	4,475,632	(2,391,756)
Change in contract liabilities	2,710,583	-	2,710,583
Cash generated from operations	18,339,804	1,215,666	19,555,470
Interest income received	65,697	17,962	83,659
Interest paid	(25,413)	(1,678)	(27,091)
Tax paid	(2,437,575)	(762,899)	(3,200,474)
Net cash from operating activities	15,942,513	469,051	16,411,564

12. FINANCIAL INFORMATION (Cont'd)**Attachment A**

PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")
Pro Forma Combined Statements of Financial Information and the notes thereon

4. Pro Forma SOCF (continued)

	Financial period ended 31 May 2025 ⁽¹⁾ RM	Adjustments RM	Pro Forma I After adjustment for the Material Transactions and Acquisition of Remaining Shares in Combining Entities RM
Cash flows from investing activities			
Cash from acquisition of subsidiaries	62,059	(62,059)	-
Dividend received	48,680	-	48,680
Increase in fixed deposits	(38,189)	(7,813)	(46,002)
Proceeds from disposal of property, plant and equipment	26,770	4	26,774
Purchase of property, plant and equipment	(3,104,108)	(245,912)	(3,350,020)
Proceed from net investment in lease	-	32,034	32,034
Net cash used in investing activities	<u>(3,004,788)</u>	<u>(283,746)</u>	<u>(3,288,534)</u>
Cash flows from financing activities			
Acquisition of an associate from Controlling Shareholders	(1,830,000)	1,830,000	-
Interest paid	(864,259)	(5,889)	(870,148)
Net repayment of banker's acceptance	(2,250,596)	-	(2,250,596)
Net repayment of term loans	(998,625)	-	(998,625)
Payment of lease liabilities	(259,137)	(36,421)	(295,558)
Proceeds from issuance of ordinary shares	1	-	1
Repayment of hire purchase liabilities	(889,186)	(151,531)	(1,040,717)
Net cash used in financing activities	<u>(7,091,802)</u>	<u>1,636,159</u>	<u>(5,455,643)</u>
Net increase in cash and cash equivalents	5,845,923	1,821,464	7,667,387
Effect of exchange rate changes	(87,154)	-	(87,154)
Cash and cash equivalents as at the beginning of the reporting period	<u>40,454,877</u>	<u>(1,048,181)</u>	<u>39,406,696</u>
Cash and cash equivalents as at the end of the reporting period	<u>46,213,646</u>	<u>773,283</u>	<u>46,986,929</u>

⁽¹⁾ Extracted from the combined financial statements of PMW for the financial period ended 31 May 2025.

12. FINANCIAL INFORMATION (Cont'd)**Attachment A**

PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")
Pro Forma Combined Statements of Financial Information and the notes thereon

4. Pro Forma SOCF (continued)

	Financial year ended 31 December 2024 ⁽¹⁾ RM	Adjustments RM	Pro Forma I After adjustment for the Material Transactions and Acquisition of Remaining Shares in Combining Entities RM
Cash flows from operating activities			
Profit before tax	23,670,056	4,978,163	28,648,219
<i>Adjustments for:</i>			
Amortisation of right-of-use assets	785,669	17,993	803,662
Depreciation of property, plant and equipment	5,170,284	482,325	5,652,609
Dividend income	(42,764)	-	(42,764)
Gain on disposal of property, plant and equipment	(504,278)	(47,979)	(552,257)
Gain on early termination of lease	(11,453)	(346)	(11,799)
Finance costs	1,967,363	28,577	1,995,940
Finance income	(227,750)	(42,518)	(270,268)
(Reversal of)/Impairment loss on trade receivable	107,765	(164,456)	(56,691)
Net loss on unrealised foreign exchange	35,035	-	35,035
Property, plant and equipment written off	687,126	-	687,126
Share of profit of equity-accounted associate, net of tax	(635,711)	635,711	-
Unrealised profits from transaction with associate	5,130	(5,130)	-
Operating profit before changes in working capital	31,006,472	5,882,340	36,888,812
Change in inventories	(5,653,557)	4,772,027	(881,530)
Change in trade and other receivables, and prepayments	(13,180,018)	(11,137,843)	(24,317,861)
Change in trade and other payables	10,396,914	381,547	10,778,461
Change in contract liabilities	3,493,900	(20,100)	3,473,800
Cash generated from operations	26,063,711	(122,029)	25,941,682
Interest income received	227,750	42,518	270,268
Interest paid	(39,932)	(6,024)	(45,956)
Tax paid	(5,114,854)	(1,876,929)	(6,991,783)
Net cash from operating activities	21,136,675	(1,962,464)	19,174,211
Cash flows from investing activities			
Acquisition of leasehold land	(189,487)	-	(189,487)
Cash from acquisition of subsidiaries	-	2,021,748	2,021,748
Dividend received	42,764	-	42,764
Increase in fixed deposits	(70,534)	(707,171)	(777,705)
Proceeds from disposal of property, plant and equipment	2,216,850	28,000	2,244,850
Purchase of property, plant and equipment	(7,908,995)	(150,469)	(8,059,464)
Proceed from net investment in lease	-	75,080	75,080
Net cash used in investing activities	(5,909,402)	1,267,188	(4,642,214)



12. FINANCIAL INFORMATION (Cont'd)**Attachment A**

PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")
Pro Forma Combined Statements of Financial Information and the notes thereon

4. Pro Forma SOCF (continued)

	Financial year ended 31 December 2024⁽¹⁾ RM	Adjustments (Note 4) RM	Pro Forma I After adjustment for the Material Transactions and Acquisition of Remaining Shares in Combining Entities RM
Cash flows from financing activities			
Capital contribution by non-controlling interest	30,000	-	30,000
Dividend paid	(20,750,026)	-	(20,750,026)
Interest paid	(1,927,431)	(22,553)	(1,949,984)
Payment of lease liabilities	(282,233)	(93,175)	(375,408)
Net drawdown of banker's acceptance	10,764,459	-	10,764,459
Net drawdown of term loans	7,030,593	-	7,030,593
Proceeds from issuance of ordinary shares	100	-	100
Repayment of hire purchase liabilities	(2,015,741)	(237,177)	(2,252,918)
Net cash used in financing activities	(7,150,279)	(352,905)	(7,503,184)
Net increase in cash and cash equivalents	8,076,994	(1,048,181)	7,028,813
Effect of exchange rate changes	(73,551)	-	(73,551)
Cash and cash equivalents as at the beginning of the reporting period	32,451,434	-	32,451,434
Cash and cash equivalents as at the end of the reporting year	40,454,877	(1,048,181)	39,406,696

⁽¹⁾ Extracted from the combined financial statements of PMW for the financial year ended 31 December 2024.

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12. FINANCIAL INFORMATION (Cont'd)**Attachment A****PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")**
Pro Forma Combined Statements of Financial Information and the notes thereon**4. Pro Forma SOCF (continued)****4.1 Basis of preparation**

The applicable criteria on the basis on which the Directors have compiled the Pro Forma SOCF are as described below. The Pro Forma SOCF is prepared in accordance with the requirements of SC's Prospectus Guidelines and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants.

The Pro Forma SOCF has been prepared based on:

- (i) the combined financial statements of PMW for the financial period ended 31 May 2025 and financial year 31 December 2024 which were prepared in accordance with MFRS Accounting Standards and IFRS Accounting Standards, on which an auditors' report 2 October 2025 has been issued. The auditors' report was not subject to any qualification, modification or disclaimer of opinion; and
- (ii) the audited financial statements of PMW Concrete and Winabumi for the financial period ended 31 May 2025 and financial year 31 December 2024 which were prepared in accordance with MFRS Accounting Standards and IFRS Accounting Standards, on which an auditors' report dated 2 October 2025 have been issued. The auditors' reports were not subject to any qualification, modification or disclaimer of opinion.

The Pro Forma SOCF have been prepared in a manner consistent with the format of the financial statements and the accounting policies adopted by the Group and adjusted for the events and transactions detailed in Note 1.1 and Note 1.2. The Pro Forma SOCF does not include effects of the adoption of MFRS Accounting Standards which are effective for the annual period beginning on 1 June 2025.

The pro forma adjustments are appropriate for the purpose of preparing the Pro Forma SOCF.

The Pro Forma SOCI is not necessarily indicative of the results that would have been attained had the events and transactions detailed in Note 1.1 and Note 1.2 actually occurred at the respective dates. The Pro Forma SOCI has been prepared for illustrative purposes only.

4.2 Pro forma adjustments to the Pro Forma SOCF**4.2.1 Pro Forma I – Adjustment for the Material Transactions and Proposed Acquisition of Remaining Shares in Combining Entities**

Pro Forma I incorporate the effects of the Material Transactions comprising the Acquisition of PMW Concrete, Proposed Acquisition of Winabumi and Acquisition of Remaining Shares in Combining Entities as described in Note 1.1(i), Note 1.1(ii) and Note 1.2 respectively.



13. ACCOUNTANTS' REPORT

PMW International Berhad
(Registration No. 202401003380 (1549230-X))
(Incorporated in Malaysia)
and its subsidiaries

**Accountants' Report on the
Combined Financial Statements**

13. ACCOUNTANTS' REPORT (Cont'd)

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PMW International Berhad
(Registration No. 202401003380 (1549230-X))
(Incorporated in Malaysia)
and its subsidiaries

Combined statement of financial position

	Note	31.5.2025 Audited RM	31.12.2024 Audited RM	31.12.2023 Audited RM	31.12.2022 Audited RM	31.12.2021 Audited RM
Assets						
Property, plant and equipment	3	46,675,225	43,225,345	40,275,052	38,885,498	27,640,428
Right-of-use assets	4	24,233,894	24,645,752	23,670,008	24,300,796	24,387,919
Intangible assets	5	2,500,000	-	-	-	-
Net investment in lease		-	-	-	-	99,028
Investment in an associate	6	-	1,804,466	1,173,885	1,149,755	849,121
Total non-current assets		73,409,119	69,675,563	65,118,945	64,336,049	52,976,496
Inventories	8	18,815,026	21,737,529	16,083,972	10,832,807	10,459,699
Trade and other receivables	9	47,773,824	43,363,580	32,525,696	21,982,232	16,842,288
Prepayments		4,094,872	3,169,443	919,821	1,008,491	600,567
Investment in quoted shares	10	-	-	-	2,174,680	2,327,894
Net investment in lease		-	-	-	99,028	173,487
Current tax assets		392,910	65,785	466,641	340,478	106,308
Fixed deposits with licensed banks	11	4,681,479	3,543,198	3,472,664	3,419,375	3,369,509
Cash and cash equivalents	12	46,213,646	40,454,877	32,451,434	26,647,873	25,047,455
Total current assets		121,971,757	112,334,412	85,920,228	66,504,964	58,927,207
Total assets		195,380,876	182,009,975	151,039,173	130,841,013	111,903,703

13. ACCOUNTANTS' REPORT (Cont'd)

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Registration No. 202401003380 (1549230-X)

Combined statement of financial position (continued)

	Note	31.5.2025 Audited RM	31.12.2024 Audited RM	31.12.2023 Audited RM	31.12.2022 Audited RM	31.12.2021 Audited RM
Equity						
Share capital		68,550,101	63,550,100	-	-	-
Retained earnings		16,115,353	9,923,492	67,211,747	61,772,692	60,802,584
Invested equity		4,785,174	5,085,174	2,985,174	2,985,174	2,985,174
Merger reserve		(1,530,000)	-	-	-	-
Equity attributable to owners of the Company	13	87,920,628	78,558,766	70,196,921	64,757,866	63,787,758
Non-controlling interests	7.2	14,010,664	8,084,470	7,624,349	6,384,427	6,069,951
Total equity		101,931,292	86,643,236	77,821,270	71,142,293	69,857,709
Liabilities						
Loans and borrowings	14	21,757,291	22,857,241	16,284,994	15,043,158	15,027,155
Lease liabilities		837,177	1,084,053	306,491	414,517	194,056
Deferred tax liabilities	15	5,455,271	5,328,603	4,821,350	4,224,185	3,616,871
Total non-current liabilities		28,049,739	29,269,897	21,412,835	19,681,860	18,838,082
Loans and borrowings	14	26,095,483	28,180,005	16,361,661	12,191,337	9,190,491
Lease liabilities		642,469	613,431	112,753	298,508	326,637
Trade and other payables	16	31,464,465	32,450,345	34,160,095	25,217,886	11,914,179
Contract liabilities	17	6,845,282	4,211,705	734,430	2,142,684	665,277
Current tax liabilities		351,635	641,356	436,129	166,445	1,111,328
Derivative financial liabilities	18	511	-	-	-	-
Total current liabilities		65,399,845	66,096,842	51,805,068	40,016,860	23,207,912
Total liabilities		93,449,584	95,366,739	73,217,903	59,698,720	42,045,994
Total equity and liabilities		195,380,876	182,009,975	151,039,173	130,841,013	111,903,703

The notes on pages 17 to 83 form an integral part of these combined financial statements.

13. ACCOUNTANTS' REPORT (Cont'd)

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PMW International Berhad(Registration No. 202401003380 (1549230-X))
(Incorporated in Malaysia)**and its subsidiaries****Combined statement of profit or loss and other comprehensive income**

		1.1.2025 to 31.5.2025	1.1.2024 to 31.5.2024	1.1.2024 to 31.12.2024	1.1.2023 to 31.12.2023	1.1.2022 to 31.12.2022	1.1.2021 to 31.12.2021
	Note	Audited RM	Unaudited RM	Audited RM	Audited RM	Audited RM	Audited RM
Revenue	19	78,769,722	56,615,037	165,337,773	134,869,491	85,235,003	75,826,295
Cost of sales		(69,741,753)	(46,426,027)	(137,192,372)	(111,777,115)	(70,698,223)	(62,751,284)
Gross profits		9,027,969	10,189,010	28,145,401	23,092,376	14,536,780	13,075,011
Other income		4,611,233	2,727,476	8,430,441	6,973,593	5,128,414	5,773,868
Administrative expenses		(4,838,756)	(2,864,777)	(9,355,159)	(6,179,204)	(5,539,582)	(4,283,828)
Net gain/(loss) on impairment of financial instruments		90,118	-	(107,765)	(142,690)	(170,155)	(271,497)
Other operating expenses		(589,947)	(241,068)	(2,338,960)	(1,760,135)	(984,471)	(653,356)
Results from operating activities		8,300,617	9,810,641	24,773,958	21,983,940	12,970,986	13,640,198
Finance income	20	65,697	80,664	227,750	154,980	118,807	94,830
Finance costs	21	(889,672)	(778,138)	(1,967,363)	(1,414,599)	(1,046,838)	(842,726)
Share of profit/(loss) of equity-accounted associate, net of tax		630,110	359,206	635,711	620,843	288,344	(114,087)
Profit before tax		8,106,752	9,472,373	23,670,056	21,345,164	12,331,299	12,778,215
Tax expense	22	(1,139,164)	(2,272,707)	(6,228,190)	(5,816,161)	(2,346,695)	(4,425,103)
Profit and total comprehensive income for the period/year		6,967,588	7,199,666	17,441,866	15,529,003	9,984,604	8,353,112

Combined statement of profit or loss and other comprehensive income (continued)

	Note	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Profit and total comprehensive income attributable to:							
Owners of the Company		6,191,861	6,569,650	15,961,745	14,289,081	8,770,128	8,311,904
Non-controlling interest		775,727	630,016	1,480,121	1,239,922	1,214,476	41,208
Profit and total comprehensive income for the period/year		6,967,588	7,199,666	17,441,866	15,529,003	9,984,604	8,353,112
Basic and diluted earnings per ordinary share (sen)	24	8.50	220.07	504.38	478.67	293.79	278.44

13. ACCOUNTANTS' REPORT (Cont'd)

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PMW International Berhad
(Registration No. 202401003380 (1549230-X))
(Incorporated in Malaysia)
and its subsidiaries

Combined statement of changes in equity

<----- Attributable to owners of the Company ----->
Distributable

	Note	Share capital RM	Invested equity RM	Merger reserve RM	Retained earnings RM	Total RM	Non-controlling interest RM	Total equity RM
Audited								
At 1 January 2021		-	2,985,074	-	55,240,687	58,225,761	6,028,743	64,254,504
A new combining entity incorporated during the year		-	100	-	-	100	-	100
Profit and total comprehensive income for the year	25	-	-	-	8,311,904	8,311,904	41,208	8,353,112
Dividend to owners of the Group	25	-	-	-	(2,750,007)	(2,750,007)	-	(2,750,007)
At 31 December 2021/1 January 2022		-	2,985,174	-	60,802,584	63,787,758	6,069,951	69,857,709
Profit and total comprehensive income for the year		-	-	-	8,770,128	8,770,128	1,214,476	9,984,604
Dividend to owners of the Group	25	-	-	-	(7,800,020)	(7,800,020)	(900,000)	(8,700,020)
At 31 December 2022/1 January 2023		-	2,985,174	-	61,772,692	64,757,866	6,384,427	71,142,293
Profit and total comprehensive income for the year		-	-	-	14,289,081	14,289,081	1,239,922	15,529,003
Dividend to owners of the Group	25	-	-	-	(8,850,026)	(8,850,026)	-	(8,850,026)
At 31 December 2023		-	2,985,174	-	67,211,747	70,196,921	7,624,349	77,821,270

PMW International Berhad
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 (Incorporated in Malaysia)
and its subsidiaries

Combined statement of changes in equity (continued)

<----- Attributable to owners of the Company ----->						
	Note	Share capital RM	Invested equity RM	Merger reserve RM	Retained earnings RM	Non- controlling interest RM
					Total RM	Total equity RM
Audited At 1 January 2024 <i>Contributions by and distributions to owners of the Group:</i> Issuance of ordinary shares Capital contributions by controlling shareholders Capital contribution by non-controlling interest: - by cash - by way of capitalisation of amount payable Dividend to owners of the Group Total transactions with owners of the Group Profit and total comprehensive income for the year At 31 December 2024		-	2,985,174	-	67,211,747	7,624,349
		63,550,100	-	-	-	-
		-	2,100,000	-	-	-
		-	-	-	-	30,000
		-	-	-	-	6,000,000
		-	-	-	(73,250,000)	(7,050,000)
	25	63,550,100	2,100,000	-	(73,250,000)	(1,020,000)
		-	-	-	15,961,745	1,480,121
		63,550,100	5,085,174	-	9,923,492	8,084,470
					78,558,766	86,643,236

13. ACCOUNTANTS' REPORT (Cont'd)

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PMW International Berhad
(Registration No. 202401003380 (1549230-X))
(Incorporated in Malaysia)
and its subsidiaries

Combined statement of changes in equity (continued)

<----- Attributable to owners of the Company ----->						
Distributable						
Note	Share capital RM	Invested equity RM	Merger reserve RM	Retained earnings RM	Total RM	Non-controlling interest RM
Audited At 1 January 2025 <i>Contributions by and distributions to owners of the Group:</i> Issuance of ordinary shares Acquisition of an associate Acquisition of a subsidiary Total transactions with owners of the Group Profit and total comprehensive income for the period At 31 May 2025	63,550,100	5,085,174	-	9,923,492	78,558,766	8,084,470
	5,000,001	-	-	-	5,000,001	-
	-	(300,000)	(1,530,000)	-	(1,830,000)	-
	-	-	-	-	-	5,150,467
	5,000,001	(300,000)	(1,530,000)	-	3,170,001	5,150,467
	-	-	-	6,191,861	6,191,861	775,727
	68,550,101	4,785,174	(1,530,000)	16,115,353	87,920,628	14,010,664
						101,931,292

13. ACCOUNTANTS' REPORT (Cont'd)

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Registration No. 202401003380 (1549230-X)

Combined statement of cash flows (continued)

	Note	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Proceeds from disposal of property, plant and equipment		26,770	344,143	2,216,850	115,005	75,000	558,000
Purchase of property, plant and equipment	(a)	(3,104,108)	(2,771,130)	(7,908,995)	(2,792,558)	(11,477,553)	(3,049,447)
Proceeds from net investment in lease		-	-	-	100,000	179,485	179,485
Net cash (used in)/from investing activities		(3,004,788)	(2,428,124)	(5,909,402)	89,494	(11,291,488)	(4,067,320)
Cash flows from financing activities							
Acquisition of an associate from Controlling Shareholders		(1,830,000)	-	-	-	-	-
Capital contribution by non-controlling interest		-	-	30,000	-	-	-
Dividend paid	25	-	(8,250,026)	(20,750,026)	(7,200,012)	(1,500,008)	(2,000,007)
Interest paid		(864,259)	(772,708)	(1,927,431)	(1,396,916)	(1,029,706)	(819,934)
Net (repayment)/drawdown of banker's acceptances	(c)	(2,250,596)	5,068,054	10,764,459	3,793,661	2,137,636	429,000
Net (repayment)/drawdown of term loans	(c)	(998,625)	(777,950)	7,030,593	90,643	(1,508,556)	3,451,980
Payment of lease liabilities	(c)	(259,137)	(44,570)	(282,233)	(303,078)	(386,995)	(347,623)
Proceeds from issuance of ordinary shares		1	100	100	-	-	100
Repayment of hire purchase liabilities	(c)	(889,186)	(797,549)	(2,015,741)	(1,707,384)	(1,331,837)	(1,600,673)
Net cash used in financing activities		(7,091,802)	(5,574,649)	(7,150,279)	(6,723,086)	(3,619,466)	(887,157)

Combined statement of cash flows (continued)

	Note	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Net increase/(decrease) in cash and cash equivalents		5,845,923 (87,154)	(10,556,627) 29,625	8,076,994 (73,551)	5,843,900 (40,339)	1,547,214 53,204	6,123,668 (319)
Cash and cash equivalents as at the beginning of the reporting period		40,454,877	32,451,434	32,451,434	26,647,873	25,047,455	18,924,106
Cash and cash equivalents as at the end of the reporting period		<u>46,213,646</u>	<u>21,924,432</u>	<u>40,454,877</u>	<u>32,451,434</u>	<u>26,647,873</u>	<u>25,047,455</u>

(a) Purchase of property, plant and equipment

During the financial period/year, the Group acquired property, plant and equipment with the aggregate costs as disclosed in Note 3 which include those acquired by means of hire purchase arrangement as follow:

	Note	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Acquired property, plant and equipment under hire purchase		<u>673,000</u>	<u>535,300</u>	<u>2,611,280</u>	<u>3,235,240</u>	<u>3,719,606</u>	<u>1,055,898</u>

Combined statement of cash flows (continued)

(b) Cash outflows for leases as a lessee			1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Included in net cash from operating activities:								
		23	1,068,388	385,533	1,411,896	791,543	236,833	220,914
		23	8,444	3,851	8,928	5,321	6,066	6,660
		21	25,413	5,430	39,932	17,683	17,132	22,792
Included in net cash from financing activities:								
			259,137	44,570	282,233	303,078	386,995	347,623
			1,361,382	439,384	1,742,989	1,117,625	647,026	597,989
Total cash outflows for leases								

Combined statement of cash flows (continued)

(c) Reconciliation of movements of liabilities to cash flows arising from financing activities

	At 1 January 2025 RM	Net changes from financing cash flows RM	Acquisition of new lease/hire purchase arrangement RM	Early termination of lease RM	Arising from business combination RM	At 31 May 2025 RM
Audited						
Banker's acceptances	23,807,756	(2,250,596)	-	-	-	21,557,160
Hire purchase liabilities	6,896,278	(889,186)	673,000	-	280,935	6,961,027
Lease liabilities	1,697,484	(259,137)	25,264	-	16,035	1,479,646
Term loans	20,333,212	(998,625)	-	-	-	19,334,587
	52,734,730	(4,397,544)	698,264	-	296,970	49,332,420
	At 1 January 2024 RM	Net changes from financing cash flows RM	Acquisition of new lease/hire purchase arrangement RM	Early termination of lease RM	Arising from business combination RM	At 31 May 2024 RM
Unaudited						
Banker's acceptances	13,043,297	5,068,054	-	-	-	18,111,351
Hire purchase liabilities	6,300,739	(797,549)	535,300	-	-	6,038,490
Lease liabilities	419,244	(44,570)	-	(4,726)	-	369,948
Term loans	13,302,619	(777,950)	-	-	-	12,524,669
	33,065,899	3,447,985	535,300	(4,726)	-	37,044,458

Combined statement of cash flows (continued)

(c) Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)

Audited	Acquisition of new lease/hire purchase arrangement					
	At 1 January 2024 RM	Net changes from financing cash flows RM	RM	Early termination of lease RM	Arising from business combination RM	At 31 December 2024 RM
Banker's acceptances	13,043,297	10,764,459	-	-	-	23,807,756
Hire purchase liabilities	6,300,739	(2,015,741)	2,611,280	-	-	6,896,278
Lease liabilities	419,244	(282,233)	1,889,948	(329,475)	-	1,697,484
Term loans	13,302,619	7,030,593	-	-	-	20,333,212
	33,065,899	15,497,078	4,501,228	(329,475)	-	52,734,730
Audited	Acquisition of new lease/hire purchase arrangement					
	At 1 January 2023 RM	Net changes from financing cash flows RM	RM	Early termination of lease RM	Arising from business combination RM	At 31 December 2023 RM
Banker's acceptances	9,249,636	3,793,661	-	-	-	13,043,297
Hire purchase liabilities	4,772,883	(1,707,384)	3,235,240	-	-	6,300,739
Lease liabilities	713,025	(303,078)	9,297	-	-	419,244
Term loans	13,211,976	90,643	-	-	-	13,302,619
	27,947,520	1,873,842	3,244,537	-	-	33,065,899

13. ACCOUNTANTS' REPORT (Cont'd)

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Registration No. 202401003380 (1549230-X)

Combined statement of cash flows (continued)

(c) Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)

	At 1 January 2022 RM	Net changes from financing cash flows RM	Acquisition of new lease/hire purchase arrangement RM	Early termination of lease RM	Arising from business combination RM	At 31 December 2022 RM
Audited						
Banker's acceptances	7,112,000	2,137,636	-	-	-	9,249,636
Hire purchase liabilities	2,385,114	(1,331,837)	3,719,606	-	-	4,772,883
Lease liabilities	520,693	(386,995)	579,327	-	-	713,025
Term loans	14,720,532	(1,508,556)	-	-	-	13,211,976
	<u>24,738,339</u>	<u>(1,089,752)</u>	<u>4,298,933</u>	<u>-</u>	<u>-</u>	<u>27,947,520</u>

	At 1 January 2021 RM	Net changes from financing cash flows RM	Acquisition of new lease/hire purchase arrangement RM	Modification of lease RM	Arising from business combination RM	At 31 December 2021 RM
Audited						
Banker's acceptances	6,683,000	429,000	-	-	-	7,112,000
Hire purchase liabilities	2,929,889	(1,600,673)	1,055,898	-	-	2,385,114
Lease liabilities	871,242	(347,623)	44,131	(47,057)	-	520,693
Term loans	11,268,552	3,451,980	-	-	-	14,720,532
	<u>21,752,683</u>	<u>1,932,684</u>	<u>1,100,029</u>	<u>(47,057)</u>	<u>-</u>	<u>24,738,339</u>

The notes on pages 17 to 83 form an integral part of these combined financial statements.

PMW International Berhad

(Registration No. 202401003380 (1549230-X))
(Incorporated in Malaysia)

Notes to the financial statements

PMW International Berhad ("PMW" or the "Company") is a public limited liability company, incorporated and domiciled in Malaysia. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business

Lot 133077, Jalan Lahat
Bukit Merah Industrial Estate
31500 Lahat, Perak, Malaysia

Registered office

55A, Medan Ipoh 1A
Medan Ipoh Bistari
31400 Ipoh, Perak, Malaysia

The Company is principally engaged in the investment holding business, whilst the principal activities of its combining entities are disclosed in Note 7 to the combined financial statements.

1. Basis of preparation

The Company was incorporated on 23 January 2024 for the purpose of a restructuring exercise that will result in the Company becoming holding company of the combining entities. The Company regards Lee United Holding Sdn. Bhd. as its holding company.

The combined financial statements of the Company and its combining entities (the "Group") have been prepared solely 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 ("Listing") and for no other purpose.

The combined financial statements consist of the financial statements of the Company and the entities as disclosed in Note 6 and 7, under common control of Lee Khim Hwa, Lee Hon Hwa and Lee Siew Yoke (collectively referred to as the "Controlling Shareholders").

The combined financial statements of the Company for the financial periods ended 31 May 2025 and 31 May 2024 and for the financial years ended 31 December 2024, 2023, 2022 and 2021 were prepared in a manner as if the entities under common control were operating as a single economic entity at the beginning of the earliest comparative period presented or, if later, at the date that common control was established.

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 combined 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.

1. Basis of preparation (continued)

(a) Statement of compliance

The combined financial statements of the Company for the financial periods ended 31 May 2025 and 31 May 2024 and for the financial years ended 31 December 2024, 2023, 2022 and 2021 have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards") and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
 - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
 - Amendments to MFRS 7, *Financial Instruments: Disclosures*
 - Amendments to MFRS 9, *Financial Instruments*
 - Amendments to MFRS 10, *Consolidated Financial Statements*
 - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

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1. Basis of preparation (continued)**(a) Statement of compliance (continued)**

The Group plans to apply the abovementioned amendments, accounting standards and interpretations in the respective financial periods when the abovementioned amendments, accounting standards and interpretations become effective, where applicable.

The initial application of the abovementioned amendments, accounting standard or interpretations is not expected to have any material financial impact to the current period and prior period combined financial statements of the Group, except as mentioned below:

MFRS 18, *Presentation and Disclosure in Financial Statements*

MFRS 18 will replace MFRS 101, *Presentation of Financial Statements* and applies for annual periods beginning on or after 1 January 2027. The new accounting standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal.
- Management-defined performance measures ("MPMs") are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Company is currently assessing the impact of adopting MFRS 18.

(b) Basis of measurement

The combined financial statements have been prepared on the historical cost basis except for the items stated below:

Items	Measurement bases
Derivative financial instruments	Fair value
Non-derivative financial instruments at fair value through profit or loss	Fair value

Registration No. 202401003380 (1549230-X)

1. Basis of preparation (continued)**(c) Functional and presentation currency**

These combined financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's functional currency. All financial information is presented in RM, unless otherwise stated

(d) Use of estimates and judgements

The preparation of the combined financial statements in conformity with MFRS Accounting Standards 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 combined financial statements.

2. Material accounting policy information

The Group has adopted amendments to MFRS 101, *Presentation of Financial Statements* and MFRS Practice Statement 2 – *Disclosures of Accounting Policies* from 1 January 2021. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the combined financial statements.

Although the amendments did not result in any changes to the Group's accounting policies, it impacted the accounting policy information disclosed in the combined financial statements. The material accounting policy information is disclosed in the respective notes to the combined financial statements where relevant.

13. ACCOUNTANTS' REPORT (Cont'd)

Registration No. 202401003380 (1549230-X)

3. Property, plant and equipment

Cost	Note	Buildings RM	Machinery and equipment (own use) RM	Machinery and equipment (subject to operating lease) RM	Furniture, fittings and equipment RM	Motor vehicles RM	Capital work-in- progress RM	Total RM
At 1 January 2021		15,525,064	9,426,151	23,831,157	1,630,821	1,678,543	152,997	52,244,733
Additions		264,901	1,333,007	1,361,555	62,356	765,637	317,889	4,105,345
Disposal		-	(213,536)	-	-	(800,761)	-	(1,014,297)
Transfer		-	152,997	-	-	-	(152,997)	-
At 31 December 2021/1 January 2022		15,789,965	10,698,619	25,192,712	1,693,177	1,643,419	317,889	55,335,781
Additions		2,182,302	1,032,476	2,084,460	451,847	92,890	9,353,184	15,197,159
Disposal		-	-	-	-	(98,000)	-	(98,000)
Transfer		5,184,032	3,111,061	-	637,208	-	(8,932,301)	-
At 31 December 2022/1 January 2023		23,156,299	14,842,156	27,277,172	2,782,232	1,638,309	738,772	70,434,940
Additions		1,090,390	1,304,209	1,391,598	755,438	1,476,433	9,730	6,027,798
Disposal		-	-	(1,452,240)	(43,830)	(115,000)	-	(1,611,070)
Transfer		86,952	132,370	519,449	-	-	(738,771)	-
At 31 December 2023/1 January 2024		24,333,641	16,278,735	27,735,979	3,493,840	2,999,742	9,731	74,851,668
Additions		2,269,639	2,471,311	2,295,425	687,531	1,518,012	1,278,357	10,520,275
Disposal		(197,819)	(2,209,275)	-	(73,803)	(478,000)	-	(2,958,897)
Written off		(821,620)	(1,023,812)	-	(38,469)	(48,000)	-	(1,931,901)
Transfer		-	9,731	-	-	-	(9,731)	-
At 31 December 2024/1 January 2025		25,583,841	15,526,690	30,031,404	4,069,099	3,991,754	1,278,357	80,481,145
Acquisition through business combination								
Additions	30	933,058	6,943,153	-	642,875	747,513	-	9,266,599
Disposal		1,215,081	257,034	1,112,833	336,608	-	855,552	3,777,108
Transfer		-	-	(15,424)	-	-	-	(15,424)
At 31 May 2025		121,919	5,869,003	(4,931,870)	14,630	-	(1,073,682)	-
At 31 December 2024/1 January 2025		27,853,899	28,595,880	26,196,943	5,063,212	4,739,267	1,060,227	93,509,428

3. Property, plant and equipment (continued)

	Note	Buildings RM	Machinery and equipment (own use) RM	Machinery and equipment (subject to operating lease) RM	Furniture, fittings and equipment RM	Motor vehicles RM	Capital work- in-progress RM	Total RM
Accumulated depreciation								
At 1 January 2021		2,275,019	6,877,264	13,575,547	1,079,464	1,245,595	-	25,052,889
Charge for the year		628,524	570,600	1,814,649	123,888	251,837	-	3,389,498
Disposal		-	(213,532)	-	-	(533,502)	-	(747,034)
At 31 December 2021/ 1 January 2022		2,903,543	7,234,332	15,390,196	1,203,352	963,930	-	27,695,353
Charge for the year		667,645	721,478	2,083,275	230,678	189,013	-	3,892,089
Disposal		-	-	-	-	(38,000)	-	(38,000)
At 31 December 2022/ 1 January 2023		3,571,188	7,955,810	17,473,471	1,434,030	1,114,943	-	31,549,442
Charge for the year		753,952	1,149,200	2,067,707	249,156	237,115	-	4,457,130
Disposal		-	-	(1,386,192)	(43,764)	-	-	(1,429,956)
At 31 December 2023/ 1 January 2024		4,325,140	9,105,010	18,154,986	1,639,422	1,352,058	-	34,576,616
Charge for the year		808,314	1,182,012	2,262,017	379,434	538,507	-	5,170,284
Disposal		(11,200)	(1,090,262)	-	(22,032)	(122,831)	-	(1,246,325)
Written off		(139,222)	(1,023,566)	-	(33,988)	(47,999)	-	(1,244,775)
At 31 December 2024/ 1 January 2025		4,983,032	8,173,194	20,417,003	1,962,836	1,719,735	-	37,255,800
Acquisition through business combination	30	496,335	6,125,855	-	332,463	315,201	-	7,269,854
Charge for the period		373,264	541,601	933,536	175,701	286,622	-	2,310,724
Disposal		-	-	(2,175)	-	-	-	(2,175)
Transfer		-	3,050,670	(3,050,670)	-	-	-	-
At 31 May 2025		5,852,631	17,891,320	18,297,694	2,471,000	2,321,558	-	46,834,203

13. ACCOUNTANTS' REPORT (Cont'd)

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3. Property, plant and equipment (continued)

	Buildings RM	Machinery and equipment (own use) RM	Machinery and equipment (subject to operating lease) RM	Furniture, fittings and equipment RM	Motor vehicles RM	Capital work-in- progress RM	Total RM
Carrying amount							
At 31 December 2021/ 1 January 2022	12,886,422	3,464,287	9,802,516	489,825	679,489	317,889	27,640,428
At 31 December 2022/ 1 January 2023	19,585,111	6,886,346	9,803,701	1,348,202	523,366	738,772	38,885,498
At 31 December 2023/ 1 January 2024	20,008,501	7,173,725	9,580,993	1,854,418	1,647,684	9,731	40,275,052
At 31 December 2024/ 1 January 2025	20,600,809	7,353,496	9,614,401	2,106,263	2,272,019	1,278,357	43,225,345
At 31 May 2025	22,001,268	10,704,560	7,899,249	2,592,212	2,417,709	1,060,227	46,675,225

13. ACCOUNTANTS' REPORT (Cont'd)

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Registration No. 202401003380 (1549230-X)

3. Property, plant and equipment (continued)**3.1 Machinery and equipment and motor vehicles**

The net carrying amounts of machinery and equipment and motor vehicles acquired under hire purchase arrangement are as follows:

	31.5.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
	RM	RM	RM	RM	RM
Machinery and equipment	7,074,746	6,757,357	6,555,692	5,531,983	2,854,151
Motor vehicles	<u>2,075,032</u>	<u>1,942,680</u>	<u>1,461,074</u>	<u>411,383</u>	<u>548,510</u>
	<u>9,149,778</u>	<u>8,700,037</u>	<u>8,016,766</u>	<u>5,943,366</u>	<u>3,402,661</u>

3.2 Certain buildings are charged to financial institutions as security for facilities granted to the Group (see Note 14).

3.3 Machinery and equipment subject to operating lease

The Group leases some of its machinery and equipment to its associate and a related party. Each of the leases contains an initial non-cancellable period of 1 year. Subsequent renewals are negotiated with the lessee.

The following are recognised in profit or loss:

	31.5.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
	RM	RM	RM	RM	RM
Lease income	3,995,596	10,546,788	10,546,788	9,622,788	6,285,588
Variable lease income that do not depend on an index or rate	<u>251,775</u>	<u>898,717</u>	<u>699,576</u>	<u>295,433</u>	<u>139,133</u>
	<u>4,247,371</u>	<u>11,445,505</u>	<u>11,246,364</u>	<u>9,918,221</u>	<u>6,424,721</u>

The operating lease payments to be received as at respective period/year end are as follows:

	31.5.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
	RM	RM	RM	RM	RM
Less than 1 year	<u>1,440,000</u>	<u>10,546,788</u>	<u>10,546,788</u>	<u>10,546,788</u>	<u>9,622,788</u>

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3. Property, plant and equipment (continued)**3.4 Material accounting policy information****(a) Recognition and measurement**

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Capital work-in-progress are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

Buildings	5 - 60 years
Machinery and equipment	5 - 10 years
Furniture, fittings and equipment	2 - 20 years
Motor vehicles	5 years

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

13. ACCOUNTANTS' REPORT (Cont'd)

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Registration No. 202401003380 (1549230-X)

4. Right-of-use assets

Note	Leasehold land RM	Factory buildings RM	Workers hostel RM	Industrial vehicles RM	Total RM
At 1 January 2021	23,538,258	416,044	-	-	23,954,302
Addition	971,277	44,131	-	-	1,015,408
Modification	-	(47,057)	-	-	(47,057)
Amortisation	(349,873)	(184,861)	-	-	(534,734)
At 31 December 2021/ 1 January 2022	24,159,662	228,257	-	-	24,387,919
Addition	-	579,327	-	-	579,327
Amortisation	(449,922)	(216,528)	-	-	(666,450)
At 31 December 2022/ 1 January 2023	23,709,740	591,056	-	-	24,300,796
Addition	-	-	9,297	-	9,297
Amortisation	(449,922)	(185,514)	(4,649)	-	(640,085)
At 31 December 2023/ 1 January 2024	23,259,818	405,542	4,648	-	23,670,008
Addition	923,758	1,008,378	62,021	85,278	2,079,435
Amortisation	(572,610)	(186,063)	(15,505)	(11,491)	(785,669)
Derecognition	-	(313,373)	(4,649)	-	(318,022)
At 31 December 2024/ 1 January 2025	23,610,966	914,484	46,515	73,787	24,645,752
Acquisition through business combination	-	-	15,790	-	15,790
Addition	-	-	25,264	-	25,264
Amortisation	(289,326)	(124,530)	(19,638)	(19,418)	(452,912)
At 31 May 2025	23,321,640	789,954	67,931	54,369	24,233,894

The Group leases factory buildings, workers' hostel and industrial vehicles that run between 2 to 5 years, with an option to renew the lease after that date. Leasehold land are on a lease period of 5 to 97 years.

4.1 Extension options

Certain lease contracts contain extension option exercisable before the end of the non-cancellable contract period. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

4.2 Certain leasehold land is charged to financial institutions as security for facilities granted to the Group (see Note 14).

4.3 Material accounting policy information**(a) Recognition and measurement**

All right-of-use assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

(b) Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

13. ACCOUNTANTS' REPORT (Cont'd)

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Registration No. 202401003380 (1549230-X)

5. Intangible assets

	Note	Customer relationship RM
At 1 January 2021/2022/2023/2024/2025		-
Acquisition through business combination	30	<u>2,500,000</u>
At 31 May 2025		<u>2,500,000</u>

Material accounting policy information**(a) Recognition and measurement**

Intangible assets, other than goodwill, that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

(b) Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of the intangible assets

The estimated useful lives for the current period are as follows:

Customer relationship	3 years

13. ACCOUNTANTS' REPORT (Cont'd)

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Registration No. 202401003380 (1549230-X)

6. Investment in an associate

	31.5.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
	RM	RM	RM	RM	RM
Investment in shares	-	300,000	300,000	300,000	300,000
Share of post-acquisition reserves	-	1,504,466	873,885	849,755	549,121
	<u>-</u>	<u>1,804,466</u>	<u>1,173,885</u>	<u>1,149,755</u>	<u>849,121</u>

Details of a material associate are as follows:

Name of company	Principal place of business	Nature of the relationship	Effective ownership interest and voting interest				
			31.5.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
PMW Concrete Industries Sdn. Bhd.	Malaysia	Manufacturing and trading of pre-stressed spun concrete poles and concrete products	-	30%	30%	30%	30%

On 13 March 2025, the Company entered into a conditional share sale agreement to acquire 49% of issued share capital of PMW Concrete Industries Sdn. Bhd. ("PMW Concrete") comprising 490,000 ordinary shares from its existing shareholders for a purchase consideration of RM2,988,731. The said purchase consideration will be fully satisfied by cash.

Upon completion of the acquisition on 5 May 2025, PMW Concrete is accounted for as a 49%-owned subsidiary of the Group by virtue of an agreement with its other shareholders. The Group has *de facto* control over PMW Concrete on the basis that it has the current ability to direct the activities of PMW Concrete that significantly affect its return.

13. ACCOUNTANTS' REPORT (Cont'd)

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6. Investment in an associate (continued)

The following table summarises the information of the Group's material associate, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associate.

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Reconciliation of net assets to carrying amount					
Group's share of net assets	-	1,829,576	1,193,865	1,173,022	884,678
Elimination of unrealised profits	-	(25,110)	(19,980)	(23,267)	(35,557)
Carrying amount in the statement of financial position	-	1,804,466	1,173,885	1,149,755	849,121
Group's share of results for the period/year ended					
Share of profit and total comprehensive income	630,110	635,711	620,843	288,344	(114,087)
Summarised financial information					
As at period/year ended					
Non-current assets	-	2,037,054	1,975,812	1,977,976	1,975,636
Current assets	-	17,128,196	21,595,879	16,995,360	10,290,516
Non-current liabilities	-	(476,879)	(328,938)	(281,043)	(342,783)
Current liabilities	-	(12,589,785)	(19,263,203)	(14,782,221)	(8,974,444)
Net assets	-	6,098,586	3,979,550	3,910,072	2,948,925
For the period/year ended					
Profit and total comprehensive income/(expense)	2,100,368	2,119,036	2,069,478	961,147	(380,289)
Other information					
Dividend received by the Group	-	-	600,000	-	750,000

13. ACCOUNTANTS' REPORT (Cont'd)

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7. Combining entities

Details of the combining entities are as follows:

Name of company	Principal place of business	Principal activities	Effective ownership interest and voting interest				
			31.5.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
PMW Industries Sdn. Bhd.	Malaysia	Manufacturing of moulds for concrete poles, piles, related machinery and parts; manufacturing and supply of pre-stressed spun concrete poles, concrete piles, steel poles and concrete products; rental of properties and machineries	100%	100%	100%	100%	100%
Kumpulan Asma Sdn. Bhd.	Malaysia	Rental of properties	100%	100%	100%	100%	100%
TEK Properties Sdn. Bhd.	Malaysia	Rental of properties	100%	100%	100%	100%	100%
PMW Marketing Sdn. Bhd.	Malaysia	Distribution of concrete poles and tower products	100%	100%	100%	100%	100%
Winabumi Marketing Sdn. Bhd.	Malaysia	Distribution of concrete piles	70%	70%	70%	70%	70%
Mega Summit Sdn. Bhd.	Malaysia	Distribution of construction materials and concrete poles; rental of properties and machineries	70%	70%	70%	70%	70%
PMW Tower Sdn. Bhd.	Malaysia	Dormant	100%	100%	100%	60%	100%
PMW Lighting Sdn. Bhd.	Malaysia	Manufacturing and supply of lighting products and components	70%	70%	-	-	-
PMW Concrete Industries Sdn. Bhd. ^	Malaysia	Manufacturing and distribution of pre-stressed spun concrete poles, concrete products and steel poles	49%	-	-	-	-

13. ACCOUNTANTS' REPORT (Cont'd)

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7. Combining entities (continued)**7.1 Significant judgements in relation to control of subsidiary**

[^] Although the Group owns less than half of the ownership interest and voting power in PMW Concrete Industries Sdn. Bhd. ("PMW Concrete"), the Directors have determined that the Group controls this entity. By virtue of an agreement with its other shareholders, the Group has *de facto* control over PMW Concrete on the basis that it has the current ability to direct the activities of PMW Concrete that significantly affect its return.

7.2 Non-controlling interests in combining entities

The Group's combining entities that have material non-controlling interest ("NCI") are as follow:

	PMW Concrete Industries Sdn. Bhd. RM	Mega Summit Sdn. Bhd. RM	Other subsidiaries with immaterial NCI RM	Total RM
31.5.2025				
NCI percentage of ownership interest				
and voting interest	51%	30%		
Carrying amount of NCI	5,421,731	7,242,077	1,346,856	14,010,664
Profit allocated to NCI	271,264	296,765	207,698	775,727
31.12.2024				
NCI percentage of ownership interest				
and voting interest	-	30%		
Carrying amount of NCI	-	6,945,312	1,139,158	8,084,470
Profit allocated to NCI	-	820,272	659,849	1,480,121
31.12.2023				
NCI percentage of ownership interest				
and voting interest	-	30%		
Carrying amount of NCI	-	7,025,040	599,309	7,624,349
Profit allocated to NCI	-	1,050,982	188,940	1,239,922
31.12.2022				
NCI percentage of ownership interest				
and voting interest	-	30%		
Carrying amount of NCI	-	5,974,058	410,369	6,384,427
Profit allocated to NCI	-	1,049,478	164,998	1,214,476
31.12.2021				
NCI percentage of ownership interest				
and voting interest	-	30%		
Carrying amount of NCI	-	5,824,580	245,371	6,069,951
Profit allocated to NCI	-	17,901	23,307	41,208

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7. Combining entities (continued)**7.2 Non-controlling interests in combining entities (continued)**

	Mega Summit Sdn. Bhd.				
	31.5.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
	RM	RM	RM	RM	RM
Summarised financial information before intragroup elimination					
As at					
Non-current assets	31,557,281	30,665,944	28,733,124	28,390,075	26,014,261
Current assets	30,303,295	27,575,215	25,994,924	17,376,878	20,349,780
Non-current liabilities	(9,892,898)	(10,877,516)	(11,767,179)	(10,989,778)	(11,939,654)
Current liabilities	(27,827,420)	(24,212,603)	(19,544,070)	(14,863,648)	(15,009,122)
Net assets	<u>24,140,258</u>	<u>23,151,040</u>	<u>23,416,799</u>	<u>19,913,527</u>	<u>19,415,265</u>
Period/Year ended					
Revenue	26,908,447	69,724,463	59,613,388	43,988,716	37,671,684
Profit and other comprehensive income	<u>989,218</u>	<u>2,734,240</u>	<u>3,503,272</u>	<u>3,498,261</u>	<u>59,672</u>
Cash flows from operating activities	1,855,292	3,139,386	2,441,080	8,812,518	4,525,622
Cash flows from investing activities	(1,605,171)	(2,922,244)	(1,767,795)	(3,648,517)	(1,144,719)
Cash flows from financing activities	(2,016,934)	(1,669,124)	684,561	(3,272,481)	(622,040)
Net change in cash and cash equivalents	<u>(1,766,813)</u>	<u>(1,451,982)</u>	<u>1,357,846</u>	<u>1,891,520</u>	<u>2,758,863</u>

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7. Combining entities (continued)**7.2 Non-controlling interests in combining entities (continued)**

	PMW Concrete Industries Sdn. Bhd. 31.5.2025 RM
Summarised financial information before intragroup elimination	
As at	
Non-current assets	4,517,921
Current assets	18,464,350
Non-current liabilities	(978,991)
Current liabilities	(11,372,434)
Net assets	<u>10,630,846</u>
Period ended	
Revenue	<u>26,164,867</u>
Profit and other comprehensive income before gain of control	2,100,368
Profit and other comprehensive income after gain of control	<u>531,891</u>
Total profit and other comprehensive income	<u>2,632,259</u>
Cash flows from operating activities	883,418
Cash flows from investing activities	(161,283)
Cash flows from financing activities	<u>(175,048)</u>
Net change in cash and cash equivalents	<u>547,087</u>

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8. Inventories

	Note	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Raw material		6,643,911	4,287,546	4,494,017	3,536,549	2,628,588
Work-in-progress		3,447,563	3,647,450	1,359,189	1,771,005	1,386,576
Finished goods		<u>8,723,552</u>	<u>13,802,533</u>	<u>10,230,766</u>	<u>5,525,253</u>	<u>6,444,535</u>
		<u>18,815,026</u>	<u>21,737,529</u>	<u>16,083,972</u>	<u>10,832,807</u>	<u>10,459,699</u>
Recognised in profit or loss:						
Inventories recognised as cost of sales		69,266,612	108,123,230	92,415,554	59,906,946	49,178,633
Written down of obsolete inventories	8.1	<u>-</u>	<u>-</u>	<u>531,586</u>	<u>-</u>	<u>-</u>

8.1 Written down of obsolete inventories

During the financial year ended 31 December 2023, the Group had written down obsolete inventories to their net realisable value.

8.2 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method.

9. Trade and other receivables

	Note	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Trade						
Amount due from related parties	9.1	20,054,776	6,615,693	8,823,284	6,271,039	6,293,730
Amount due from associate of the Group	9.1	-	8,100,884	11,727,336	9,738,292	6,021,081
Amount due from third parties		26,954,039	27,777,391	9,546,629	4,574,233	3,671,571
Less: Impairment loss		<u>(456,078)</u>	<u>(551,584)</u>	<u>(474,142)</u>	<u>(441,652)</u>	<u>(271,497)</u>
		<u>46,552,737</u>	<u>41,942,384</u>	<u>29,623,107</u>	<u>20,141,912</u>	<u>15,714,885</u>
Non-trade						
Amount due from related parties	9.2	-	15	17,320	20,350	8,000
Amount due from associate of the Group	9.2	-	838,512	1,567,142	1,232,299	467,350
Other receivables		851,869	257,871	1,107,661	356,416	437,718
Deposits		<u>369,218</u>	<u>324,798</u>	<u>210,466</u>	<u>231,255</u>	<u>214,335</u>
		<u>1,221,087</u>	<u>1,421,196</u>	<u>2,902,589</u>	<u>1,840,320</u>	<u>1,127,403</u>
		<u>47,773,824</u>	<u>43,363,580</u>	<u>32,525,696</u>	<u>21,982,232</u>	<u>16,842,288</u>

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9. Trade and other receivables (continued)

9.1 The trade amounts due from related parties and associate of the Group are unsecured, interest free and subject to the normal trade terms.

9.2 The non-trade amounts due from related parties and associate of the Group are unsecured, interest free and repayable on demand.

The related parties are companies of which the Controlling Shareholders and Directors of the Group have substantial financial interest.

10. Investment in quoted shares

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Fair value through profit or loss					
At 1 January	-	-	2,174,680	2,327,894	1,034,072
Addition during the year	-	-	-	590,740	1,438,426
Disposal during the year	-	-	(2,174,680)	(395,674)	(211,508)
Change in fair value	-	-	-	(348,280)	66,904
At 31 December	-	-	-	2,174,680	2,327,894
Recognised in profit or loss:					
Gain on disposal	-	-	272,636	56,006	93,242
Dividend income	-	-	67,177	52,318	48,395

11. Fixed deposits with licensed banks

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Amortised cost	4,681,479	3,543,198	3,472,664	3,419,375	3,369,509
Effective interest rate	2.10% to 2.60%	2.30% to 3.05%	2.65% to 3.05%	1.65% to 2.30%	1.65% to 1.85%

11.1 The maturity period for fixed deposits with licensed banks are between 1 to 12 months and are excluded from cash and cash equivalents.

11.2 Certain amounts included in fixed deposits with licensed banks are pledged to banks for bank facilities granted to the Group as disclosed in Note 14 to the combined financial statements. The carrying amounts of the fixed deposits pledged to banks are as follows:

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Pledged deposits	4,581,479	3,443,198	3,371,732	3,305,850	3,269,509

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12. Cash and cash equivalents

	Note	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Cash in hand		28,656	18,503	15,023	13,987	19,321
Bank balances		13,133,305	9,975,743	7,518,406	7,835,569	6,460,770
Short-term deposits	12.1	1,904,856	1,416,565	2,828,222	1,625,317	1,159,793
Money market fund	12.2	31,146,829	29,044,066	22,089,783	17,173,000	17,407,571
		<u>46,213,646</u>	<u>40,454,877</u>	<u>32,451,434</u>	<u>26,647,873</u>	<u>25,047,455</u>

12.1 The maturity period for short-term deposits are between 1 to 3 months with effective interest rate ranging from 2.10% to 2.75% (2024: 2.10% to 2.75%; 2023: 2.50% to 4.96%; 2022: 2.25% to 2.45%; 2021: 1.65% to 1.75%).

12.2 Money market fund represents the investment in unit trust fund which primarily invests in money market instruments. The Directors regard the money market fund as cash and cash equivalents in view of its high level of liquidity, which is readily convertible to cash and subject to insignificant risk of changes in fair value.

13. Capital and reserves**Share capital**

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Issued and fully paid shares with no par value classified as equity instruments:					
Ordinary shares:					
At 1 January/date of incorporation	63,550,100	100	-	-	-
Issuance of ordinary share	5,000,001	63,550,000	-	-	-
At 31 May/31 December	<u>68,550,101</u>	<u>63,550,100</u>	<u>-</u>	<u>-</u>	<u>-</u>

	Number of ordinary shares				
	31.5.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
Issued and fully paid shares with no par value classified as equity instruments:					
Ordinary shares:					
At 1 January/date of incorporation	63,550,100	100	-	-	-
Issuance of ordinary share	5,000,001	63,550,000	-	-	-
At 31 May/31 December	<u>68,550,101</u>	<u>63,550,100</u>	<u>-</u>	<u>-</u>	<u>-</u>

On 23 January 2024, the Company was incorporated with an issued and paid-up share capital of RM100 comprising 100 ordinary shares. During the financial period ended 31 December 2024, the Company further issued 63,550,000 ordinary shares for total consideration of RM63,550,000 by way of capitalisation of the amount owing to its holding company.

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13. Capital and reserves (continued)**Share capital (continued)**

During the financial period ended 31 May 2025, the Company issued 5,000,000 ordinary shares for a total consideration of RM5,000,000 by way of capitalisation of the amount owing to its holding company and further issued and paid-up share capital of RM1 comprising 1 ordinary share to other shareholder.

13.1 Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

13.2 Invested equity

For the purpose of these combined financial statements, the invested equity at the end of the respective financial period/years is the aggregate of the share capital of combining entities constituting the Group and its associate that are held by the Controlling Shareholders.

13.3 Merger reserve

The merger reserve is arising from differences between the cash consideration paid by the Company for the acquisition of companies that are accounted using the merger method of accounting and the nominal value of ordinary shares of the companies acquired.

14. Loans and borrowings

	Note	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Non-current						
Term loans	14.1	17,066,613	18,020,513	11,695,170	11,769,986	13,273,955
Hire purchase liabilities	14.2	4,690,678	4,836,728	4,589,824	3,273,172	1,753,200
		<u>21,757,291</u>	<u>22,857,241</u>	<u>16,284,994</u>	<u>15,043,158</u>	<u>15,027,155</u>
Current						
Term loans	14.1	2,267,974	2,312,699	1,607,449	1,441,990	1,446,577
Hire purchase liabilities	14.2	2,270,349	2,059,550	1,710,915	1,499,711	631,914
Banker's acceptances	14.3	21,557,160	23,807,756	13,043,297	9,249,636	7,112,000
		<u>26,095,483</u>	<u>28,180,005</u>	<u>16,361,661</u>	<u>12,191,337</u>	<u>9,190,491</u>
		<u>47,852,774</u>	<u>51,037,246</u>	<u>32,646,655</u>	<u>27,234,495</u>	<u>24,217,646</u>

14.1 Term loans

The term loans are secured by way of:

- (i) facilities agreement with the bank;
- (ii) all money legal charge over the property registered;
- (iii) deposits held under lien by licensed bank; and
- (iv) joint and several guarantee by Controlling Shareholders.

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14. Loans and borrowings (continued)**14.2 Hire purchase liabilities**

Hire purchase liabilities are payable as follows:

	Future minimum payments RM	Interest RM	Present value of minimum payments RM
31.5.2025			
Less than one year	2,577,515	(307,166)	2,270,349
Between one and five years	5,021,673	(330,995)	4,690,678
	<u>7,599,188</u>	<u>(638,161)</u>	<u>6,961,027</u>
31.12.2024			
Less than one year	2,363,333	(303,783)	2,059,550
Between one and five years	5,185,345	(348,617)	4,836,728
	<u>7,548,678</u>	<u>(652,400)</u>	<u>6,896,278</u>
31.12.2023			
Less than one year	1,966,403	(255,488)	1,710,915
Between one and five years	4,916,999	(327,175)	4,589,824
	<u>6,883,402</u>	<u>(582,663)</u>	<u>6,300,739</u>
31.12.2022			
Less than one year	1,707,741	(208,030)	1,499,711
Between one and five years	3,556,546	(283,374)	3,273,172
	<u>5,264,287</u>	<u>(491,404)</u>	<u>4,772,883</u>
31.12.2021			
Less than one year	696,400	(64,486)	631,914
Between one and five years	1,873,672	(120,472)	1,753,200
	<u>2,570,072</u>	<u>(184,958)</u>	<u>2,385,114</u>

14.3 Banker's acceptances

The banker's acceptances are supported by way of:

- (i) facilities agreement with the bank;
- (ii) money legal charge over the property registered;
- (iii) pledged deposits placed with the banks; and
- (iv) joint and several guarantee by Controlling Shareholders.

14.4 Certain subsidiary has various covenants based on gearing ratio not exceed 1.25 times and tangible net worth of not less than RM19,000,000 at all time, all of which were complied with.

15. Deferred tax liabilities

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets			Liabilities		
	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM	31.12.2020 RM
Property, plant and equipment	-	-	-	-	-	-
Right-of-use assets	-	-	-	-	-	-
Lease liabilities	355,115	407,396	100,618	171,126	124,966	-
Unabsorbed capital allowance	321,709	70,314	52,386	298,192	47,226	-
Intangible assets	-	-	-	-	-	-
Other items	26,675	36,508	63,294	-	-	-
Tax assets/(liabilities)	703,499	514,218	216,298	469,318	172,192	-
Set-off of tax	(703,499)	(514,218)	(216,298)	(469,318)	(172,192)	-
Net tax liabilities	-	-	-	-	-	-

	Net			Net		
	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM	31.12.2020 RM
Property, plant and equipment	(2,643,436)	(2,929,392)	(2,732,849)	(2,350,518)	(1,433,426)	-
Right-of-use assets	(2,915,334)	(2,913,429)	(2,304,799)	(2,339,789)	(2,352,441)	-
Lease liabilities	355,115	407,396	100,618	171,126	124,966	-
Unabsorbed capital allowance	321,709	70,314	52,386	298,192	47,226	-
Intangible assets	(600,000)	-	-	-	-	-
Other items	26,675	36,508	63,294	(3,196)	(3,196)	-
Deferred tax liabilities	(5,455,271)	(5,328,603)	(4,821,350)	(4,224,185)	(3,616,871)	-

15. Deferred tax liabilities (continued)

Unrecognised deferred tax asset

Deferred tax asset has not been recognised for the following item (stated in gross):

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Unutilised tax loss	12,639	6,292	-	-	-

Deferred tax asset in respect of the unutilised tax loss has not been recognised because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

Tax losses for which no deferred tax asset was recognised expire as follows:

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Expiring in YA2035	6,292	6,292	-	-	-
Expiring in YA2036	6,347	-	-	-	-
	12,639	6,292	-	-	-

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15. Deferred tax liabilities (continued)

Movements in temporary differences during the period/year

	At 1.1.2021 RM	Recognised in profit or loss (Note 22) RM	At 1.1.2022 RM	Recognised in profit or loss (Note 22) RM	At 31.12.2022/ 1.1.2023 RM	Recognised in profit or loss (Note 22) RM	At 31.12.2023/ 1.1.2024 RM
Property, plant and equipment	(737,823)	(695,603)	(1,433,426)	(917,092)	(2,350,518)	(382,331)	(2,732,849)
Right-of-use assets	(1,376,167)	(976,274)	(2,352,441)	12,652	(2,339,789)	34,990	(2,304,799)
Lease liabilities	209,098	(84,132)	124,966	46,160	171,126	(70,508)	100,618
Unabsorbed capital allowance	44,646	2,580	47,226	250,966	298,192	(245,806)	52,386
Other items	(3,196)	-	(3,196)	-	(3,196)	66,490	63,294
	(1,863,442)	(1,753,429)	(3,616,871)	(607,314)	(4,224,185)	(597,165)	(4,821,350)

	At 31.12.2023/ 1.1.2024 RM	Recognised in profit or loss (Note 22) RM	At 31.12.2024/ 1.1.2025 RM	Recognised in profit or loss (Note 22) RM	At 31.5.2025 RM
Property, plant and equipment	(2,732,849)	(196,543)	(2,929,392)	433,196	(2,643,436)
Right-of-use assets	(2,304,799)	(608,630)	(2,913,429)	3,633	(2,915,334)
Lease liabilities	100,618	306,778	407,396	(60,925)	355,115
Unabsorbed capital allowance	52,386	17,928	70,314	251,395	321,709
Intangible assets	-	-	-	-	(600,000)
Other items	63,294	(26,786)	36,508	(9,833)	26,675
	(4,821,350)	(507,253)	(5,328,603)	617,466	(5,455,271)

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16. Trade and other payables

	Note	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Trade						
Amount due to related parties	16.1	6,024,975	17,156	20,070	-	-
Amount due to associate of the Group	16.1	-	3,993,664	5,378,199	825,277	62,126
Amount due to third parties		17,303,090	14,868,222	13,501,034	11,559,215	6,981,854
Accrued purchases		341,006	1,146,871	-	-	-
		<u>23,669,071</u>	<u>20,025,913</u>	<u>18,899,303</u>	<u>12,384,492</u>	<u>7,043,980</u>
Non-trade						
Amount due to holding company	16.2	4,900	4,900	-	-	-
Amount due to related party	16.2	-	-	4,100	5,100	-
Amount due to associate of the Group	16.2	-	1,026	-	-	-
Amount due to Controlling Shareholders	16.2	-	-	2,481,127	2,678,127	3,328,127
Other payables		3,037,856	3,375,261	1,471,814	968,064	894,902
Dividend payables	25	-	5,000,000	8,250,026	7,200,012	-
Deposits		85,250	81,500	101,500	151,100	102,600
Accrued expenses		4,667,388	3,961,745	2,952,225	1,830,991	544,570
		<u>7,795,394</u>	<u>12,424,432</u>	<u>15,260,792</u>	<u>12,833,394</u>	<u>4,870,199</u>
		<u>31,464,465</u>	<u>32,450,345</u>	<u>34,160,095</u>	<u>25,217,886</u>	<u>11,914,179</u>

16.1 The trade amounts due to related parties and associate of the Group are unsecured, interest free and subject to the normal trade terms.

16.2 The non-trade amounts due to holding company, related parties, associate of the Group and Controlling Shareholders are unsecured, interest free and repayable on demand.

The related parties are companies of which the Controlling Shareholders and Directors of the Group have substantial financial interest.

17. Contract liabilities

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Contract liabilities	<u>6,845,282</u>	<u>4,211,705</u>	<u>734,430</u>	<u>2,142,684</u>	<u>665,277</u>

Contract liabilities primarily relate to the advance consideration received from customers before the goods are delivered, which were expected to be recognised as revenue within the next 12 months.

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18. Derivative financial liabilities

	Nominal value RM	Assets RM	Liabilities RM
31.5.2025			
Derivatives at fair value through profit or loss			
- Forward foreign exchange contracts	422,239	-	(511)

Forward foreign exchange contracts are used to manage the foreign currency exposures arising from the Group's receivables denominated in currencies other than functional currencies of Group entities. Most of the forward foreign exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward contracts are rolled over at maturity.

19. Revenue

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Revenue from contracts with customers						
- Sale of goods	74,522,351	51,709,278	153,889,126	123,235,037	75,034,232	69,222,934
- Repair and Maintenance services	-	610	3,142	388,090	282,550	178,640
	<u>74,522,351</u>	<u>51,709,888</u>	<u>153,892,268</u>	<u>123,623,127</u>	<u>75,316,782</u>	<u>69,401,574</u>
Other revenue						
Hiring of moulds and machineries	4,247,371	4,905,149	11,445,505	11,246,364	9,918,221	6,424,721
Total revenue	<u>78,769,722</u>	<u>56,615,037</u>	<u>165,337,773</u>	<u>134,869,491</u>	<u>85,235,003</u>	<u>75,826,295</u>

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19. Revenue (continued)**19.1 Disaggregation of revenue from contract with customers**

	West Malaysia factories RM	East Malaysia factories RM	Total RM
1.1.2025 to 31.5.2025			
Audited			
Major products and service lines			
Sales of moulds, machineries and metal products	5,726,868	-	5,726,868
Sales of construction materials and accessories	6,553,236	11,025,932	17,579,168
Sales of lighting fixtures	4,309,809	-	4,309,809
Sales of spun poles and piles	19,845,959	15,341,881	35,187,840
Sales of other concrete products	42,270	11,676,396	11,718,666
	<u>36,478,142</u>	<u>38,044,209</u>	<u>74,522,351</u>
Timing of recognition			
At a point in time	<u>36,478,142</u>	<u>38,044,209</u>	<u>74,522,351</u>
1.1.2024 to 31.05.2024			
Unaudited			
Major products and service lines			
Sales of moulds, machineries and metal products	2,732,804	-	2,732,804
Sales of construction materials and accessories	5,899,773	13,783,376	19,683,149
Sales of spun poles and piles	17,913,822	6,843,744	24,757,566
Sales of other concrete products	184,965	4,350,794	4,535,759
Repair and maintenance services	-	610	610
	<u>26,731,364</u>	<u>24,978,524</u>	<u>51,709,888</u>
Timing of recognition			
At a point in time	<u>26,731,364</u>	<u>24,978,524</u>	<u>51,709,888</u>

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19. Revenue (continued)**19.1 Disaggregation of revenue from contract with customers (continued)**

	West Malaysia factories RM	East Malaysia factories RM	Total RM
1.1.2024 to 31.12.2024			
Audited			
Major products and service lines			
Sales of moulds, machineries and metal products	18,966,053	-	18,966,053
Sales of construction materials and accessories	13,796,705	33,673,157	47,469,862
Sales of lighting fixtures	3,938,959	-	3,938,959
Sales of spun poles and piles	52,311,208	17,556,456	69,867,664
Sales of other concrete products	278,113	13,368,475	13,646,588
Repair and maintenance services	-	3,142	3,142
	<u>89,291,038</u>	<u>64,601,230</u>	<u>153,892,268</u>
Timing of recognition			
At a point in time	<u>89,291,038</u>	<u>64,601,230</u>	<u>153,892,268</u>
1.1.2023 to 31.12.2023			
Audited			
Major products and service lines			
Sales of moulds, machineries and metal products	13,087,403	-	13,087,403
Sales of construction materials and accessories	14,512,440	29,452,642	43,965,082
Sales of spun poles and piles	44,008,097	10,355,701	54,363,798
Sales of other concrete products	257,505	11,561,249	11,818,754
Repair and maintenance services	387,815	275	388,090
	<u>72,253,260</u>	<u>51,369,867</u>	<u>123,623,127</u>
Timing of recognition			
At a point in time	<u>72,253,260</u>	<u>51,369,867</u>	<u>123,623,127</u>
1.1.2022 to 31.12.2022			
Audited			
Major products and service lines			
Sales of moulds, machineries and metal products	10,440,832	-	10,440,832
Sales of construction materials and accessories	16,116,893	19,821,575	35,938,468
Sales of spun poles and piles	9,855,164	11,886,534	21,741,698
Sales of other concrete products	435,702	6,477,532	6,913,234
Repair and maintenance services	277,800	4,750	282,550
	<u>37,126,391</u>	<u>38,190,391</u>	<u>75,316,782</u>
Timing of recognition			
At a point in time	<u>37,126,391</u>	<u>38,190,391</u>	<u>75,316,782</u>

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19. Revenue (continued)**19.1 Disaggregation of revenue from contract with customers (continued)**

	West Malaysia factories RM	East Malaysia factories RM	Total RM
1.1.2021 to 31.12.2021			
Major products and service lines			
Sales of moulds, machineries and metal products	16,043,915	-	16,043,915
Sales of construction materials and accessories	10,826,495	15,830,743	26,657,238
Sales of spun poles and piles	5,242,048	19,014,820	24,256,868
Sales of other concrete products	350,572	1,914,341	2,264,913
Repair and maintenance services	176,850	1,790	178,640
	<u>32,639,880</u>	<u>36,761,694</u>	<u>69,401,574</u>
Timing of recognition			
At a point in time	<u>32,639,880</u>	<u>36,761,694</u>	<u>69,401,574</u>

19.2 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognised revenue	Significant payment terms	Variable element in consideration	Obligation for returns or refunds
Sales of goods	Revenue is recognised at a point in time when or as control of the goods is transferred to the customers.	Credit period of 30 days to 90 days from invoice date.	Not applicable.	Not applicable.
Repair and maintenance services	Revenue is recognised when the services are rendered.	Credit period of 30 days to 60 days from invoice date.	Not applicable.	Not applicable.

Warranty

The Group provides assurance warranty for specific types of concrete products and lighting fixtures. The following information reflects the typical warranty period provided to customers:

Products	Typical warranty period
Moulds, machinery, and equipment	1 year
Steel poles	1 year from date of customer acceptance
Lighting fixtures	2 to 5 years
Standard poles for telecommunications	1 year from date of customer acceptance
Standard poles for electricity distribution	Ranges between 1 and 3 years from date of delivery to the customer
Monopoles for telecommunications	Ranges between 25 and 50 years

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20. Finance income

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Interest income of financial assets calculated using the effective interest method that are at amortised cost	65,697	80,664	227,750	154,008	112,809	83,107
Interest income on net investment in lease	-	-	-	972	5,998	11,723
	<u>65,697</u>	<u>80,664</u>	<u>227,750</u>	<u>154,980</u>	<u>118,807</u>	<u>94,830</u>

21. Finance costs

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Interest expense of financial liabilities that are not at fair value through profit or loss						
- banker's acceptance interest	345,019	385,592	919,517	544,221	358,543	251,424
- term loan interest	366,751	261,590	691,269	603,559	484,311	425,448
- hire purchase interest	152,489	125,526	316,645	249,136	186,852	143,062
Interest expense on lease liabilities	25,413	5,430	39,932	17,683	17,132	22,792
	<u>889,672</u>	<u>778,138</u>	<u>1,967,363</u>	<u>1,414,599</u>	<u>1,046,838</u>	<u>842,726</u>

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22. Tax expense*Recognised in profit or loss*

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Current tax expense						
Current period/year	1,867,149	2,270,253	5,773,937	4,795,814	2,508,713	2,637,959
(Over)/Under provision in prior year	(110,519)	(53,000)	(53,000)	423,182	(769,332)	33,715
	<u>1,756,630</u>	<u>2,217,243</u>	<u>5,720,937</u>	<u>5,218,996</u>	<u>1,739,381</u>	<u>2,671,674</u>
Deferred tax expense						
Origination and reversal of temporary difference	(302,221)	55,464	196,682	459,838	564,412	600,948
(Over)/Under provision in prior year	(315,245)	-	310,571	137,327	42,902	1,152,481
	<u>(617,466)</u>	<u>55,464</u>	<u>507,253</u>	<u>597,165</u>	<u>607,314</u>	<u>1,753,429</u>
Total income tax expense	<u>1,139,164</u>	<u>2,272,707</u>	<u>6,228,190</u>	<u>5,816,161</u>	<u>2,346,695</u>	<u>4,425,103</u>
Reconciliation of tax expense						
Profit before tax	<u>8,106,752</u>	<u>9,472,373</u>	<u>23,670,056</u>	<u>21,345,164</u>	<u>12,331,299</u>	<u>12,778,215</u>
Income tax calculated using Malaysian tax rate of 24%	1,945,620	2,273,370	5,680,813	5,122,839	2,959,512	3,066,772
Non-deductible expenses	88,729	128,437	490,115	365,264	322,385	594,170
Tax exempt income	(470,944)	(39,153)	(100,730)	(83,888)	(27,901)	(338,885)
Effect of deferred tax asset not recognised	1,523	-	944	-	-	-
Differential in tax rate (Over)/Under provision in prior year	-	(36,947)	(100,523)	(148,563)	(180,871)	(83,150)
- Current tax	(110,519)	(53,000)	(53,000)	423,182	(769,332)	33,715
- Deferred tax	<u>(315,245)</u>	<u>-</u>	<u>310,571</u>	<u>137,327</u>	<u>42,902</u>	<u>1,152,481</u>
	<u>1,139,164</u>	<u>2,272,707</u>	<u>6,228,190</u>	<u>5,816,161</u>	<u>2,346,695</u>	<u>4,425,103</u>

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23. Profit before tax

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Profit before tax is arrived at after charging/(crediting):						
Material expenses/(income)						
Amortisation of right-of-use assets	452,912	233,552	785,669	640,085	666,450	534,734
Commission income	(744,161)	(815,030)	(2,183,412)	(2,023,048)	(1,699,503)	(1,542,283)
Depreciation of property, plant and equipment	2,310,724	2,087,529	5,170,284	4,457,130	3,892,089	3,389,498
Dividend income from:						
- money market fund	(48,680)	(9,212)	(42,764)	(205,843)	(68,188)	(322,322)
- quoted shares	-	-	-	(67,177)	(52,318)	(48,395)
Fair value gain on investment in money market fund	(404,083)	(192,798)	(641,519)	(346,563)	(287,507)	(17,238)
Fair value loss/(gain) on investment in quoted shares	-	-	-	-	348,280	(66,904)
Gain on bargain purchase on acquisition of a subsidiary	(762,518)	-	-	-	-	-
Remeasurement gain on interest previously held in an associate	(571,049)	-	-	-	-	-
(Gain)/Loss on disposal of:						
- investment in quoted shares	-	-	-	(272,636)	(56,006)	(93,242)
- property, plant and equipment	(13,521)	(2,481)	(504,278)	66,109	(15,000)	(290,737)
Gain on early termination of lease	-	(78)	(11,453)	-	-	-
Loss/(Gain) on foreign exchange, net:						
- realised	52,997	10,437	277,909	(84,221)	(28,726)	(190,474)
- unrealised	14,884	(62,435)	35,035	43,855	(78,934)	617
Management fees from associate	-	(200,000)	(200,000)	(480,000)	(480,000)	-
Property, plant and equipment written off	-	-	687,126	-	-	-
Written down of obsolete inventories	-	-	-	531,586	-	-

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23. Profit before tax (continued)

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Personnel expenses (including key management personnel):						
- Salaries, wages, bonuses, and allowances	4,973,467	3,589,265	10,532,632	8,107,468	6,925,384	5,211,826
- Contributions to Employees' Provident Fund	385,966	308,165	995,213	776,906	660,628	353,409
- Social contribution plan	65,203	41,310	106,736	73,559	47,695	55,487
- Employment insurance system	4,558	3,746	8,925	7,623	5,975	4,533
Other expenses/ (income) arising from leases						
Expenses relating to short-term leases (see Note A)	1,068,388	385,533	1,411,896	791,543	236,833	220,914
Expenses relating to leases of low-value assets (see Note A)	8,444	3,851	8,928	5,321	6,066	6,660
Income from rental of:						
- factory workshop	(365,200)	(379,000)	(927,600)	(945,600)	(921,600)	(921,600)
- office	(5,000)	(6,250)	(15,000)	(15,000)	(15,000)	(15,000)
- stockyard	(582,000)	(225,000)	(827,500)	(540,000)	(585,000)	(180,000)
Net (gain)/loss on impairment of financial instruments						
Financial assets at amortised cost	<u>(90,118)</u>	<u>-</u>	<u>107,765</u>	<u>142,690</u>	<u>170,155</u>	<u>271,497</u>

Note A

The Group leases buildings, machinery and equipment, industrial vehicles, and office equipment with contract terms of 1 to 3 years. These leases are short-term or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

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24. Earnings per ordinary share**Basic earnings per ordinary share**

The calculation of basic earnings per ordinary share was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Profit for the period/year attributable to owners	<u>6,191,861</u>	<u>6,569,650</u>	<u>15,961,745</u>	<u>14,289,081</u>	<u>8,770,128</u>	<u>8,311,904</u>
Weighted average number of ordinary shares (included invested equity)	<u>72,845,208</u>	<u>2,985,274</u>	<u>3,164,639</u>	<u>2,985,174</u>	<u>2,985,174</u>	<u>2,985,174</u>
Basic earnings per ordinary share (sen)	<u>8.50</u>	<u>220.07</u>	<u>504.38</u>	<u>478.67</u>	<u>293.79</u>	<u>278.44</u>

Diluted earnings per ordinary share

Diluted earnings per ordinary share are identical with basic earnings per ordinary share as the Group does not have any dilutive potential ordinary shares.

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25. Dividends

Dividends recognised by the Group:

	RM per share RM	Total amount RM	Date of payment
31.12.2024			
Interim 2024 ordinary	3.00	3,000,000	11 November 2024
Interim 2024 ordinary	7.50	3,000,000	2 December 2024
Interim 2024 ordinary	6.00	6,000,000	4 December 2024
Interim 2024 ordinary	9.98	500,000	10 December 2024
Interim 2024 ordinary	1.00	62,800,000	(see Note 25.1)
Interim 2024 ordinary	1.00	5,000,000	(see Note 25.2)
Total amount		<u>80,300,000</u>	
31.12.2023			
Interim 2023 ordinary	4.50	4,500,009	26 January 2024
Interim 2023 ordinary	8.50	3,400,017	26 January 2024
Interim 2023 ordinary	0.78	350,000	26 January 2024
Total amount		<u>8,250,026</u>	
31.12.2022			
Interim 2022 ordinary	3.00	3,000,000	14 March 2023
Interim 2022 ordinary	3.00	1,200,006	13 March 2023
Interim 2022 ordinary	3.00	3,000,006	10 March 2023
Interim 2022 ordinary	3.75	1,500,008	27 June 2022
Total amount		<u>8,700,020</u>	
31.12.2021			
Interim 2021 ordinary	1.00	1,000,002	18 August 2021
Interim 2021 ordinary	2.50	1,000,005	18 August 2021
Total amount		<u>2,000,007</u>	

Dividends received from associate which was paid directly to owners of the Group:

	RM per share RM	Total amount RM	Date of payment
31.12.2023			
Interim 2023 ordinary	2.00	<u>600,000</u>	15 April 2024
31.12.2021			
Interim 2021 ordinary	1.20	360,000	30 November 2021
Interim 2021 ordinary	0.30	90,000	21 October 2021
Interim 2021 ordinary	1.00	300,000	6 January 2021
Total amount		<u>750,000</u>	

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25. Dividends (continued)

- 25.1** On 31 December 2024, PMW Industries Sdn. Bhd., Kumpulan Asma Sdn. Bhd., PMW Marketing Sdn. Bhd. and Mega Summit Sdn. Bhd. have declared and credited dividends of RM62,800,000 to its shareholders. The Controlling Shareholders have transferred the respective amount owing by the Combining Entities to Lee United Holding Sdn. Bhd. and subsequently Lee United Holding Sdn. Bhd. transferred the amount receivable to the Company. The combining entities above then issued and allotted new ordinary shares to the Company.
- 25.2** On 31 December 2024, TEK Properties Sdn. Bhd. ("TEK Properties") has declared and credited dividend of RM5,000,000 to its shareholders. During the financial period ended 31 May 2025, the Controlling Shareholders have transferred the amount owing by TEK Properties to Lee United Holding Sdn. Bhd. and subsequently Lee United Holding Sdn. Bhd. transferred the amount receivable to the Company. TEK Properties then issued and allotted new ordinary shares to the Company on 22 January 2025.

26. Operating segments

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units are managed separately because of the geographical locations that the factories operates in and require different technology and marketing strategies. For each of the strategic business units, the Group's Chief Operating Decision Maker ("CODM") who is the Chief Executive Officer and the Chief Operating Officer of the Group reviews internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

- *West Malaysia* Includes purchasing, manufacturing and distributing concrete and steel products for factories based in West Malaysia.
- *East Malaysia* Includes purchasing, manufacturing and distributing concrete products for factories based in East Malaysia.

There are varying levels of integration between the reportable segments. This integration includes transfers of raw materials and shared distribution services, respectively. Inter-segment pricing is determined on negotiated basis.

Performance is measured based on *segment profit before tax, interest, depreciation and amortisation ("EBITDA")*, as included in the reports that are reviewed by the Chief Executive Officer. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment assets and segment liabilities information are neither included in the internal management reports nor provided regularly to the CODM for regular review. Hence, no disclosures are made on segment assets and liabilities.

Segment capital expenditure is the total cost during the financial period to acquire property, plant and equipment.

26. Operating segments (continued)

		West Malaysia				
	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Segment EBITDA	8,398,056	8,055,569	20,912,796	19,173,528	10,285,217	14,244,949
<i>Included in the measure of segment EBITDA are:</i>						
Revenue from external customers	36,478,142	26,731,364	89,291,038	72,253,260	37,126,391	32,639,880
Other revenue	1,595,596	1,994,495	4,786,788	4,786,788	3,862,788	3,405,588
Commission income	744,161	815,030	2,183,412	2,023,048	1,699,503	1,542,283
Written down of obsolete inventories	-	-	-	(262,357)	-	-
Share of profit/(loss) of equity-accounted associate	630,110	359,206	635,711	620,843	288,344	(114,087)
<i>Not included in the measure of segment EBITDA but provided to CODM</i>						
Depreciation and amortisation	(1,492,963)	(1,236,160)	(3,155,871)	(2,747,802)	(2,118,793)	(1,733,988)
Finance costs	(453,439)	(357,353)	(986,394)	(602,776)	(411,453)	(259,726)
Finance income	49,112	76,565	157,656	93,605	74,987	91,962
Tax expense	(1,124,576)	(1,471,836)	(4,526,826)	(4,001,735)	(895,117)	(3,864,563)

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26. Operating segments (continued)

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	East Malaysia 1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Segment EBITDA	3,287,918	4,505,857	10,504,629	9,233,979	8,685,360	3,507,522
<i>Included in the measure of segment EBITDA are:</i>						
Revenue from external customers	38,044,209	24,978,524	64,601,230	51,369,867	38,190,391	36,761,694
Other revenue	2,651,775	2,910,654	6,658,717	6,459,576	6,055,433	3,019,133
Written down of obsolete inventories	-	-	-	-	-	-
Share of profit/(loss) of equity-accounted associate	-	-	-	-	-	-
<i>Not included in the measure of segment EBITDA but provided to CODM</i>						
Depreciation and amortisation	(1,366,563)	(1,188,246)	(3,031,117)	(2,536,034)	(2,593,962)	(2,218,179)
Finance costs	(436,233)	(420,785)	(980,969)	(811,823)	(635,385)	(607,836)
Finance income	16,585	4,099	70,094	61,375	43,820	16,394
Tax expense	(14,588)	(800,871)	(1,701,364)	(1,814,426)	(1,451,578)	(560,540)

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26. Operating segments (continued)

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	Total 1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Segment EBITDA	11,685,974	12,561,426	31,417,425	28,407,507	18,970,577	17,752,471	
<i>Included in the measure of segment EBITDA are:</i>							
Revenue from external customers	74,522,351	51,709,888	153,892,268	123,623,127	75,316,782	69,401,574	
Other revenue	4,247,371	4,905,149	11,445,505	11,246,364	9,918,221	6,424,721	
Commission income	744,161	815,030	2,183,412	2,023,048	1,699,503	1,542,283	
Written down of obsolete inventories	-	-	-	(262,357)	-	-	
Share of profit/(loss) of equity-accounted associate	630,110	359,206	635,711	620,843	288,344	(114,087)	
<i>Not included in the measure of segment EBITDA but provided to CODM</i>							
Depreciation and amortisation	(2,859,526)	(2,424,406)	(6,186,988)	(5,283,836)	(4,712,755)	(3,952,167)	
Finance costs	(889,672)	(778,138)	(1,967,363)	(1,414,599)	(1,046,838)	(867,562)	
Finance income	65,697	80,664	227,750	154,980	118,807	108,356	
Tax expense	(1,139,164)	(2,272,707)	(6,228,190)	(5,816,161)	(2,346,695)	(4,425,103)	

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26. Operating segments (continued)

Reconciliations of reportable segment profit or loss, and other material items

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	Total 1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Profit or loss						
Total EBITDA for reportable segments	11,685,974	12,561,426	31,417,425	28,407,507	18,970,577	17,752,471
Elimination of inter-segment profits	8,389	(70,498)	(51,803)	(705,509)	(1,152,708)	(302,128)
Depreciation and amortisation	(2,763,636)	(2,321,081)	(5,955,953)	(5,097,215)	(4,558,539)	(3,924,232)
Finance costs	(889,672)	(778,138)	(1,967,363)	(1,414,599)	(1,046,838)	(842,726)
Finance income	65,697	80,664	227,750	154,980	118,807	94,830
Tax expense	(1,139,164)	(2,272,707)	(6,228,190)	(5,816,161)	(2,346,695)	(4,425,103)
Net profit for the financial period/year	6,967,588	7,199,666	17,441,866	15,529,003	9,984,604	8,353,112

	Depreciation and amortisation RM	Finance costs RM	Finance income RM
1.1.2025 to 31.5.2025 Audited			
Total reportable segment	2,859,526	889,672	65,697
Elimination of inter-segment transactions	(95,890)	-	-
Combined total	2,763,636	889,672	65,697
1.1.2024 to 31.05.2024 Unaudited			
Total reportable segment	2,424,406	778,138	80,664
Elimination of inter-segment transactions	(103,325)	-	-
Combined total	2,321,081	778,138	80,664

26. Operating segments (continued)

Reconciliations of reportable segment profit or loss, and other material items (continued)

	Depreciation and amortisation RM	Finance costs RM	Finance income RM
1.1.2024 to 31.12.2024			
Audited			
Total reportable segment	6,186,988	1,967,363	227,750
Elimination of inter-segment transactions	(231,035)	-	-
Combined total	5,955,953	1,967,363	227,750
1.1.2023 to 31.12.2023			
Audited			
Total reportable segment	5,283,836	1,414,599	154,980
Elimination of inter-segment transactions	(186,621)	-	-
Combined total	5,097,215	1,414,599	154,980
1.1.2022 to 31.12.2022			
Audited			
Total reportable segment	4,712,755	1,046,838	118,807
Elimination of inter-segment transactions	(154,216)	-	-
Combined total	4,558,539	1,046,838	118,807
1.1.2021 to 31.12.2021			
Audited			
Total reportable segment	3,952,167	867,562	108,356
Elimination of inter-segment transactions	(27,935)	(24,836)	(13,526)
Combined total	3,924,232	842,726	94,830

26. Operating segments (continued)

Geographical segments

The Group operates primarily in Malaysia. In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers.

	1.1.2025 to 31.5.2025 Audited RM	West Malaysia			
		1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Malaysia	33,340,859	28,725,859	81,952,653	73,247,936	21,431,411
West Africa	3,261,387	-	-	-	-
North America	298,225	-	10,225,558	1,907,429	1,053,137
Middle East	820,310	-	19,774	1,656,804	865,449
Europe	-	-	1,824,808	-	509,806
Other countries	352,957	-	55,033	227,879	72,114
	38,073,738	28,725,859	94,077,826	77,040,048	40,989,179
					36,045,468
	1.1.2025 to 31.5.2025 Audited RM	East Malaysia			
		1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Malaysia	40,695,984	27,889,178	71,259,947	57,829,443	39,780,827
					44,245,824
					39,780,827

26. Operating segments (continued)

Geographical segments (continued)

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Malaysia	74,036,843	56,615,037	153,212,600	131,077,379	82,734,497	61,212,238
West Africa	3,261,387	-	-	-	-	-
North America	298,225	-	10,225,558	1,907,429	1,053,137	6,036,389
Middle East	820,310	-	19,774	1,656,804	865,449	7,352,463
Europe	-	-	1,824,808	-	509,806	-
Other countries	352,957	-	55,033	227,879	72,114	1,225,205
	78,769,722	56,615,037	165,337,773	134,869,491	85,235,003	75,826,295

Major customers

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

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	Revenue		1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM	Segment
			1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM			
Customer A	24,068,909	16,814,281	40,437,549	36,266,357	27,406,255	20,749,341	West Malaysia and East Malaysia
Customer B	8,301,951	11,171,718	28,633,122	28,623,864	27,478,253	16,172,166	West Malaysia

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27. Financial instruments**27.1 Categories of financial instruments**

The table below provides an analysis of financial instruments categorised as fair value through profit and loss ("FVTPL") and amortised cost ("AC").

	Carrying amount RM	FVTPL RM	AC RM
31.5.2025			
Audited			
Financial assets			
Trade and other receivables	47,773,824	-	47,773,824
Fixed deposits with licensed banks	4,681,479	-	4,681,479
Cash and cash equivalents	46,213,646	31,146,829	15,066,817
	<u>98,668,949</u>	<u>31,146,829</u>	<u>66,522,120</u>
Financial liabilities			
Trade and other payables	31,464,465	-	31,464,465
Loans and borrowings	47,852,774	-	47,852,774
Derivative financial liabilities	511	511	-
	<u>79,317,750</u>	<u>511</u>	<u>79,317,239</u>
31.12.2024			
Audited			
Financial assets			
Trade and other receivables	43,363,580	-	43,363,580
Fixed deposits with licensed banks	3,543,198	-	3,543,198
Cash and cash equivalents	40,454,877	29,044,066	11,410,811
	<u>87,361,655</u>	<u>29,044,066</u>	<u>58,317,589</u>
Financial liabilities			
Trade and other payables	32,450,345	-	32,450,345
Loans and borrowings	51,037,246	-	51,037,246
	<u>83,487,591</u>	<u>-</u>	<u>83,487,591</u>
31.12.2023			
Audited			
Financial assets			
Trade and other receivables	32,525,696	-	32,525,696
Fixed deposits with licensed banks	3,472,664	-	3,472,664
Cash and cash equivalents	32,451,434	22,089,783	10,361,651
	<u>68,449,794</u>	<u>22,089,783</u>	<u>46,360,011</u>
Financial liabilities			
Trade and other payables	34,160,095	-	34,160,095
Loans and borrowings	32,646,655	-	32,646,655
	<u>66,806,750</u>	<u>-</u>	<u>66,806,750</u>

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27. Financial instruments (continued)**27.1 Categories of financial instruments (continued)**

	Carrying amount RM	FVTPL RM	AC RM
31.12.2022			
Audited			
Financial assets			
Investment in quoted shares	2,174,680	2,174,680	-
Trade and other receivables	21,982,232	-	21,982,232
Fixed deposits with licensed banks	3,419,375	-	3,419,375
Cash and cash equivalents	26,647,873	17,173,000	9,474,873
	<u>54,224,160</u>	<u>19,347,680</u>	<u>34,876,480</u>
Financial liabilities			
Trade and other payables	25,217,886	-	25,217,886
Loans and borrowings	27,234,495	-	27,234,495
	<u>52,452,381</u>	<u>-</u>	<u>52,452,381</u>
31.12.2021			
Audited			
Financial assets			
Investment in quoted shares	2,327,894	2,327,894	-
Trade and other receivables	16,842,288	-	16,842,288
Fixed deposits with licensed banks	3,369,509	-	3,369,509
Cash and cash equivalents	25,047,455	17,407,571	7,639,884
	<u>47,587,146</u>	<u>19,735,465</u>	<u>27,851,681</u>
Financial liabilities			
Trade and other payables	11,914,179	-	11,914,179
Loans and borrowings	24,217,646	-	24,217,646
	<u>36,131,825</u>	<u>-</u>	<u>36,131,825</u>

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27. Financial instruments (continued)**27.2 Net gains and losses arising from financial instruments**

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Net gains/(losses) arising on:						
Financial assets at FVTPL	452,763	202,010	684,283	892,219	115,739	548,101
Financial liabilities at FVTPL	(511)	-	-	-	-	-
Financial assets measured at AC	147,864	130,285	(133,844)	63,945	49,456	31,264
Financial liabilities measured at AC	(924,189)	(770,331)	(1,986,546)	(1,409,177)	(1,028,848)	(849,731)
	<u>(324,073)</u>	<u>(438,036)</u>	<u>(1,436,107)</u>	<u>(453,013)</u>	<u>(863,653)</u>	<u>(270,366)</u>

27.3 Financial risks management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

27.4 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its trade receivables, cash and cash equivalents, fixed deposits with licenced banks, and other receivables. There are no significant changes as compared to prior periods.

Trade receivables*Risk management objectives, policies and processes for managing the risk*

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

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27. Financial instruments (continued)**27.4 Credit risk (continued)****Trade receivables (continued)**

Risk management objectives, policies and processes for managing the risk (continued)

The gross carrying amount of credit impaired receivables are written off (either partially or fully) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the combined statement of financial position.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. The Group uses ageing analysis to monitor the credit quality of the receivables.

Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 60 days.

The following table provides information about the exposure to credit risk and expected credit losses ("ECLs") for trade receivables which are grouped together as they are expected to have similar risk nature.

	Gross carrying amount RM	Loss allowances RM	Net balance RM
31.5.2025			
Current (not past due)	25,054,114	-	25,054,114
1 - 30 days past due	14,003,072	-	14,003,072
31 - 60 days past due	624,043	-	624,043
61 - 90 days past due	640,228	-	640,228
More than 90 days past due	6,231,280	-	6,231,280
Credit impaired			
Individually impaired	456,078	(456,078)	-
	47,008,815	(456,078)	46,552,737

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27. Financial instruments (continued)**27.4 Credit risk (continued)****Trade receivables (continued)***Recognition and measurement of impairment losses (continued)*

	Gross carrying amount RM	Loss allowances RM	Net balance RM
31.12.2024			
Current (not past due)	23,092,788	-	23,092,788
1 - 30 days past due	10,112,366	-	10,112,366
31 - 60 days past due	6,078,055	-	6,078,055
61 - 90 days past due	2,021,422	-	2,021,422
More than 90 days past due	637,753	-	637,753
Credit impaired			
Individually impaired	551,584	(551,584)	-
	<u>42,493,968</u>	<u>(551,584)</u>	<u>41,942,384</u>
31.12.2023			
Current (not past due)	17,032,179	-	17,032,179
1 - 30 days past due	5,524,909	-	5,524,909
31 - 60 days past due	3,454,515	-	3,454,515
61 - 90 days past due	2,948,267	-	2,948,267
More than 90 days past due	663,237	-	663,237
Credit impaired			
Individually impaired	474,142	(474,142)	-
	<u>30,097,249</u>	<u>(474,142)</u>	<u>29,623,107</u>
31.12.2022			
Current (not past due)	10,033,277	-	10,033,277
1 - 30 days past due	3,793,837	-	3,793,837
31 - 60 days past due	2,093,645	-	2,093,645
61 - 90 days past due	2,342,812	-	2,342,812
More than 90 days past due	1,878,341	-	1,878,341
Credit impaired			
Individually impaired	441,652	(441,652)	-
	<u>20,583,564</u>	<u>(441,652)</u>	<u>20,141,912</u>

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27. Financial instruments (continued)**27.4 Credit risk (continued)****Trade receivables (continued)***Recognition and measurement of impairment losses (continued)*

	Gross carrying amount RM	Loss allowances RM	Net balance RM
31.12.2021			
Current (not past due)	7,426,754	-	7,426,754
1 – 30 days past due	3,436,648	-	3,436,648
31 – 60 days past due	2,167,399	-	2,167,399
61 – 90 days past due	1,090,591	-	1,090,591
More than 90 days past due	1,593,493	-	1,593,493
Credit impaired			
Individually impaired	271,497	(271,497)	-
	<u>15,986,382</u>	<u>(271,497)</u>	<u>15,714,885</u>

The movements in the allowance for impairment in respect of trade receivables during the period/year are shown below:

	Credit impaired				
	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
At 1 January	551,584	474,142	441,652	271,497	-
Net measurement of loss allowance	(90,118)	107,765	142,690	170,155	271,497
Amounts written off	(5,388)	(30,323)	(110,200)	-	-
At 31 December	<u>456,078</u>	<u>551,584</u>	<u>474,142</u>	<u>441,652</u>	<u>271,497</u>

In the financial period ended 31 May 2025, RM5,388 (2024: RM30,323; 2023: RM110,200) of the trade receivables were written off against impairment loss provided but are still subject to enforcement activity.

Amount due from related parties*Risk management objectives, policies and processes for managing the risk*

The Group has balance arising from trade and non-trade transactions with its related parties. The Group monitors the results of its related parties regularly.

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27. Financial instruments (continued)**27.4 Credit risk (continued)****Trade receivables (continued)***Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the combined statement of financial position.

Recognition and measurement of impairment losses

Generally, the Group considers amount due from related parties to have low credit risk. The Group assumes that there is a significant increase in credit risk when the related party's financial position deteriorates significantly. The Group considers the amount due from related party to be in default when the related party is not able to pay when demanded. The Group considers the amount due from related party to be credit impaired when:

- The related party is unlikely to repay the Group in full; or
- The related party is continuously loss making and is having a deficit shareholders' fund.

As at the end of the reporting period, there was no indication that the non-trade amount due from its related party is not recoverable.

Cash and cash equivalents and fixed deposits with licensed banks

The cash and cash equivalents and fixed deposits are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the combined statement of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group is of the view that the loss allowance is not material and hence, it is not provided for.

27. Financial instruments (continued)**27.4 Credit risk (continued)****Other receivables**

Credit risks on other receivables are mainly arising from deposits paid for buildings and fixtures rented. These deposits will be received at the end of each lease terms. The Group manages the credit risk together with the leasing arrangement.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the combined statement of financial position.

As at the end of the reporting period, the Group is of the view that the loss allowance is not material and hence, it is not provided for.

27.5 Liquidity 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, loans and borrowings.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

27. Financial instruments (continued)

27.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Under 1 year RM	1-5 years RM	More than 5 years RM
31.5.2025						
<i>Non-derivative financial liabilities</i>						
Trade and other payables	31,464,465	-	31,464,465	31,464,465	-	-
Loans and borrowings	47,852,774	2.28 - 5.19	53,925,170	27,225,972	15,465,833	11,233,365
Lease liabilities	1,479,646	3.37 - 4.62	1,553,630	685,810	867,820	-
	80,796,885		86,943,265	59,376,247	16,333,653	11,233,365
<i>Derivative financial liabilities</i>						
Forward foreign exchange contract (gross settled):						
- Outflow	422,750	-	422,750	422,750	-	-
- Inflow	(422,239)	-	(422,239)	(422,239)	-	-
	511		511	511	-	-
	80,797,396		86,943,776	59,376,758	16,333,653	11,233,365
31.12.2024						
<i>Non-derivative financial liabilities</i>						
Trade and other payables	32,450,345	-	32,450,345	32,450,345	-	-
Loans and borrowings	51,037,246	2.28 - 4.85	57,777,885	29,329,107	15,351,164	13,097,614
Lease liabilities	1,697,484	3.37 - 4.62	1,794,780	665,760	1,129,020	-
	85,185,075		92,023,010	62,445,212	16,480,184	13,097,614

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27. Financial instruments (continued)

27.5 Liquidity risk (continued)

Maturity analysis (continued)

31.12.2023

Non-derivative financial liabilities

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Under 1 year RM	1-5 years RM	More than 5 years RM
Trade and other payables	34,160,095	-	34,160,095	34,160,095	-	-
Loans and borrowings	32,646,655	2.40 - 5.19	37,440,065	17,624,876	16,346,169	3,469,020
Lease liabilities	419,244	3.37	444,800	124,800	320,000	-
	67,225,994		72,044,960	51,909,771	16,666,169	3,469,020

31.12.2022

Non-derivative financial liabilities

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Under 1 year RM	1-5 years RM	More than 5 years RM
Trade and other payables	25,217,886	-	25,217,886	25,217,886	-	-
Loans and borrowings	27,234,495	2.11 - 4.97	30,864,605	13,049,985	10,873,027	6,941,593
Lease liabilities	713,025	2.17 - 5.41	755,961	315,961	440,000	-
	53,165,406		56,838,452	38,583,832	11,313,027	6,941,593

31.12.2021

Non-derivative financial liabilities

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Under 1 year RM	1-5 years RM	More than 5 years RM
Trade and other payables	11,914,179	-	11,914,179	11,914,179	-	-
Loans and borrowings	24,217,646	2.11 - 5.41	27,451,527	10,325,736	9,256,634	7,869,157
Lease liabilities	520,693	2.17 - 5.41	533,365	355,219	178,146	-
	36,652,518		39,899,071	22,595,134	9,434,780	7,869,157

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27. Financial instruments (continued)**27.6 Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates will affect the Group's financial position or cash flows.

27.6.1 Currency risk

The Group is exposed to foreign currency risk on transactions that are denominated in a currency other than the functional currency of the respective entities in the Group. The currency giving rise to this risk is primarily United States Dollar ("USD"), EURO ("EUR"), Chinese Yuan ("CNY") and Omani Rial ("OMR").

Risk management objectives, policies and processes for managing the risk

The Group hedges a portion of its foreign currency denominated trade receivables. The Group uses forward exchange contracts to hedge its foreign currency risk. Most of the forward exchange contracts have maturities of less than one year after the end of the financial year. Where necessary, the forward exchange contracts are rolled over at maturity.

Exposure to foreign currency risk

The Group's exposure to foreign currency risk, based on carrying amounts as at the end of the reporting period was:

	USD RM	Denominated in EUR RM	CNY RM	OMR RM
31.5.2025				
Balances recognised in the combined statement of financial position				
Trade and other receivables	1,052,925	-	-	-
Cash and cash equivalents	1,173,324	589,659	45,807	-
Trade and other payables	(950,423)	-	(72,391)	-
Net exposure	1,275,826	589,659	(26,584)	-
31.12.2024				
Balances recognised in the combined statement of financial position				
Trade and other receivables	3,985,203	1,139,067	-	-
Cash and cash equivalents	134,518	211,784	649	-
Trade and other payables	(409,926)	-	(1,296,542)	(26,093)
Net exposure	3,709,795	1,350,851	(1,295,893)	(26,093)

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27. Financial instruments (continued)**27.6 Market risk (continued)****27.6.1 Currency risk (continued)***Exposure to foreign currency risk (continued)*

	Denominated in		
	USD RM	EUR RM	CNY RM
31.12.2023			
Balances recognised in the combined statement of financial position			
Trade and other receivables	1,239,984	-	-
Cash and cash equivalents	1,443,329	509	735
Trade and other payables	(11,529)	-	(43,623)
Net exposure	2,671,784	509	(42,888)
31.12.2022			
Balances recognised in the combined statement of financial position			
Trade and other receivables	565,120	-	-
Cash and cash equivalents	1,207,714	468	227,570
Trade and other payables	(11,867)	-	(480,688)
Net exposure	1,760,967	468	(253,118)
31.12.2021			
Balances recognised in the combined statement of financial position			
Trade and other receivables	864,349	-	-
Cash and cash equivalents	1,223,251	500	24,632
Trade and other payables	-	-	(1,078,303)
Net exposure	2,087,600	500	(1,053,671)

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27. Financial instruments (continued)**27.6 Market risk (continued)****27.6.1 Currency risk (continued)***Currency risk sensitivity analysis*

A 10% strengthening of Ringgit Malaysia against the following currency at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables remained constant and ignores any impact of forecasted sales and purchases.

	Profit or loss				
	31.5.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
	RM	RM	RM	RM	RM
USD	(96,963)	(281,944)	(203,056)	(133,833)	(158,658)
EUR	(44,814)	(102,665)	(39)	(36)	(38)
CNY	2,020	98,488	3,259	19,237	80,079
OMR	-	1,983	-	-	-
	(139,757)	(284,138)	(199,836)	(114,632)	(78,617)

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27. Financial instruments (continued)**27.6 Market risk (continued)****27.6.1 Currency risk (continued)***Currency risk sensitivity analysis (continued)*

A 10% weakening of Ringgit Malaysia against the above currency at the end of the reporting period would have had equal but opposite effect on the basis that all other variables remained constant.

27.6.2 Interest rate risk

The Group's investments in fixed deposits and short-term deposits with licensed banks and its fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Investments in quoted shares and short-term receivables and payables are not significantly exposed to interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Fixed rate instruments					
Fixed deposits with licensed banks	4,681,479	3,543,198	3,472,664	3,419,375	3,369,509
Short-term deposits	1,904,856	1,416,565	2,828,222	1,625,317	1,159,793
Loans and borrowings	(6,961,027)	(6,896,278)	(6,300,739)	(4,772,883)	(2,385,114)
Lease liabilities	(1,479,646)	(1,697,484)	(419,244)	(713,025)	(520,693)
	<u>(1,854,338)</u>	<u>(3,633,999)</u>	<u>(419,097)</u>	<u>(441,216)</u>	<u>1,623,495</u>
Floating rate instruments					
Loans and borrowings	<u>(40,891,747)</u>	<u>(44,140,968)</u>	<u>(26,345,916)</u>	<u>(22,461,612)</u>	<u>(21,832,532)</u>

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27. Financial instruments (continued)**27.6 Market risk (continued)****27.6.2 Interest rate risk (continued)***Interest rate risk sensitivity analysis**(a) Fair value sensitivity analysis for fixed rate instruments*

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

(b) Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or loss	
	100 bp increase RM	100 bp decrease RM
31.5.2025		
Floating rate instruments	<u>(310,777)</u>	<u>310,777</u>
31.12.2024		
Floating rate instruments	<u>(335,471)</u>	<u>335,471</u>
31.12.2023		
Floating rate instruments	<u>(200,229)</u>	<u>200,229</u>
31.12.2022		
Floating rate instruments	<u>(170,708)</u>	<u>170,708</u>
31.12.2021		
Floating rate instruments	<u>(165,927)</u>	<u>165,927</u>

27.6.3 Other price risk

Equity price risk arises from the Group's investment in quoted shares.

Risk management objectives, policies and processes for managing the risk

Management of the Group monitors the equity investments on a portfolio basis. Material investments within the portfolio are managed on an individual basis.

Equity price risk sensitivity analysis

This analysis assumes that all other variables remain constant and the Group's equity investments moved in correlation with the FTSE Bursa Malaysia KLCI ("FBMKLCI").

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27. Financial instruments (continued)**27.6 Market risk (continued)****27.6.3 Other price risk (continued)**

A 10% strengthening in FBMKLCI at the end of the reporting period would have increased pre-tax profit or loss by Nil (31.12.2024: Nil; 31.12.2023: Nil; 31.12.2022: RM217,468; 31.12.2021: RM232,789) for investments classified as fair value through profit or loss. A 10% weakening in FBMKLCI would have had equal but opposite effect on profit or loss.

27.7 Fair value information

The carrying amounts of cash and bank balances, fixed deposits with licensed banks, short-term receivables and payables reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

The carrying amount of floating rate term loans approximate their fair values as their effective interest rates change according to movements in the market interest rates.

Accordingly, the fair values and fair value hierarchy has not been presented.

The tables below analyse other financial instruments at fair value.

	Carrying amount RM	Total fair value RM	Level 1 RM	Level 2 RM	Level 3 RM
31.5.2025					
Financial assets					
Measured at fair value					
Money market fund	31,146,829	31,146,829	31,146,829	-	-
Financial liabilities					
Measured at fair value					
Derivative financial liabilities	(511)	(511)	-	(511)	-
Not measured at fair value					
Hire purchase liabilities	6,961,027	6,404,123	-	-	6,404,123
31.12.2024					
Financial assets					
Measured at fair value					
Money market fund	29,044,066	29,044,066	29,044,066	-	-
Financial liabilities					
Not measured at fair value					
Hire purchase liabilities	6,896,278	6,355,069	-	-	6,355,069

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27. Financial instruments (continued)**27.7 Fair value information (continued)**

	Carrying amount RM	Total fair value RM	Level 1 RM	Level 2 RM	Level 3 RM
31.12.2023					
Financial assets					
Measured at fair value					
Money market fund	22,089,783	22,089,783	22,089,783	-	-
Financial liabilities					
Not measured at fair value					
Hire purchase liabilities	6,300,739	5,673,594	-	-	5,673,594
31.12.2022					
Financial assets					
Measured at fair value					
Money market fund	17,173,000	17,173,000	17,173,000	-	-
Investment in quoted shares	2,174,680	2,174,680	2,174,680	-	-
Financial liabilities					
Not measured at fair value					
Hire purchase liabilities	4,772,883	4,380,174	-	-	4,380,174
31.12.2021					
Financial assets					
Measured at fair value					
Money market fund	17,407,571	17,407,571	17,407,571	-	-
Investment in quoted shares	2,327,894	2,327,894	2,327,894	-	-
Financial liabilities					
Not measured at fair value					
Hire purchase liabilities	2,385,114	2,246,715	-	-	2,246,715

Level 2 fair value**Derivative financial liabilities**

The fair value of forward exchange contracts is based on their indicative market prices from the issuing banks, if available. If the indicative market price from the issuing bank is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

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27. Financial instruments (continued)**27.7 Fair value information (continued)****Level 3 fair value****Financial instruments not measured at fair value**

Type	Description of valuation technique and inputs used
Hire purchase liabilities	Discounted cash flow using a rate based on the contractual interest rate of the Group at the reporting date.

28. Capital management

The Group's objective when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain creditor and market confidence and to sustain future development of the business. The Directors monitor the adequacy of capital on an ongoing basis. There was no change in the Group's approach to capital management during the financial period/year.

The debt-to-equity ratios monitored by the Group as part of its capital management at 31 May 2025, 31 December 2024, 31 December 2023, 31 December 2022 and 31 December 2021 were as follows:

	Note	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Loans and borrowings	14	47,852,774	51,037,246	32,646,655	27,234,495	24,217,646
Lease liabilities		1,479,646	1,697,484	419,244	713,025	520,693
Less: Cash and cash equivalents		<u>(46,213,646)</u>	<u>(40,454,877)</u>	<u>(32,451,434)</u>	<u>(26,647,873)</u>	<u>(25,047,455)</u>
Net debt/(cash)		<u>3,118,774</u>	<u>12,279,853</u>	<u>614,465</u>	<u>1,299,647</u>	<u>(309,116)</u>
Total equity		<u>101,931,292</u>	<u>86,643,236</u>	<u>77,821,270</u>	<u>71,142,293</u>	<u>69,857,709</u>
Debt-to-equity ratio		<u>0.03</u>	<u>0.14</u>	<u>0.01</u>	<u>0.02</u>	<u>-</u>

Certain subsidiary is also required to maintain certain financial covenant ratios as disclosed in Note 14.

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29. Related parties

Significant related party transactions

Related party transactions have been entered into in the normal course of business and have been established under negotiated terms. The significant related party balances related to the above transactions are disclosed in Notes 9 and 16. The significant related party transactions of the Group during the period/year are as follows:

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Associate						
Rental income	2,072,796	2,129,745	5,416,888	5,111,388	4,235,388	3,778,188
Management fees received	-	200,000	200,000	480,000	480,000	-
Back charge of labour cost	42,915	(78,158)	(444,198)	(77,686)	110,598	678,607
Sales commission	744,160	815,030	2,183,412	2,023,048	1,699,503	1,542,283
Sales of goods	6,485,811	9,272,743	23,962,451	23,794,928	23,602,084	13,161,083
Purchases	(5,947,250)	(6,450,852)	(19,495,123)	(19,334,245)	(2,499,366)	(269,373)
Companies in which Directors have direct or deemed interest or with common directors						
Rental income	3,126,775	3,290,654	7,798,717	7,635,576	7,204,433	3,763,133
Rental expenses	(38,000)	(22,500)	(56,000)	(70,800)	(61,200)	(61,200)
Sales commission	(165,514)	-	-	-	-	-
Sales of goods	21,417,134	13,920,299	33,798,606	31,963,714	24,373,882	27,006,441
Purchases	(15,432,016)	(13,430,460)	(30,595,953)	(23,427,437)	(10,453,642)	(15,392,357)

29. Related parties (continued)

Significant related party transactions (continued)

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Key management personnel						
<i>Directors of the Company</i>						
Fees	52,500	-	-	-	-	-
Remuneration	242,113	331,289	795,094	648,195	576,064	508,700
Contribution to Employees' Provident Fund	46,724	62,968	151,123	123,464	109,608	95,566
Estimated monetary value of benefits-in-kind	23,338	16,615	39,875	28,000	30,580	28,000
Directors of the combining entities						
Remuneration	233,943	95,026	330,063	190,816	170,298	158,971
Contribution to Employees' Provident Fund	38,978	18,177	56,884	38,778	32,515	27,075
Estimated monetary value of benefits-in-kind	24,085	10,695	25,667	-	-	-
Other key management personnel						
Remuneration	85,000	275,018	522,431	369,090	339,308	228,125
Contribution to Employees' Provident Fund	11,630	38,346	74,152	53,694	49,832	34,049
Other short-term employee benefits	-	12,929	31,029	23,225	33,850	31,761

Other key management personnel comprise persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the entities either directly or indirectly.

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30. Acquisition of a subsidiary

On 13 March 2025, the Company entered into a conditional share sale agreement ("SSA") to acquire 49% of issued share capital of PMW Concrete Industries Sdn. Bhd. ("PMW Concrete") comprising 490,000 ordinary shares from its existing shareholders, namely Decor Poles Sdn. Bhd. (30%) and Yusof Bin Yeop Ahmat (19%), for a purchase consideration of RM1,830,000 and RM1,158,731 respectively. The said purchase consideration will be fully satisfied by cash.

Prior to the acquisition, PMW Concrete is accounted for as a 30%-associate (see Note 6). Upon completion of the acquisition on 5 May 2025, PMW Concrete is accounted for as a 49%-owned subsidiary of the Group by virtue of an agreement with its other shareholders. The Group has de facto control over PMW Concrete on the basis that it has the current ability to direct the activities of PMW Concrete that significantly affect its return.

Post acquisition to 31 May 2025, the subsidiary contributed revenue of RM5,370,102 and profit of RM531,891. If the acquisition had occurred on 1 January 2025, management estimates that consolidated revenue would have been RM85,547,543, and consolidated profit for the financial period would have been RM8,136,765. In determining these amounts, management has assumed that the fair value adjustments, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2025.

The following summaries the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

Fair value of consideration transferred

	Note	31.5.2025 RM
Cash and cash equivalents		<u>1,158,731</u>

Identifiable assets acquired and liabilities assumed

	Note	31.5.2025 RM
Property, plant and equipment	3	1,996,745
Right-of-use assets	4	15,790
Intangible assets	5	2,500,000
Inventories		5,367,779
Trade and other receivables		9,721,634
Prepayment		168,718
Fixed deposits with licensed banks		1,100,092
Cash and cash equivalents		1,220,790
Trade and other payables		(10,887,390)
Loans and borrowings		(280,935)
Lease liabilities		(16,035)
Deferred tax liabilities	15	(744,134)
Tax payable		<u>(64,099)</u>
Total identifiable net assets		<u>10,098,955</u>

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30. Acquisition of a subsidiary (continued)**Net cash inflow arising from acquisition of subsidiary****31.5.2025**

Purchase consideration settled in cash and cash equivalents	(1,158,731)
Cash and cash equivalents acquired	1,220,790
	<u>62,059</u>

Gain on bargain purchase on acquisition of a subsidiary

A gain on bargain purchase was recognised as a result of the acquisition as follows:

31.5.2025

Total consideration transferred	1,158,731
Fair value of identifiable net assets	(10,098,955)
Non-controlling interests, based on their proportionate interest in the recognised amounts of the assets and liabilities of the acquiree	5,150,467
Fair value of existing interest in the acquiree	<u>3,027,239</u>
Gain on bargain purchase	<u>(762,518)</u>

The remeasurement to fair value of the Group's existing 30% interest in PMW Concrete resulted in a gain of RM571,049 which has been recognised in other income in the combined statement of profit or loss and other comprehensive income.

31. Subsequent event

- (1) On 13 March 2025, the Company entered into a conditional share sale agreement ("SSA") to acquire the entire issued share capital of Winabumi Sdn. Bhd. of RM100,000 comprising 100,000 ordinary shares from its existing shareholders for a purchase consideration of RM4,538,000. The said purchase consideration will be fully satisfied by the issuance of 4,538,000 new ordinary shares of the Company at an issued price of RM1 per share, which will be issued to the shareholders of Winabumi Sdn. Bhd., namely Lee Khim Hwa, Lee Hon Hwa, and Lee Fuh Min @ Richard.

The acquisition was completed on 5 September 2025.

- (2) On 13 March 2025, the Company entered into a conditional SSA to acquire the entire remaining equity interest owned by Controlling Shareholders and Lee Fuh Min @ Richard in PMW Industries Sdn. Bhd., Kumpulan Asma Sdn. Bhd., TEK Properties Sdn. Bhd., PMW Marketing Sdn. Bhd., PMW Tower Sdn. Bhd., Winabumi Marketing Sdn. Bhd. and Mega Summit Sdn. Bhd. The purchase consideration collectively will be fully satisfied by the issuance of 16,117,001 new ordinary shares of the Company at an issued price of RM1 per share.

The acquisition was completed on 8 September 2025.

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31. Subsequent event (continued)

- (3) On 21 August 2025, the Company has obtained approval from Bursa Malaysia Securities Berhad ("Bursa Securities") to list on the ACE Market of Bursa Securities.

Pursuant to the listing, the Company's initial public offering ("IPO") of 267,616,000 ordinary shares in the Company will comprise of a public issue of 178,411,000 and an offer for sale of up to 89,205,000. Of these 267,616,000 shares, 111,507,100 will be allocated to Bumiputera investors approved by Ministry of Investment, Trade and Industry, 44,602,600 shares will be made available for application by the Malaysian public by way of balloting, 22,301,300 shares will be earmarked for eligible persons who contributed to the success of the Group with the remaining 89,205,000 shares will be undertaken by selected investors.

13. ACCOUNTANTS' REPORT (Cont'd)

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The Board of Directors
PMW International Berhad
 Lot 133077, Jalan Lahat
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 31500 Lahat, Perak, Malaysia

2 October 2025

Dear Sirs,

Reporting Accountant's opinion on the combined financial statements contained in the Accountants' Report of PMW International Berhad ("PMW" or the "Company") and its combining entities (the "Group")

Opinion

We have audited the combined financial statements of PMW and the combining entities stated in Note 7 (the "Group"), which comprise the combined statement of financial position as at 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024 and 31 May 2025, and the combined statement of profit or loss and other comprehensive income, combined statement of changes in equity and combined statement of cash flows for the years and period then ended, and notes to the combined financial statements, including material accounting policy information, as set out on pages 1 to 83. The combined financial statements of the Company have been prepared for inclusion in the prospectus of the Company 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") and for no other purposes.

In our opinion, the accompanying combined financial statements give a true and fair view of the combined financial positions of the Group as of 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024 and 31 May 2025, and of its combined financial performance and combined cash flows for the years and period then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards") and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

13. ACCOUNTANTS' REPORT (Cont'd)

PMW International Berhad ("PMW" or the "Company")
*Reporting Accountant's opinion on the combined financial statements
 contained in the Accountants' Report*

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Reporting Accountant's Responsibilities for the Audit of the Combined Financial Statements* section of our auditors' 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.

Responsibilities of the Directors for the Combined Financial Statements

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

In preparing the combined financial statements of the Company, 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 Accountant's Responsibilities for the Audit of the Combined Financial Statements

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

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

- Identify and assess the risks of material misstatement of the combined financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group.

13. ACCOUNTANTS' REPORT (Cont'd)

PMW International Berhad ("PMW" or the "Company")
*Reporting Accountant's opinion on the combined financial statements
 contained in the Accountants' Report*

**Reporting Accountant's Responsibilities for the Audit of the Combined Financial Statements
 (continued)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- 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 reporting accountants' report to the related disclosures in the combined financial statements of the Company 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 reporting accountants' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements of the Company, including the disclosures, and whether the combined financial statements of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- 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 forming an opinion on the combined financial statements of the Company. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

Other Matter

The comparative information for the combined statement of profit or loss and other comprehensive income, changes in equity and cash flows, and notes to the combined financial statements of the Company for the financial period 31 May 2024 has not been audited.

Restriction on Distribution and Use

This report is made solely to the Company and for inclusion in the Company's prospectus in connection with the listing of and quotation for the entire enlarged issued share capital of PMW on the ACE Market of Bursa Securities and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.


KPMG PLT
 (LLP0010081-LCA & AF 0758)
 Chartered Accountants


Ooi Eng Siong
 Approval Number: 03240/02/2026 J
 Chartered Accountant

14. ADDITIONAL INFORMATION**14.1 EXTRACT OF OUR CONSTITUTION**

The following provisions are extracted from our Company's Constitution and are qualified in its entirety by the provisions of our Constitution and by applicable law.

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

14.1.1 Remuneration of Directors

The provision in our Constitution dealing with remuneration of Directors are as follows:

Clause 86 –

A Managing Director or an Executive Director shall, subject to the terms of any agreement entered into in any particular case, receive such remuneration (whether by way of salary, bonus or participation in profits, or partly in one way and partly in another and other benefits) as the Board of Directors may determine.

Clause 91 –

An Alternate Director:

- (1) has no entitlement to receive remuneration from the Company and any fee paid by the Company to the Alternate Director shall be deducted from the Appointer's remuneration; and
- (2) is entitled to be reimbursed for all the travelling and other expenses properly incurred by him in attending the Board Meetings on behalf of the Appointer from the Company.

Clause 92(2) –

- (2) The Board may fix, determine and vary the powers, duties and remuneration of any person appointed as an associate director.

Clause 95 –

- (1) The Company may from time to time by an ordinary resolution passed at a General Meeting, approve the remuneration of the Directors, who hold non-executive office with the Company, for their services as non-executive Directors.
- (2) Subject to Clause 86, the fees of the Directors and any benefits payable to the Directors shall be subject to annual shareholders' approval at a General Meeting.
- (3) If the fee of each such non-executive Director is not specifically fixed by the Members, then the quantum of fees to be paid to each non-executive Director within the overall limits fixed by the Members, shall be decided by resolution of the Board. In default of any decision being made in this respect by the Board, the fees payable to the non-executive Directors shall be divided equally amongst themselves and such a Director holding office for only part of a year shall be entitled to a proportionate part of a full year's fees. The non-executive Directors shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover.
- (4) The following expenses shall be determined by the Directors:
 - (a) Traveling, hotel and other expenses properly incurred by the Directors in attending and returning from meetings of the Directors or any committee of the Directors or General Meetings of the Company or in connection with the business of the Company; and
 - (b) Other expenses properly incurred by the Directors arising from the requirements imposed by the authorities to enable the Directors to effectively discharge their duties.

14. ADDITIONAL INFORMATION (Cont'd)

- (5) Executive Directors of the Company shall be remunerated in the manner referred to in Clause 86 but such remuneration shall not include a commission on or percentage of turnover.

14.1.2 Voting and Borrowing Powers of Directors

The provisions in our Company's Constitution in respect of the voting and borrowing powers of Directors, including voting powers on contracts or arrangements in which they are interested in, are as follows:

Clause 97 –

Without limiting the generality of Clause 96(1) and (2), the Directors may, subject to the Act and the Listing Requirements, exercise all the powers of the Company to do all or any of the following for any debt, liability, or obligation of the Company or of any third party:

- (1) borrow money;
- (2) mortgage or charge its undertaking, property, and uncalled capital, or any part of the undertaking, property and uncalled capital;
- (3) issue debentures and other Securities whether outright or as security; and/or
- (4)
 - (a) lend and advance money or give credit to any person or company;
 - (b) guarantee and give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or company;
 - (c) secure or undertake in any way the repayment of moneys lent or advanced to or the liabilities incurred by any person or company;

and otherwise to assist any person or company.

Subject to the provisions of the Act, the Directors shall not acquire an undertaking or property or a substantial value or dispose of the whole or substantially the whole of the undertaking of the Company unless approval of the Members at a general meeting has been obtained.

The Directors may give security for the payment of any money payable by the Company in like manner as for the payment of money borrowed or raised, but in such case the amount shall be reckoned as part of the money borrowed.

The Directors shall cause proper register to be kept in accordance with the provisions of the Act of all charges specifically affecting the property of the Company and all floating charges on the undertaking or any property of the Company and shall duly comply with the requirements of the Act in regard to the registration of the charges therein specified and otherwise.

Clause 107 –

- (a) A Director shall not vote in regard to any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest.
- (b) Every Director shall observe the provisions of Sections 221 and 222 of the Act relating to the disclosure of the interest of the Directors in contracts or proposed contracts with the Company or of any office or property held by the Directors which might create duties or interest in conflict with their duties or interest as Directors and participation in discussion and voting. Such disclosure of material personal interest by the Directors shall be in the form of a notice. Such notice shall be in the form and manner prescribed under Section 221 of the Act.

14. ADDITIONAL INFORMATION (Cont'd)**14.1.3 Changes in capital or variation of class right**

The provisions in our Company's Constitution in respect of the changes in capital and variation of class rights, which are no less stringent than those required by law, are as follows:

Clause 7(5) –

- (5) The Company shall have the power to increase, or reduce its capital, to consolidate or sub-divide the shares into shares of larger or smaller amounts, and to divide the shares forming the capital. The shares in the original or any increased or decreased capital may be divided into several classes and there may be attached thereto any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividend, capital, voting or otherwise.

Clause 8 –

- (1) If at any time the share capital is divided into different classes of shares, the rights attached to each class of shares (unless otherwise provided by the terms of issue of the shares of that class) may only, whether or not the Company is being wound up, be varied:
- (a) with the consent in writing of the holders holding not less than seventy-five percent (75%) of the total voting rights of the holders of that class of shares; or
 - (b) by a special resolution passed by a separate meeting of the holders of that class of shares sanctioning the variation.
- (2) The provisions of this Constitution relating to General Meetings apply with the necessary modifications to every separate meeting of the holders of the shares of the class referred to in Clause 8(1), except that:
- (a) for a meeting other than an adjourned meeting, a quorum is constituted by two (2) persons present holding at least one-third (1/3) of the number of issued shares of such class, excluding any shares of that class held as treasury shares;
 - (b) if that class of shares only has one holder, a quorum is constituted by one (1) person present holding shares of such class; and
 - (c) for an adjourned meeting, a quorum is constituted by one (1) person present holding share(s) of such class.
- (3) The rights attached to an existing class of preference shares shall be deemed to be varied by the issue of new preference shares that rank equally with the existing class of preference shares unless such issuance was authorised by:
- (a) the terms of the issue of the existing preference shares; or
 - (b) this Constitution of the Company as in force at the time when the existing preference shares were issued.

Clause 12 –

- (1) Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares but subject always to the Act, the Listing Requirements and this Constitution, the Directors have the right to:
- (a) issue and allot shares in the Company; and
 - (b) grant rights to subscribe for shares or options over unissued shares in the Company.

14. ADDITIONAL INFORMATION (Cont'd)

If, by conditions of allotment of any shares, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal personal representative but this provision shall not affect the liability of any allottee who may have agreed to pay the same.

- (2) Subject to the Act, the Listing Requirements, this Constitution and the relevant Shareholders' approval being obtained, the Directors may issue any shares (including rights or options over subscription of such shares):
 - (a) with such preferred, deferred, or other special rights or such restrictions, whether with regard to dividend, voting, return of capital, or otherwise, as the Directors may determine;
 - (b) to any person, whether a Member or not, in such numbers or proportions as the Directors may determine; and
 - (c) for such consideration as the Directors may determine.
- (3)
 - (a) 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.
 - (b) 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.
 - (c) 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 shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution.
- (4) Subject to Rule 6.07 of the Listing Requirements and notwithstanding the existence of a resolution pursuant to Sections 75(1) and 76(1) of the Act, the Company must not issue any shares or convertible securities if the total number of those shares or convertible securities, when aggregated with the total number of any such shares or convertible securities issued during the preceding twelve (12) months, exceeds ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company except where the shares or convertible securities are issued with the prior shareholder approval in a General Meeting of the precise terms and conditions of the issue.

Except so far as otherwise provided by the conditions of issue, or by the provisions of this Constitution, any share capital raised by the issue of new shares shall be considered as part of the original share capital and shall be subject to the same provisions with reference to the payment of calls, transfer, transmission, forfeiture, lien, voting and otherwise as if it has been part of the original share capital.

- (5)
 - (a) Subject to Section 80 of the Act, the Company may pay commission (including brokerage) subject to the following:
 - (i) the commission shall not exceed the rate of ten percent (10%) of the price at which the shares in respect whereof the same is paid are issued; or

14. ADDITIONAL INFORMATION (Cont'd)

- (ii) the commission shall not exceed an amount equal to ten percent (10%) of that price,

whichever is lesser;
- (b) The rate of commission shall be disclosed in the manner prescribed in the Act; and
- (c) The said commission may be satisfied by payment in cash or shares (fully or partly paid shares) or partly in one way and partly in the other. For the purpose of Clause 12(5), commission includes brokerage and the rates referred to in Clause 12(5)(a) shall not apply to brokerage.
- (6) Subject to Section 130 of the Act, where any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest or returns on the amount of such share capital as is for the time being paid up and charge the interest or returns paid to share capital as part of the cost of construction of the works, buildings or the provision of any plant.
- (7) All new issues of Securities for which listing is sought shall be by way of crediting the Securities Accounts of the allottees or entitled persons held with the Depository with such Securities with the Depository, save and except where the Company is specifically exempted from compliance with Section 38 of the Central Depositories Act, in which event it shall similarly be exempted from compliance with this provision. For this purpose, the Company must notify the Depository of the names of the allottees or entitled persons together with all such particulars required by the Depository, to enable the Depository to make the appropriate entries in the Securities Accounts of such allottees or entitled persons.

Clause 46 –

- (1) The Company may from time to time by ordinary resolution and subject to other applicable laws or requirements:
 - (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; or
 - (b) subdivide its shares or any of the shares, whichever is in the subdivision; the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived.
- (2) The Company may from time to time by special resolution and subject to other applicable requirements:
 - (a) cancel shares which, at the date of the passing of the resolution in that regard, 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 in such other manner allowed by law; or
 - (b) reduce its share capital in such manner permitted by law, and (where applicable) subject to the relevant required approvals being obtained.
- (3) The Company shall have the power, subject to and in accordance with the provisions of the Act, the Listing Requirements and any rules, regulations and guidelines in respect thereof for the time being in force, to purchase its own shares and thereafter to deal with the shares purchased in accordance with the provisions of the Act, the Listing Requirements and any rules, regulations and guidelines thereunder or issued by Bursa Securities and any other relevant authorities in respect thereof.

14. ADDITIONAL INFORMATION (Cont'd)**14.1.4 Transfer of securities**

The provision in our Constitution in respect of the arrangement for the transfer of securities of our Company and restrictions on their free transferability are as follows:

Clause 14 –

- (1) The transfer of any Deposited Security or class of Deposited Security of the Company, shall be by way of book entry by the Depository in accordance with the Rules and, notwithstanding Sections 105, 106 or 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 the Deposited Securities.
- (2) In the case of Deposited Security, the Depository may refuse to effect any transfer of Deposited Security that does not comply with the Central Depositories Act and Rules and where the reason for the transfer does not fall within any of the approved reasons provided in the Rules.

Clause 17 –

- (1) Subject to this Constitution and other written laws, any Shareholder or debenture holder may transfer all or any of his shares or debentures by instrument of transfer as prescribed under the Act.
- (2) The instrument of transfer must be executed by or on behalf of the transferor and the transferee.
- (3) The transferor shall remain as the holder of such shares or debentures until the transfer is registered and the name of the transferee is entered in the Register of Members or register of debenture holders in respect of the shares or debentures respectively.

Clause 18 –

- (1) To enable the Company to register the name of the transferee, the following items in relation to the transfer of shares or debentures must be delivered by the transferor to the Office of the Company:
 - (a) the instrument of transfer duly executed and stamped;
 - (b) the certificate of the shares or debentures which the instrument of transfer relates; and
 - (c) any other evidence as the Directors may reasonably require showing the right of the transferor to make the transfer.
- (2) Upon receipt of the items referred to in Clause 18(1), the Company shall, upon the approval of the Board and unless otherwise resolved, register the name of the transferee in the Register of Members or register of debenture holders (as applicable).

Clause 19 –

- (1) The Directors may decline or delay to register the transfer of shares within thirty (30) days from the receipt of the instrument of transfer if:
 - (a) the shares are not fully paid shares;
 - (b) the Directors passed a resolution with full justification to refuse or delay the registration of transfer;
 - (c) the Company has a lien on the shares; and/or

14. ADDITIONAL INFORMATION (Cont'd)

- (d) the Shareholder fails to pay the Company an amount due in respect of those shares, whether by way of consideration for the issue of the shares or in respect of the sums payable by the Shareholder in accordance with this Constitution.
- (2) Where applicable, the Company shall send a notice of the resolution referred to in Clause 19(1)(b) to the transferor and transferee, within seven (7) days of the resolution being passed by the Directors.

No share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.

Clause 20 –

On giving at least fourteen (14) days' notice to the Registrar to close the Register of Members or register of debenture holders, the Company may close the Register of Members or register for any class of members or register of debenture holders (collectively, the "Registers") for the purpose of updating the Registers. The registration of transfer may be suspended at such time and for such period as the Directors may from time to time determine, provided that no part of the relevant Register(s) be closed for more than thirty (30) days in aggregate in any calendar year.

A Record of Depositors requested by the Company as at any specified date and/or for any specified purpose when made available to the Company may be treated as the final Record of Depositors as at the specified date and/or for specified purpose. If there shall be more than one Record of Depositors made available to the Company as at the specified date and/or for the specified purpose then the later or last of the Record of Depositors prepared by the Central Depository shall be the final Record of Depositors as at the specified date and/or for the specified purpose.

14.1.5 Rights, preferences and restrictions attached to each class of shares relating to voting, dividend, liquidation and any special rights

The provisions in the Constitution in respect of the rights, preferences and restrictions attached to each class of shares relating to voting, dividend, liquidation and any special rights are as follows:

Clause 7 –

- (1) The capital of the Company shall consist of ordinary shares.
- (2) A holder of ordinary share(s) shall have the following voting rights:
 - (a) Right to vote on a show of hands to one (1) vote on any resolution of the Company; and
 - (b) Right to vote on a poll to one (1) vote for every share held on any resolution of the Company.
- (3) Subject to any applicable laws and any other requirements of Bursa Securities and the SC, any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are liable or at the option of the Company are liable to be redeemed and the Company shall not issue preference shares ranking in priority over preference shares already issued but may issue preference shares ranking equally therewith.
 - (a) A holder of preference shares must have a right to vote in each of the following circumstances:
 - (i) when the dividend or part of the dividend on the share is in arrears for more than six (6) months;
 - (ii) on a proposal to reduce the Company's share capital;
 - (iii) on a proposal for the disposal of the whole of the Company's property, business and undertaking;

14. ADDITIONAL INFORMATION (Cont'd)

- (iv) on a proposal that affects the rights attached to the preference shares;
 - (v) on a proposal to wind up the Company; and
 - (vi) during the winding up of the Company.
- (b) A holder of preference shares shall be entitled to the same rights as a holder of ordinary shares in relation to receiving notices, reports, audited financial statements and attending meetings.
- (4) Notwithstanding Clause 3 hereof, the repayment of preference share capital other than redeemable preference shares or any alteration of preference shareholders' rights shall only be made pursuant to a special resolution of the preference shareholders concerned provided always that where the necessary majority for such a resolution is not obtained at the meeting of the preference shareholders concerned, consent in writing obtained from not less than seventy-five percent (75%) of the total voting rights of the holders of the preference shares within two (2) months of the meeting shall be valid and effectual as a special resolution carried at the meeting.

14.2 SHARE CAPITAL

- (a) As at the date of this Prospectus, we only have 1 class of shares namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.
- (b) None of our Group's capital is under any option or agreed conditionally or unconditionally to be put under any option as at the date of this Prospectus.
- (c) No person has been or is entitled to be given an option to subscribe for any share, stock, debenture or other security of our Group, except for the Pink Form Allocation.
- (d) As at the date of this Prospectus, there is no scheme involving our Directors and employees in the share capital of our Group, except for the Pink Form Allocation.
- (e) As at the date of this Prospectus, save as disclosed in Sections 4.3.1 and 6.2 of this Prospectus, there is no shares, outstanding warrants, options, convertible securities or uncalled capital of our Group which have been or are proposed to be issued as fully or partly paid-up, in cash or otherwise than in cash, within the 2 years preceding the date of this Prospectus.
- (f) As at the date of this Prospectus, our Group does not have any outstanding convertible debt securities, options, warrants or uncalled capital.
- (g) Save as disclosed in this Prospectus, no securities will be allotted or issued on the basis of this Prospectus later than 6 months after the date of issue of this Prospectus.
- (h) Save as disclosed in this Prospectus and save as provided under our Constitution and the Act, there are no other restrictions upon the holding or voting or transfer of our Shares.

14.3 DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS

As our Shares are proposed for quotation on the Official List, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of our Shares must deposit his Shares with Bursa Depository on or before the date fixed, failing which our Share Registrar will be required to transfer his Shares to the Minister of Finance, Inc. and such Shares may not be traded on Bursa Securities.

Dealing in our Shares deposited with Bursa Depository may only be affected by a Depositor by means of entries in the securities account of that Depositor.

14. ADDITIONAL INFORMATION (Cont'd)

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares will be deemed to be a shareholder of our Company and will be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

14.4 LIMITATION ON THE RIGHT TO OWN SECURITIES

Subject to Section 14.3 above and the clauses below, there is no limitation on the right to own our Shares, including any limitation on the right of a non-resident or non-Malaysian shareholder to hold or exercise voting rights on our Shares which is imposed by Malaysian law or by our Constitution.

14.5 MATERIAL LITIGATION, CLAIMS AND ARBITRATION

As at the LPD, we are not engaged in and do not know of any material litigation, claim and/or arbitration, either as plaintiff or defendant, which has a material effect on our financial position, and our Directors confirm that there are no proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect our financial position or business.

14.6 MATERIAL CONTRACTS

Save as disclosed below, we have not entered into any contracts which are material (not being contracts entered into in the ordinary course of business) within the period covered by the Financial Periods Under Review as disclosed in this Prospectus up to the date of this Prospectus:

- (a) The sale of assets agreement between PMW Industries (as vendor) and Party A (as purchaser) dated 31 December 2024 for the sale of certain fixed assets and raw materials, and the benefits under the tenancy agreements in respect of (i) a warehouse on a land situated in Kuching used for manufacturing of mould for concrete pole and pile; and (ii) a residential property in Kuching used for workers' hostel, for a total consideration of approximately RM2.62 million which is payable on a deferred payment basis over 12 months from the date of the said agreement. The transaction was deemed completed on 7 January 2025, being the date of the first payment in respect of the consideration was made;
- (b) The share sale and purchase agreement between Decor Poles, Yusof Bin Yeop Ahmat (collectively as vendors) and our Company (as purchaser) dated 13 March 2025 for the Acquisition of PMW Concrete. The Acquisition of PMW Concrete was completed on 5 May 2025;
- (c) The shareholders' agreement between our Company, Haji Zulkepli Bin Hj. Hussin, Yusof Bin Yeop Ahmat and PMW Concrete dated 16 June 2025 to regulate the affairs of PMW Concrete and the relationship between each shareholders and with PMW Concrete. This agreement is effective on 16 June 2025;
- (d) The share sale and purchase agreement between the Promoters, Richard Lee (collectively as vendors) and our Company (as purchaser) dated 13 March 2025 for the Acquisitions of Existing Shares in Subsidiaries. The Acquisitions of Existing Shares in Subsidiaries was completed on 8 September 2025; and
- (e) The Underwriting Agreement dated 22 September 2025 entered into between our Company and KAF for the underwriting of 66,903,900 IPO Shares as set out in Section 4.3.3 of this Prospectus. Please refer to Section 4.9 of this Prospectus for the salient terms of the Underwriting Agreement.

14. ADDITIONAL INFORMATION (Cont'd)**14.7 CONSENTS**

- (i) The written consents of Principal Adviser, Sponsor, Underwriter and Placement Agent, Solicitors, Share Registrar, Issuing House and Company Secretary for the inclusion in this Prospectus of their names in the form and context in which their names appear in this Prospectus have been given before the issue of this Prospectus, and have not subsequently been withdrawn.
- (ii) The written consent of the Reporting Accountants for the inclusion in this Prospectus of their name, the Accountants' Report and the Reporting Accountants' Report on the Compilation of the Pro Forma Combined Statements of 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 has not subsequently been withdrawn.
- (iii) The written consent of the Independent Business and Market Research Consultant for the inclusion in this Prospectus of its name and IMR Report in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus, and has not subsequently been withdrawn.

14.8 RESPONSIBILITY STATEMENTS

- (i) The Principal Adviser 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 relating to our IPO.
- (ii) This Prospectus has been seen and approved by our Directors and Promoters and 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.

14.9 DOCUMENTS FOR INSPECTION

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

- (i) our Constitution;
- (ii) the IMR Report referred to in Section 8 of this Prospectus;
- (iii) audited financial statements of our Company for the financial period from 23 January 2024 (date of incorporation) to 31 December 2024;
- (iv) audited financial statements of PMW Concrete and Winabumi for the Financial Periods Under Review;
- (v) Reporting Accountants' Report on the Compilation of the Pro Forma Combined Statements of Financial Information as included in Section 12.5 of this Prospectus;
- (vi) Accountants' Report as included in Section 13 of this Prospectus;
- (vii) the material contracts referred to in Section 14.6 of this Prospectus; and
- (viii) the letters of consent referred to in Section 14.7 of this Prospectus.

15. 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 COPY OF THIS PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT OUR ISSUING HOUSE FOR FURTHER ENQUIRIES.

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

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

15.1 OPENING AND CLOSING OF APPLICATION PERIOD

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 28 October 2025

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 6 November 2025

In the event there is any changes to the date or time for closing, we will advertise the notice of changes in a widely circulated daily English and Bahasa Malaysia newspapers in Malaysia and announce on the website of Bursa Securities accordingly.

Late Applications will not be accepted.

15.2 METHODS OF APPLICATIONS**15.2.1 Application by the Malaysian Public, Eligible Persons**

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

No.	Types of Application and category of investors	Application method
(i)	Applications by Malaysian Public:	
	(a) Individuals	▪ WHITE Application Form; or ▪ Electronic Share Application; or ▪ Internet Share Application
	(b) Non-Individuals	▪ WHITE Application Form only
(ii)	Applications by Eligible Persons	▪ PINK Application Form only

15.2.2 Application by Bumiputera investors approved by MITI and selected investors via private placement

No.	Types of Application	Application method
(i)	Applications by Bumiputera investors approved by MITI	MITI will contact the Bumiputera investors directly. They should follow MITI's instructions.
(ii)	Applications by selected investors	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.

The eligible person, selected investors may still apply for our Issue Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**15.3 ELIGIBILITY****15.3.1 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 the list of 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 Applications.

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

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

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

15.3.2 Application by the Malaysian Public

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

- (i) You must be one of the following:
 - (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares; or
 - (b) a corporation / institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors / trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
 - (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.
- (ii) You must not be a director or employee of our Issuing House or an immediate family member of a director or employee of our Issuing House; and
- (iii) You must submit Applications by using only one of the following methods:
 - (a) White Application Form;
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

15.3.3 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 Issue Shares. The Eligible Persons must follow the notes and instructions in those documents and where relevant, in this Prospectus.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**15.4 PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS**

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of this 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 RM0.34 for each IPO Share.

Payment must be made out in favour of “**MIH SHARE ISSUE ACCOUNT NO. 681**” and crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with your name and address.

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

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

Malaysian Issuing House Sdn Bhd
(Registration No. 199301003608 (258345-X))
11th Floor, Menara Symphony
No.5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

or

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

- (ii) **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan,

so as to arrive not later than 5.00 p.m. on 6 November 2025 or by such other time and date specified in any change to the date and time for closing.

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

15.5 PROCEDURES FOR APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATION

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.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**15.6 PROCEDURES FOR APPLICATION BY WAY OF INTERNET SHARE APPLICATION**

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, Malayan Banking Berhad and Public Bank Berhad, CGS International Securities Malaysia Sdn Bhd (formerly known as CGS-CIMB Securities Sdn Bhd), Malacca Securities Malaysia Sdn Bhd and Moomoo Securities Malaysia 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.

15.7 AUTHORITY OF OUR BOARD AND OUR ISSUING HOUSE

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

- (i) reject Applications which:
 - (a) do not conform to the instructions of this Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
 - (b) are illegible, incomplete or inaccurate; or
 - (c) are accompanied by an improperly drawn up, or improper form of, remittance; or
- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (iii) bank in all Application monies (including those from unsuccessful / partially successful Applicants) which would subsequently be refunded, where applicable (without interest), in accordance with Section 15.9 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 our Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

15.8 OVER / UNDER-SUBSCRIPTION

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

The basis of allocation of IPO Shares and the balloting results in connection therewith will be furnished by the Issuing House to 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.

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

Pursuant to the Listing Requirements we are required to have a minimum of 25% of our Company's issued share capital to be held by at least 200 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest or any share of revenue or benefits arising therefrom) and if such monies are not returned in full within 14 days after our Company becomes liable to do so, the provision of Section 243(2) of the CMSA shall apply accordingly.

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

15.9 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.

15.9.1 For applications by way of Application Forms

- (i) The Application monies or the balance of it, as the case may be, will be 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.
- (ii) If your Application is rejected because you did not provide a CDS Account number, your Application monies will be refunded via banker's draft sent by ordinary / registered post to your address as stated in the NRIC or any official valid temporary identity 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.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by our Issuing House as per items (a) and (b) above (as the case may be).
- (iv) Our Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful Applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or by issuance of banker's draft sent by ordinary / 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).

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

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

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

- (ii) You may check your account on the 5th Market Day from the balloting date.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by our Issuing House by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions 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 our Issuing House.

15.10 SUCCESSFUL APPLICANTS

If you are successful in your Application:

- (i) Our IPO Shares allotted to you will be credited into your CDS account.
- (ii) A notice of allotment will be despatched to you at your last address maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as securities to be deposited in the CDS subject to the provision of the SICDA and the Rules of Bursa Depository. As such, our IPO Shares offered through this 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.
- (iv) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS Accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

15.11 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 at telephone number (03) 7890 4700
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution, Participating Securities Firm and Authorised Financial Institution

The results of the allocation of shares derived from successful balloting will be made available to the public at our Issuing House website at www.mih.com.my, 1 Market Day after the balloting date.

You may also check the status of your Application at the above website, 5 Market Days after the balloting date or by calling your respective ADA during office hours at the telephone number as set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of this Prospectus on the website of Bursa Securities.

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW

PMW Concrete Industries Sdn. Bhd.

(Registration No. 200501015120 (692167-W))

(Incorporated in Malaysia)

**Financial statements for the period
ended 31 May 2025 and for the years
ended 31 December 2024, 2023, 2022
and 2021**

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

1

PMW Concrete Industries Sdn. Bhd.

(Registration No. 200501015120 (692167-W))

(Incorporated in Malaysia)

Statement of financial position

	Note	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Assets						
Property, plant and equipment	3	1,969,568	1,991,683	1,885,845	1,898,355	1,879,216
Right-of-use assets	4	48,353	45,371	89,967	79,621	96,421
Total non-current assets		<u>2,017,921</u>	<u>2,037,054</u>	<u>1,975,812</u>	<u>1,977,976</u>	<u>1,975,637</u>
Inventories	5	5,683,964	5,950,357	9,939,017	6,966,517	3,651,515
Trade and other receivables	6	9,946,081	8,646,894	8,946,908	6,290,379	4,736,253
Prepayments		165,208	172,310	134,570	169,555	56,175
Current tax assets		-	246,499	10,798	915,606	802,999
Fixed deposits with licensed banks	7	1,102,153	1,092,279	385,108	375,325	368,297
Cash and cash equivalents	8	1,566,944	1,019,857	2,179,478	2,183,978	675,277
Total current assets		<u>18,464,350</u>	<u>17,128,196</u>	<u>21,595,879</u>	<u>16,901,360</u>	<u>10,290,516</u>
Total assets		<u>20,482,271</u>	<u>19,165,250</u>	<u>23,571,691</u>	<u>18,879,336</u>	<u>12,266,153</u>
Equity						
Share capital	9	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Retained earnings		7,700,624	5,098,586	2,979,550	2,910,072	1,948,926
Total equity		<u>8,700,624</u>	<u>6,098,586</u>	<u>3,979,550</u>	<u>3,910,072</u>	<u>2,948,926</u>
Liabilities						
Loans and borrowings	10	207,555	303,727	129,620	95,490	151,440
Lease liabilities		27,302	29,018	55,184	63,123	68,913
Deferred tax liabilities	11	174,355	144,134	144,134	122,430	122,430
Total non-current liabilities		<u>409,212</u>	<u>476,879</u>	<u>328,938</u>	<u>281,043</u>	<u>342,783</u>
Loans and borrowings	10	67,853	128,740	84,024	55,950	451,702
Lease liabilities		24,727	20,261	39,400	20,271	30,701
Trade and other payables	12	11,135,938	12,440,784	19,139,779	14,612,000	8,492,041
Current tax liabilities		143,917	-	-	-	-
Total current liabilities		<u>11,372,435</u>	<u>12,589,785</u>	<u>19,263,203</u>	<u>14,688,221</u>	<u>8,974,444</u>
Total liabilities		<u>11,781,647</u>	<u>13,066,664</u>	<u>19,592,141</u>	<u>14,969,264</u>	<u>9,317,227</u>
Total equity and liabilities		<u>20,482,271</u>	<u>19,165,250</u>	<u>23,571,691</u>	<u>18,879,336</u>	<u>12,266,153</u>

The notes on pages 9 to 38 are an integral part of these financial statements.

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

2

PMW Concrete Industries Sdn. Bhd.

(Registration No. 200501015120 (692167-W))

(Incorporated in Malaysia)

Statement of profit or loss and other comprehensive income

	Note	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Revenue	13	26,164,867	22,635,810	60,125,702	51,679,742	47,570,823	29,406,129
Cost of sales		(20,450,839)	(18,771,223)	(51,338,247)	(43,568,504)	(40,473,385)	(25,794,402)
Gross profit		5,714,028	3,864,587	8,787,455	8,111,238	7,097,438	3,611,727
Other income		34,862	93,131	67,507	91,049	106,181	173,145
Administrative expenses		(2,297,431)	(2,385,874)	(6,050,299)	(5,393,343)	(5,781,539)	(4,027,480)
Results from operating activities		3,451,459	1,571,844	2,804,663	2,808,944	1,422,080	(242,608)
Finance income	14	10,898	6,161	28,860	12,842	9,711	5,485
Finance costs	15	(7,633)	(7,629)	(20,891)	(26,465)	(16,697)	(18,736)
Profit/(Loss) before tax		3,454,724	1,570,376	2,812,632	2,795,321	1,415,094	(255,859)
Tax expense	16	(852,686)	(392,816)	(693,596)	(725,843)	(453,948)	(124,430)
Profit/(Loss) and total comprehensive income/							
(expense) for the year	17	2,602,038	1,177,560	2,119,036	2,069,478	961,146	(380,289)

The notes on pages 9 to 38 are an integral part of these financial statements,

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

3

PMW Concrete Industries Sdn. Bhd.

(Registration No. 200501015120 (692167-W))

(Incorporated in Malaysia)

Statement of changes in equity

	Note	Share capital RM	Distributable Retained earnings RM	Total equity RM
Audited				
At 1 January 2021		1,000,000	4,829,215	5,829,215
Loss and total comprehensive expense for the year		-	(380,289)	(380,289)
Dividend to owners of the Company	18	-	(2,500,000)	(2,500,000)
At 31 December 2021/1 January 2022		1,000,000	1,948,926	2,948,926
Profit and total comprehensive income for the year		-	961,146	961,146
At 31 December 2022/1 January 2023		1,000,000	2,910,072	3,910,072
Profit and total comprehensive income for the year		-	2,069,478	2,069,478
Dividend to owners of the Company	18	-	(2,000,000)	(2,000,000)
At 31 December 2023/1 January 2024		1,000,000	2,979,550	3,979,550
Profit and total comprehensive income for the year		-	2,119,036	2,119,036
At 31 December 2024/1 January 2025		1,000,000	5,098,586	6,098,586
Profit and total comprehensive income for the period		-	2,602,038	2,602,038
At 31 May 2025		1,000,000	7,700,624	8,700,624
Note 9				
Unaudited				
At 1 January 2024		1,000,000	2,979,550	3,979,550
Profit and total comprehensive income for the period		-	1,177,560	1,177,560
At 31 May 2024		1,000,000	4,157,110	5,157,110

The notes on pages 9 to 38 are an integral part of these financial statements.

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

4

PMW Concrete Industries Sdn. Bhd.

(Registration No. 200501015120 (692167-W))

(Incorporated in Malaysia)

Statement of cash flows

	Note	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Cash flows from operating activities							
Profit/(Loss) before tax		3,454,724	1,570,376	2,812,632	2,795,321	1,415,094	(255,859)
<i>Adjustments for:</i>							
Amortisation of right-of-use assets	4	10,946	13,323	31,025	39,521	31,889	31,261
Depreciation of property, plant and equipment	3	173,523	164,240	395,188	332,640	306,549	314,016
Finance costs	15	7,633	7,629	20,891	26,465	16,697	18,736
Finance income	14	(10,898)	(6,161)	(28,860)	(12,842)	(9,711)	(5,485)
Gain on disposal of property, plant and equipment		-	(42,658)	(42,658)	(17,999)	-	(63,663)
Gain on termination of lease		-	(131)	(345)	-	-	-
Property, plant and equipment written off		1	-	-	-	-	-
Operating profit before changes in working capital		3,635,929	1,706,618	3,187,873	3,163,106	1,760,518	39,006
Changes in inventories		266,393	417,434	3,988,660	(2,972,500)	(3,315,001)	(1,434,828)
Changes in trade and other receivables, and prepayments		(1,292,085)	(3,019,146)	262,274	(2,621,544)	(1,667,507)	(687,778)
Changes in trade and other payables		(1,304,846)	1,365,442	(4,698,995)	2,527,779	6,119,959	4,952,258
Cash generated from operations		1,305,391	470,348	2,739,812	96,841	2,897,969	2,868,658
Interest paid		(822)	(1,157)	(2,411)	(3,923)	(2,941)	(3,954)
Interest received		10,898	6,161	28,860	12,842	9,711	5,485
Tax paid		(432,049)	(155,883)	(929,297)	200,669	(566,555)	(982,738)
Net cash generated from operating activities		883,418	319,469	1,836,964	306,429	2,338,184	1,887,451
Cash flows from investing activities							
Increase in fixed deposits		(9,874)	(686,651)	(707,171)	(9,783)	(7,028)	(215,958)
Proceeds from disposal of property, plant and equipment		-	128,000	128,000	18,000	-	79,999
Purchase of property, plant and equipment	(a)	(151,409)	(53,508)	(235,368)	(188,131)	(325,688)	(543,852)
Net cash used in from investing activities		(161,283)	(612,159)	(814,539)	(179,914)	(332,716)	(679,811)

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

5

Registration No. 200501015120 (692167-W)

Statement of cash flows (continued)

	Note	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Cash flows from financing activities							
Dividend paid		-	-	(2,000,000)	-	-	(2,500,000)
Interest paid		(6,811)	(6,472)	(18,480)	(22,542)	(13,756)	(14,782)
(Repayment)/Drawdown of bankers' acceptance		-	-	-	-	(400,000)	400,000
Repayment of hire purchase liabilities	(c)	(157,059)	(45,016)	(132,177)	(69,796)	(51,702)	(40,359)
Repayment of lease liabilities	(c)	(11,178)	(13,343)	(31,389)	(38,677)	(31,309)	(30,121)
Net cash used in financing activities		(175,048)	(64,831)	(2,182,046)	(131,015)	(496,767)	(2,185,262)
Net increase/(decrease) in cash and cash equivalents							
Cash and cash equivalents at 1 January		547,087	(357,521)	(1,159,621)	(4,500)	1,508,701	(977,622)
		1,019,857	2,179,478	2,179,478	2,183,978	675,277	1,652,899
Cash and cash equivalents at 31 December	8	1,566,944	1,821,957	1,019,857	2,179,478	2,183,978	675,277

Notes to statement of cash flows:

(a) Purchase of property, plant and equipment

During the financial periods under review, the Company acquired property, plant and equipment with the aggregate costs as disclosed in Note 3 which include those acquired by means of hire purchase arrangement as follow:

	1.1.2025 to 31.05.2025 Audited RM	1.1.2024 to 31.05.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Acquired property, plant and equipment under hire purchase	-	351,000	351,000	132,000	-	-

Statement of cash flows (continued)

Notes to statement of cash flows (continued):

(b) Cash outflows for leases as a lessee

	Note	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Included in net cash from operating activities:							
Payment relating to short-term leases	17	2,700,587	2,188,199	5,625,834	5,194,844	4,272,230	3,811,984
Interest paid in relation to lease liabilities	15	822	1,157	2,411	3,923	2,941	3,954
		11,178	13,343	31,389	38,677	31,309	30,121
Included in net cash from financing activities:							
Payment of lease liabilities							
Total cash outflows for leases		2,712,587	2,202,699	5,659,634	5,237,444	4,306,480	3,846,059

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501015120 (692167-W)

Statement of cash flows (continued)

Notes to statement of cash flows (continued):

(c) Reconciliation of movements of liabilities to cash flows arising from financing activities

Audited	At 1 January 2025 RM	Net changes from financing cash flows RM	Acquisition of new lease RM	Early termination of lease RM	At 31 May 2025 RM
Hire purchase liabilities	432,467	(157,059)	-	-	275,408
Lease liabilities	49,279	(11,178)	13,928	-	52,029
	<u>481,746</u>	<u>(168,237)</u>	<u>13,928</u>	<u>-</u>	<u>327,437</u>

Unaudited	At 1 January 2024 RM	Net changes from financing cash flows RM	Acquisition of new hire purchase arrangement RM	Early termination of lease RM	At 31 May 2024 RM
Hire purchase liabilities	213,644	(45,016)	351,000	-	519,628
Lease liabilities	94,584	(13,343)	-	(7,047)	74,194
	<u>308,228</u>	<u>(58,359)</u>	<u>351,000</u>	<u>(7,047)</u>	<u>593,822</u>

Audited	At 1 January 2024 RM	Net changes from financing cash flows RM	Acquisition of new hire purchase arrangement RM	Early termination of lease RM	At 31 December 2024 RM
Hire purchase liabilities	213,644	(132,177)	351,000	-	432,467
Lease liabilities	94,584	(31,389)	-	(13,916)	49,279
	<u>308,228</u>	<u>(163,566)</u>	<u>351,000</u>	<u>(13,916)</u>	<u>481,746</u>

Audited	At 1 January 2023 RM	Net changes from financing cash flows RM	Acquisition of new lease/hire purchase arrangement RM	Early termination of lease RM	At 31 December 2023 RM
Hire purchase liabilities	151,440	(69,796)	132,000	-	213,644
Lease liabilities	83,394	(38,677)	49,867	-	94,584
	<u>234,834</u>	<u>(108,473)</u>	<u>181,867</u>	<u>-</u>	<u>308,228</u>

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501015120 (692167-W)

Statement of cash flows (continued)

Notes to statement of cash flows (continued):

(c) Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)

Audited	At 1 January 2022 RM	Net changes from financing cash flows RM	Acquisition of new lease RM	Early termination of lease RM	At 31 December 2022 RM
Hire purchase liabilities	203,142	(51,702)	-	-	151,440
Banker's acceptances	400,000	(400,000)	-	-	-
Lease liabilities	99,614	(31,309)	15,089	-	83,394
	<u>702,756</u>	<u>(483,011)</u>	<u>15,089</u>	<u>-</u>	<u>234,834</u>

Audited	At 1 January 2021 RM	Net changes from financing cash flows RM	Acquisition of new lease RM	Early termination of lease RM	At 31 December 2021 RM
Hire purchase liabilities	243,501	(40,359)	-	-	203,142
Banker's acceptances	-	400,000	-	-	400,000
Lease liabilities	93,278	(30,121)	36,457	-	99,614
	<u>336,779</u>	<u>329,520</u>	<u>36,457</u>	<u>-</u>	<u>702,756</u>

The notes on pages 9 to 38 are an integral part of these financial statements.

PMW Concrete Industries Sdn. Bhd.

(Registration No. 200501015120 (692167-W))

(Incorporated in Malaysia)

Notes to the financial statements

PMW Concrete Industries Sdn. Bhd. is a private limited liability company, incorporated and domiciled in Malaysia. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business

Lot 133077, Jalan Lahat
Bukit Merah Industrial Estate
31500 Lahat, Perak, Malaysia

Registered office

55A, Medan Ipoh 1A
Medan Ipoh Bistari
31400 Ipoh, Perak, Malaysia

The Company is principally engaged in the business of manufacturing and trading of prestress spun concrete poles, concrete products and steel poles.

1. Basis of preparation

The financial statements of the Company for financial years ended 31 December 2021, 2022, 2023, 2024 and financial period ended 31 May 2025 have been prepared solely for inclusion in the prospectus of PMW International Berhad in connection with the listing of and quotation for the entire enlarged issued share capital of PMW International Berhad on the ACE Market of Bursa Securities and should not be relied upon for any other purposes.

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Company:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501015120 (692167-W)

1. Basis of preparation (continued)
(a) Statement of compliance (continued)
MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026 (continued)

- Amendments that are part of Annual Improvements – Volume 11:
 - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
 - Amendments to MFRS 7, *Financial Instruments: Disclosures*
 - Amendments to MFRS 9, *Financial Instruments*
 - Amendments to MFRS 10, *Consolidated Financial Statements*
 - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Company plans to apply the abovementioned amendments, accounting standards and interpretations in the respective financial periods when the abovementioned amendments, accounting standards and interpretations become effective, where applicable.

The initial application of the abovementioned amendments, accounting standards or interpretations is not expected to have any material financial impacts to the current period and prior period financial statements of the Company, except as mentioned below:

MFRS 18, Presentation and Disclosure in Financial Statements

MFRS 18 will replace MFRS 101, *Presentation of Financial Statements* and applies for annual periods beginning on or after 1 January 2027. The new accounting standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal.
- Management – defined performance measures (“MPMs”) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

1. Basis of preparation (continued)**(a) Statement of compliance (continued)****MFRS 18, *Presentation and Disclosure in Financial Statements* (continued)**

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Company is currently assessing the impact of adopting MFRS 18.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

The preparation of financial statements in conformity with MFRS Accounting Standards 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.

2. Material accounting policy information

The Company has adopted amendments to MFRS 101, *Presentation of Financial Statements* and MFRS Practice Statement 2 – *Disclosures of Accounting Policies* from 1 January 2021. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the combined financial statements.

Although the amendments did not result in any changes to the Company's accounting policies, it impacted the accounting policy information disclosed in the combined financial statements. The material accounting policy information is disclosed in the respective notes to the combined financial statements where relevant.

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont’d)

Registration No. 200501015120 (692167-W)

3. Property, plant and equipment

Cost	Buildings RM	Machinery and equipment RM	Furniture, fittings and equipment RM	Motor vehicles RM	Total RM
At 1 January 2021	750,180	6,597,456	308,764	282,333	7,938,733
Additions	24,450	29,498	86,525	403,379	543,852
Disposal	-	-	-	(196,026)	(196,026)
At 31 December 2021/1 January 2022	774,630	6,626,954	395,289	489,686	8,286,559
Additions	52,446	230,303	42,939	-	325,688
At 31 December 2022/1 January 2023	827,076	6,857,257	438,228	489,686	8,612,247
Additions	6,938	19,625	143,921	149,647	320,131
Disposal	-	(104,730)	-	-	(104,730)
At 31 December 2023/1 January 2024	834,014	6,772,152	582,149	639,333	8,827,648
Additions	-	171,000	16,061	399,307	586,368
Disposal	-	-	-	(286,581)	(286,581)
At 31 December 2024/1 January 2025	834,014	6,943,152	598,210	752,059	9,127,435
Additions	99,044	5,800	46,565	-	151,409
Written off	-	-	-	(4,546)	(4,546)
At 31 May 2025	933,058	6,948,952	644,775	747,513	9,274,298

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont’d)

3. Property, plant and equipment (continued)

	Buildings RM	Machinery and equipment RM	Furniture, fittings and equipment RM	Motor vehicles RM	Total RM
Accumulated depreciation					
At 1 January 2021	412,473	5,425,616	206,592	228,336	6,273,017
Charge for the year	20,233	193,622	22,779	77,382	314,016
Disposal	-	-	-	(179,690)	(179,690)
At 31 December 2021/1 January 2022	432,706	5,619,238	229,371	126,028	6,407,343
Charge for the year	19,357	170,670	24,946	91,576	306,549
At 31 December 2022/1 January 2023	452,063	5,789,908	254,317	217,604	6,713,892
Charge for the year	17,837	186,577	27,597	100,629	332,640
Disposal	-	(104,729)	-	-	(104,729)
At 31 December 2023/1 January 2024	469,900	5,871,756	281,914	318,233	6,941,803
Charge for the year	17,353	187,856	37,063	152,916	395,188
Disposal	-	-	-	(201,239)	(201,239)
At 31 December 2024/1 January 2025	487,253	6,059,612	318,977	269,910	7,135,752
Charge for the period	11,358	82,851	17,021	62,293	173,523
Written off	-	-	-	(4,545)	(4,545)
At 31 May 2025	498,611	6,142,463	335,998	327,658	7,304,730

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

Registration No. 200501015120 (692167-W)

3. Property, plant and equipment (continued)

Carrying amount	Buildings RM	Machinery and equipment RM	Furniture, fittings and equipment RM	Motor vehicles RM	Total RM
At 31 December 2021/1 January 2022	341,924	1,007,716	165,918	363,658	1,879,216
At 31 December 2022/1 January 2023	375,013	1,067,349	183,911	272,082	1,898,355
At 31 December 2023/1 January 2024	364,114	900,396	300,235	321,100	1,885,845
At 31 December 2024/1 January 2025	346,761	883,540	279,233	482,149	1,991,683
At 31 May 2025	434,447	806,489	308,777	419,855	1,969,568

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501015120 (692167-W)

3. Property, plant and equipment (continued)**3.1 Machinery and equipment and motor vehicles**

The net carrying amounts of machinery and equipment and motor vehicles acquired under hire purchase arrangement are as follows:

	31.5.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
	RM	RM	RM	RM	RM
Machinery and equipment	128,775	141,400	171,700	202,000	232,300
Motor vehicles	372,601	418,223	128,411	-	-
	<u>501,376</u>	<u>559,623</u>	<u>300,111</u>	<u>202,000</u>	<u>232,300</u>

3.2 Material accounting policy information**(a) Recognition and measurement**

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

Buildings	10 - 50 years
Machinery and equipment	5 - 10 years
Furniture, fittings and equipment	10 - 20 years
Motor vehicles	5 years

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

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501015120 (692167-W)

4. Right-of-use assets

	Leased building RM	Worker hostel RM	Total RM
At 1 January 2021	91,225	-	91,225
Addition	-	36,457	36,457
Amortisation	(13,032)	(18,229)	(31,261)
At 31 December 2021/1 January 2022	78,193	18,228	96,421
Addition	-	15,089	15,089
Amortisation	(13,032)	(18,857)	(31,889)
At 31 December 2022/ 1 January 2023	65,161	14,460	79,621
Addition	-	49,867	49,867
Amortisation	(13,032)	(26,489)	(39,521)
At 31 December 2023/1 January 2024	52,129	37,838	89,967
Derecognition	-	(13,571)	(13,571)
Amortisation	(13,032)	(17,993)	(31,025)
At 31 December 2024/1 January 2025	39,097	6,274	45,371
Addition	-	13,928	13,928
Amortisation	(5,430)	(5,516)	(10,946)
At 31 May 2025	33,667	14,686	48,353

Leased building represents operating lease agreements entered by the Company for the use of office with lease term of 5-6 years. The Company also has worker hostel with lease term of 2-3 years, with an option to renew the lease after that date.

4.1 Extension options

Certain lease contracts contain extension option exercisable before the end of the non-cancellable contract period. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

4.2 Material accounting policy information**(a) Recognition and measurement**

All right-of-use assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

(b) Recognition exemption

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501015120 (692167-W)

5. Inventories

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Raw material	1,758,572	1,913,289	1,665,700	1,780,824	1,787,376
Finished goods	<u>3,925,392</u>	<u>4,037,068</u>	<u>8,273,317</u>	<u>5,185,693</u>	<u>1,864,139</u>
	<u>5,683,964</u>	<u>5,950,357</u>	<u>9,939,017</u>	<u>6,966,517</u>	<u>3,651,515</u>
Recognised in profit or loss:					
Inventories recognised as cost of sales	<u>18,955,769</u>	<u>48,152,514</u>	<u>41,317,333</u>	<u>38,263,124</u>	<u>24,170,992</u>

5.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method.

6. Trade and other receivables

	Note	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Trade						
Trade receivables		3,871,344	4,493,186	3,477,447	2,770,576	2,126,370
Amount due from a related party	6.1	-	3,864,353	5,378,199	3,330,702	2,482,704
Amount due from a related company	6.1	<u>5,320,621</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>9,191,965</u>	<u>8,357,539</u>	<u>8,855,646</u>	<u>6,101,278</u>	<u>4,609,074</u>
Non-trade						
Amounts due from related parties	6.2	-	130,337	-	-	-
Amounts due from a related company	6.2, 6.3	514,506	-	-	-	-
Other receivables		218,760	138,168	50,162	62,001	71,429
Deposits		<u>20,850</u>	<u>20,850</u>	<u>41,100</u>	<u>127,100</u>	<u>55,750</u>
		<u>754,116</u>	<u>289,355</u>	<u>91,262</u>	<u>189,101</u>	<u>127,179</u>
		<u>9,946,081</u>	<u>8,646,894</u>	<u>8,946,908</u>	<u>6,290,379</u>	<u>4,736,253</u>

6.1 The trade amounts due from a related party and a related company are unsecured, interest-free and subject to the normal trade terms.

6.2 The non-trade amounts due from related parties and a related company are unsecured, interest-free and repayable on demand.

The related parties are companies of which the owners of corporate shareholder of the Company have substantial financial interest.

6.3 The non-trade amounts due from a related company was received by the Company subsequent to period ended 31 May 2025.

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501015120 (692167-W)

7. Fixed deposits with licensed banks

	Note	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Amortised cost	7.1	<u>1,102,153</u>	<u>1,092,279</u>	<u>385,108</u>	<u>375,325</u>	<u>368,297</u>
Effective interest rate		<u>2.10% to 2.60%</u>	<u>2.10% to 2.60%</u>	<u>2.50% to 2.80%</u>	<u>2.50% to 2.60%</u>	<u>1.50% to 1.85%</u>

7.1 The fixed deposits with licensed banks are pledged to bank for bank facilities granted to the Company.

The maturity period for fixed deposits with licensed banks are between 1 to 12 months and are excluded from cash and cash equivalents.

8. Cash and cash equivalents

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Cash in hand	5,405	4,958	3,523	4,020	5,000
Bank balances	<u>1,561,539</u>	<u>1,014,899</u>	<u>2,175,955</u>	<u>2,179,958</u>	<u>670,277</u>
	<u>1,566,944</u>	<u>1,019,857</u>	<u>2,179,478</u>	<u>2,183,978</u>	<u>675,277</u>

9. Share capital

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Issued and fully paid shares with no par value classified as equity instruments:					
Ordinary shares	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Number of ordinary shares					
	31.5.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
Ordinary shares	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

10. Loans and borrowings

	Note	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Non-current						
Hire purchase liabilities	10.1	<u>207,555</u>	<u>303,727</u>	<u>129,620</u>	<u>95,490</u>	<u>151,440</u>
Current						
Hire purchase liabilities	10.1	<u>67,853</u>	<u>128,740</u>	<u>84,024</u>	<u>55,950</u>	<u>51,702</u>
Banker's acceptances	10.2	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>400,000</u>
		<u>67,853</u>	<u>128,740</u>	<u>84,024</u>	<u>55,950</u>	<u>451,702</u>
		<u>275,408</u>	<u>432,467</u>	<u>213,644</u>	<u>151,440</u>	<u>603,142</u>

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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10. Loans and borrowings (continued)**10.1 Hire purchase liabilities**

Hire purchase liabilities are payable as follows:

	31.5.2025			31.12.2024			31.12.2023		
	Future minimum lease payments RM	Interest RM	Present value of minimum lease payments RM	Future minimum lease payments RM	Interest RM	Present value of minimum lease payments RM	Future minimum lease payments RM	Interest RM	Present value of minimum lease payments RM
Less than one year	77,388	(9,535)	67,853	143,689	(14,949)	128,740	92,616	(8,592)	84,024
Between one and five years	219,228	(11,673)	207,555	322,685	(18,958)	303,727	137,512	(7,892)	129,620
	296,616	(21,208)	275,408	466,374	(33,907)	432,467	230,128	(16,484)	213,644

	31.12.2022			31.12.2021		
	Future minimum lease payments RM	Interest RM	Present value of minimum lease payments RM	Future minimum lease payments RM	Interest RM	Present value of minimum lease payments RM
Less than one year	63,132	(7,182)	55,950	63,132	(11,430)	51,702
Between one and five years	99,949	(4,459)	95,490	163,081	(11,641)	151,440
	163,081	(11,641)	151,440	226,213	(23,071)	203,142

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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10. Loans and borrowings (continued)**10.2 Banker's acceptances**

The banker's acceptances are supported by way of:

- (i) Facilities agreement with the bank;
- (ii) A marginal deposit of 50% on the banking facilities for RM1,000,000; and
- (iii) Joint and several guarantee by certain Directors of the Company and the corporate shareholder.

11. Deferred tax liabilities**Recognised deferred tax assets/(liabilities)**

Deferred tax assets and liabilities are attributable to the following:

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Property, plant and equipment	(175,237)	(147,411)	(145,242)	(123,336)	(123,196)
Right-of-use assets	(11,605)	(16,240)	(21,592)	(19,109)	(25,298)
Lease liabilities	12,487	19,517	22,700	20,015	26,064
Net tax liabilities	<u>(174,355)</u>	<u>(144,134)</u>	<u>(144,134)</u>	<u>(122,430)</u>	<u>(122,430)</u>

Movements in temporary differences during the period/year

	At 1.1.2021 RM	Recognised in profit or loss (Note 16) RM	At 31.12.2021/ 1.1.2022 RM	Recognised in profit or loss (Note 16) RM	At 31.12.2022 RM
Property, plant and equipment	(123,196)	-	(123,196)	(140)	(123,336)
Right-of-use assets	-	(25,298)	(25,298)	6,189	(19,109)
Lease liabilities	766	25,298	26,064	(6,049)	20,015
	<u>(122,430)</u>	<u>-</u>	<u>(122,430)</u>	<u>-</u>	<u>(122,430)</u>

	At 1.1.2023 RM	Recognised in profit or loss (Note 16) RM	At 31.12.2023/ 1.1.2024 RM	Recognised in profit or loss (Note 16) RM	At 31.12.2024 RM
Property, plant and equipment	(123,336)	(21,906)	(145,242)	(2,169)	(147,411)
Right-of-use assets	(19,109)	(2,483)	(21,592)	5,352	(16,240)
Lease liabilities	20,015	2,685	22,700	(3,183)	19,517
	<u>(122,430)</u>	<u>(21,704)</u>	<u>(144,134)</u>	<u>-</u>	<u>(144,134)</u>

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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11. Deferred tax liabilities (continued)**Movements in temporary differences during the period/year (continued)**

	At 1.1.2025 RM	Recognised in profit or loss (Note 16) RM	At 31.5.2025 RM
Property, plant and equipment	(147,411)	(27,826)	(175,237)
Right-of-use assets	(16,240)	4,635	(11,605)
Lease liabilities	19,517	(7,030)	12,487
	<u>(144,134)</u>	<u>(30,221)</u>	<u>(174,355)</u>

12. Trade and other payables

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Trade					
Trade payables	1,606,861	1,112,642	1,341,650	1,211,072	729,974
Amount due to a related party	12.1 -	6,915,949	9,915,740	8,238,539	4,532,485
Amount due to a related company	12.1 5,105,847	-	-	-	-
	<u>6,712,708</u>	<u>8,028,591</u>	<u>11,257,390</u>	<u>9,449,611</u>	<u>5,262,459</u>
Non-trade					
Amounts due to related parties	12.2 -	2,023,447	3,378,737	2,732,052	1,955,946
Amount due to related companies	12.2 2,192,928	-	-	-	-
Other payables	841,285	861,898	805,797	845,942	581,836
Accruals	1,389,017	1,526,848	1,697,855	1,584,395	691,800
Dividend payables	-	-	2,000,000	-	-
	<u>4,423,230</u>	<u>4,412,193</u>	<u>7,882,389</u>	<u>5,162,389</u>	<u>3,229,582</u>
	<u>11,135,938</u>	<u>12,440,784</u>	<u>19,139,779</u>	<u>14,612,000</u>	<u>8,492,041</u>

12.1 The trade amount due to a related party and a related company are unsecured, interest-free and subject to normal trade term.

12.2 The non-trade amounts due to related parties and related companies are unsecured, interest-free and repayable on demand.

The related parties are companies of which the owners of corporate shareholder of the Company have substantial financial interest.

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont’d)

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13. Revenue

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Revenue from contracts with customers	26,164,867	22,635,810	60,125,702	51,679,742	47,570,823	29,406,129
Timing of recognition						
At a point in time	26,164,867	22,635,810	60,125,702	51,679,742	47,570,823	29,406,129

Nature of goods and services

The following information reflects the typical transactions of the Company:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Obligation for returns or refunds
Sale of goods	Revenue is recognised at a point in time when or as control of the goods is transferred to the customers.	Credit period of 30 to 60 days from invoice date.	Not applicable.	Not applicable.

Warranty

The Company provides assurance warranty for specific types of concrete products. The following information reflects the typical warranty period provided to customers:

Products	Typical warranty period
Standard poles for electricity distribution	Ranges between 1 and 3 years from date of delivery to the customer
Standard poles for telecommunications	1 year from date of customer acceptance
Steel poles	1 year from date of customer acceptance

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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14. Finance income

Interest income of financial assets calculated using
the effective interest method that are:
- at amortised cost

1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
10,898	6,161	28,860	12,842	9,711	5,485

15. Finance costs

Interest expense of financial liabilities that are
not at fair value through profit or loss:
- bankers' acceptance
- hire purchase liabilities
Interest expense on lease liabilities

1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
- 6,811 822	- 6,472 1,157	- 18,480 2,411	12,007 10,535 3,923	2,326 11,430 2,941	2,531 12,251 3,954
7,633	7,629	20,891	26,465	16,697	18,736

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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16. Tax expense*Recognised in profit or loss***Current tax expense**

- Current year
- (Over)/Under provision in prior year

1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
856,022 (33,557)	392,816 -	725,821 (32,225)	705,775 (1,636)	305,563 148,385	124,430 -
822,465	392,816	693,596	704,139	453,948	124,430

Deferred tax expense

- (Reversal)/Origination of temporary differences
- Under provision in prior year

- 30,221	- -	(380) 380	15,725 5,979	- -	- -
30,221	-	-	21,704	-	-
852,686	392,816	693,596	725,843	453,948	124,430

Reconciliation of tax expense

Profit/(Loss) before tax

3,454,724	1,570,376	2,812,632	2,795,321	1,415,094	(255,859)

Income tax calculated using Malaysian tax rate of 24%

Non-deductible expenses

Differential in tax rate

829,134 26,888 -	376,890 15,926 -	675,032 50,409 -	670,877 50,623 -	339,623 7,940 (42,000)	(61,406) 203,612 (17,776)

(Over)/Under provision in prior year

- Current tax

- Deferred tax

(33,557) 30,221	- -	(32,225) 380	(1,636) 5,979	148,385 -	- -
852,686	392,816	693,596	725,843	453,948	124,430

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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17. Profit/(Loss) for the period/year

Profit/(Loss) for the period/year is arrived at after charging:

Auditors' remuneration:

Audit fees:

- KPMG PLT

- Other auditors

Material expenses/(income)

Amortisation of right-of-use assets

Depreciation of property, plant and equipment

Expenses of short-term leases

Gain on disposal of property, plant and equipment

Gain on termination of lease

Management fees

Personnel costs (including key management personnel):

- Salaries, bonuses and allowances

- Contributions to Employees' Provident Fund

- Social contribution plan

- Employment insurance system

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
	18,750	18,750	45,000	45,000	-	-
	-	-	-	-	17,300	15,300
	10,946	13,323	31,025	39,521	31,889	31,261
	173,523	164,240	395,188	332,640	306,549	314,016
A	2,700,587	2,188,199	5,625,834	5,194,844	4,272,230	3,811,984
	-	(42,658)	(42,658)	(17,999)	-	(63,663)
	-	(131)	(345)	-	-	-
	-	200,000	200,000	480,000	480,000	-
	4,145,908	3,350,863	8,740,885	8,626,030	8,294,035	4,897,140
	196,082	171,786	504,942	474,569	440,633	294,338
	63,637	40,897	123,613	82,131	60,292	41,750
	3,828	3,124	8,198	7,169	6,033	4,439

Note A

The Company leases machines, moulds, forklift, and factory building with contract terms of 1 year, which are short-term lease. The Company has elected not to recognise right-of-use assets and lease liabilities for these leases.

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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18. Dividends

Dividends recognised by the Company:

	RM per share	Total amount RM	Date of payment
2023			
Interim 2023 ordinary	2.00	<u>2,000,000</u>	15 April 2024
2021			
Interim 2021 ordinary	1.00	1,000,000	6 January 2021
Interim 2021 ordinary	0.30	300,000	21 October 2021
Interim 2021 ordinary	1.20	<u>1,200,000</u>	30 November 2021
Total amount		<u>2,500,000</u>	

The Directors did not recommend any final dividend to be paid for the period ended 31 May 2025 and for financial years ended 31 December 2024, 2023, 2022 and 2021.

19. Financial instruments**19.1 Categories of financial instruments**

The table below provides an analysis of financial instruments categorised as amortised cost ("AC").

	Carrying amount RM	AC RM
31.5.2025		
Financial assets		
Trade and other receivables	9,946,081	9,946,081
Fixed deposits with licensed banks	1,102,153	1,102,153
Cash and bank balances	<u>1,566,944</u>	<u>1,566,944</u>
	<u>12,615,178</u>	<u>12,615,178</u>
Financial liabilities		
Loan and borrowings	275,408	275,408
Trade and other payables	<u>11,135,938</u>	<u>11,135,938</u>
	<u>11,411,346</u>	<u>11,411,346</u>
31.12.2024		
Financial assets		
Trade and other receivables	8,646,894	8,646,894
Fixed deposits with licensed banks	1,092,279	1,092,279
Cash and bank balances	<u>1,019,857</u>	<u>1,019,857</u>
	<u>10,759,030</u>	<u>10,759,030</u>

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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19. Financial instruments (continued)
19.1 Categories of financial instruments (continued)

	Carrying amount RM	AC RM
31.12.2024		
Financial liabilities		
Loan and borrowings	432,467	432,467
Trade and other payables	12,440,784	12,440,784
	<u>12,873,251</u>	<u>12,873,251</u>
31.12.2023		
Financial assets		
Trade and other receivables	8,946,908	8,946,908
Fixed deposits with licensed banks	385,108	385,108
Cash and bank balances	2,179,478	2,179,478
	<u>11,511,494</u>	<u>11,511,494</u>
Financial liabilities		
Loan and borrowings	213,644	213,644
Trade and other payables	19,139,779	19,139,779
	<u>19,353,423</u>	<u>19,353,423</u>
31.12.2022		
Financial assets		
Trade and other receivables	6,290,379	6,290,379
Fixed deposits with licensed banks	375,325	375,325
Cash and bank balances	2,183,978	2,183,978
	<u>8,849,682</u>	<u>8,849,682</u>
Financial liabilities		
Loan and borrowings	151,440	151,440
Trade and other payables	14,612,000	14,612,000
	<u>14,763,440</u>	<u>14,763,440</u>
31.12.2021		
Financial assets		
Trade and other receivables	4,736,253	4,736,253
Fixed deposits with a licensed bank	368,297	368,297
Cash and bank balances	675,277	675,277
	<u>5,779,827</u>	<u>5,779,827</u>
Financial liabilities		
Loan and borrowings	603,142	603,142
Trade and other payables	8,492,041	8,492,041
	<u>9,095,183</u>	<u>9,095,183</u>

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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19. Financial instruments (continued)**19.2 Net gains and losses arising from financial instruments**

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2204 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Net gains/ (losses) on:						
Financial						
assets at AC	10,898	6,161	28,860	12,842	9,711	5,485
Financial						
liabilities at						
AC	(6,811)	(6,472)	(18,480)	(22,542)	(13,756)	(14,782)
	<u>4,087</u>	<u>(311)</u>	<u>10,380</u>	<u>(9,700)</u>	<u>(4,045)</u>	<u>(9,297)</u>

19.3 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

19.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk arises principally from its receivables from customers and related parties, cash and cash equivalents, fixed deposits with licensed banks, and other receivables. There are no significant changes as compared to prior periods.

Trade receivables*Risk management objectives, policies and processes for managing the risk*

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or fully) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables are represented by the carrying amounts in the statement of financial position.

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Registration No. 200501015120 (692167-W)

19. Financial instruments (continued)
19.4 Credit risk (continued)
Trade receivables (continued)
Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the Company manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 30 to 60 days.

The Company adopts the simplified approach to measure ECLs of trade receivables. Consistent with the debt recovery process, invoices which are past due 90 days will be considered as credit impaired.

The following table provides information about the exposure to credit risk and ECLs for trade receivables which are grouped together as they are expected to have similar risk nature.

	Gross carrying amount RM	Net balance RM
31.5.2025		
Current (not past due)	8,019,975	8,019,975
1 - 30 days past due	860,665	860,665
31 - 60 days past due	-	-
61 - 90 days past due	-	-
Past due more than 90 days	311,325	311,325
	<u>9,191,965</u>	<u>9,191,965</u>
31.12.2024		
Current (not past due)	7,600,106	7,600,106
1 - 30 days past due	433,074	433,074
31 - 60 days past due	32,300	32,300
61 - 90 days past due	-	-
Past due more than 90 days	292,059	292,059
	<u>8,357,539</u>	<u>8,357,539</u>
31.12.2023		
Current (not past due)	6,473,556	6,473,556
1 - 30 days past due	2,245,749	2,245,749
31 - 60 days past due	136,341	136,341
	<u>8,855,646</u>	<u>8,855,646</u>

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19. Financial instruments (continued)
19.4 Credit risk (continued)
Trade receivables (continued)
Recognition and measurement of impairment losses (continued)

	Gross carrying amount RM	Net balance RM
31.12.2022		
Current (not past due)	3,543,251	3,543,251
1 - 30 days past due	857,457	857,457
31 - 60 days past due	1,199,127	1,199,127
61 - 90 days past due	501,443	501,443
	6,101,278	6,101,278
31.12.2021		
Current (not past due)	2,198,530	2,198,530
1 - 30 days past due	1,522,077	1,522,077
31 - 60 days past due	588,467	588,467
61 - 90 days past due	300,000	300,000
	4,609,074	4,609,074

No impairment loss was recognised for trade receivables which were past due for more than 90 days as majority of the outstanding balances have been collected from respective customers subsequent to period end and the Company is confident to recover the remaining outstanding amounts.

Amounts due from related parties and related company
Risk management objectives, policies and processes for managing the risk

The Company has balances arising from trade and non-trade transactions with its related parties and related company. The Company monitors the results of its related parties and related company regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

19. Financial instruments (continued)**19.4 Credit risk (continued)****Amounts due from related parties and related company (continued)***Recognition and measurement of impairment losses*

Generally, the Company considers amounts due from related parties and related company to have low credit risk. The Company assumes that there is a significant increase in credit risk when the related parties and related company's financial position deteriorates significantly. The Company considers the amounts due from related parties and related company to be in default when the related parties and related company are not able to pay when demanded. The Company considers the amounts due from related parties and related company to be credit impaired when:

- The related parties and related company are unlikely to repay the Company in full; or
- The related parties and related company are continuously loss making and are having a deficit shareholders' fund.

As at the end of the reporting period, there was no indication that the non-trade amounts due from its related parties and related company are not recoverable.

Cash and cash equivalents and fixed deposits with licensed banks

The cash and cash equivalents and fixed deposits are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Company is of the view that the loss allowance is not material and hence, it is not provided for.

Other receivables

Credit risks on other receivables are mainly arising from deposits paid for office buildings and fixtures rented. These deposits will be received at the end of each lease terms. The Company manages the credit risk together with the leasing arrangement.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting period, the Company is of the view that the loss allowance is not material and hence, it is not provided for.

19.5 Liquidity risk

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

The Company maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

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19. Financial instruments (continued)

19.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM	Contractual Interest rate/coupon/ discount rate %	Contractual cash flows RM	Within 1 year RM	1-2 year RM	2-5 year RM	More than 5 years RM
31.5.2025							
<i>Non-derivative financial liabilities</i>							
Loans and borrowings	275,408	3.90	296,616	77,388	77,388	141,840	-
Lease liabilities	52,029	3.50	54,000	26,050	19,200	8,750	-
Trade and other payables	11,135,938	-	11,135,938	11,135,938	-	-	-
	<u>11,463,375</u>		<u>11,486,554</u>	<u>11,239,376</u>	<u>96,588</u>	<u>150,590</u>	<u>-</u>
31.12.2024							
<i>Non-derivative financial liabilities</i>							
Loans and borrowings	432,467	2.33 - 3.90	466,374	143,689	106,873	215,812	-
Lease liabilities	49,279	3.50	51,600	21,600	15,000	15,000	-
Trade and other payables	12,440,784	-	12,440,784	12,440,784	-	-	-
	<u>12,922,530</u>		<u>12,958,758</u>	<u>12,606,073</u>	<u>121,873</u>	<u>230,812</u>	<u>-</u>

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501015120 (692167-W)

19. Financial instruments (continued)**19.5 Liquidity risk (continued)***Maturity analysis (continued)*

	Carrying amount RM	Contractual Interest rate/coupon/ discount rate %	Contractual cash flows RM	Within 1 year RM	1-2 year RM	2-5 year RM	More than 5 years RM
31.12.2023							
<i>Non-derivative financial liabilities</i>							
Loans and borrowings	213,644	2.33 - 3.15	230,128	92,616	66,301	71,211	-
Lease liabilities	94,584	3.50	99,550	41,950	27,600	30,000	-
Trade and other payables	19,139,779	-	19,139,779	19,139,779	-	-	-
	<u>19,448,007</u>		<u>19,469,457</u>	<u>19,274,345</u>	<u>93,901</u>	<u>101,211</u>	<u>-</u>
31.12.2022							
<i>Non-derivative financial liabilities</i>							
Loans and borrowings	151,440	3.15	163,081	63,132	63,132	36,817	-
Lease liabilities	83,394	3.50	89,950	22,800	22,150	45,000	-
Trade and other payables	14,612,000	-	14,612,000	14,612,000	-	-	-
	<u>14,846,834</u>		<u>14,865,031</u>	<u>14,697,932</u>	<u>85,282</u>	<u>81,817</u>	<u>-</u>
31.12.2021							
<i>Non-derivative financial liabilities</i>							
Loans and borrowings	603,142	1.50 - 3.15	626,213	463,132	126,264	36,817	-
Lease liabilities	99,614	3.50	108,600	33,600	15,000	45,000	15,000
Trade and other payables	8,492,041	-	8,492,041	8,492,041	-	-	-
	<u>9,194,797</u>		<u>9,226,854</u>	<u>8,988,773</u>	<u>141,264</u>	<u>81,817</u>	<u>15,000</u>

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501015120 (692167-W)

19. Financial instruments (continued)
19.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Company's financial position or cash flows. The Company is not exposed to foreign currency risk and other price risk.

19.6.1 Interest rate risk

The Company's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rate.

Risk management objectives, policies and processes for managing the risk

The Company does not exercise any policy or process for managing the interest rate risk as the Directors are of the opinion that the exposure is not material.

Exposure to interest rate risk

The interest rate profile of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Fixed rate instruments					
Fixed deposits with licensed banks	1,102,153	1,092,279	385,108	375,325	368,297
Hire purchase liabilities	(275,408)	(432,467)	(213,644)	(151,440)	(203,142)
Lease liabilities	(52,029)	(49,279)	(94,584)	(83,394)	(99,614)
	<u>774,716</u>	<u>610,533</u>	<u>76,880</u>	<u>140,491</u>	<u>65,541</u>
Floating rate instruments					
Banker's acceptances	-	-	-	-	(400,000)

Interest rate risk sensitivity analysis

(a) Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Company does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501015120 (692167-W)

19. Financial instruments (continued)
19.6 Market risk (continued)
19.6.1 Interest rate risk (continued)
Interest rate risk sensitivity analysis (continued)
(b) Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points (“bp”) in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or loss	
	100 bp increase RM	100 bp decrease RM
31.12.2021		
Floating rate instruments	<u>(3,040)</u>	<u>3,040</u>

19.7 Fair value information

The carrying amounts of cash and cash equivalents, fixed deposits with licensed banks, trade and other receivables, and trade and other payables reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

The table below analyses other financial instruments not measured at fair value.

	Carrying amount RM	Total fair value RM	Level 1 RM	Level 2 RM	Level 3 RM
31.5.2025					
Financial liabilities					
Not measured at fair value					
Hire purchase liabilities	275,408	246,968	-	-	246,968
31.12.2024					
Financial liabilities					
Not measured at fair value					
Hire purchase liabilities	432,467	397,124	-	-	397,124
31.12.2023					
Financial liabilities					
Not measured at fair value					
Hire purchase liabilities	213,644	202,307	-	-	202,307

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501015120 (692167-W)

19. Financial instruments (continued)
19.7 Fair value information (continued)

	Carrying amount RM	Total fair value RM	Level 1 RM	Level 2 RM	Level 3 RM
31.12.2022					
Financial liabilities					
Not measured at fair value					
Hire purchase liabilities	151,440	142,950	-	-	142,950
31.12.2021					
Financial liabilities					
Not measured at fair value					
Hire purchase liabilities	203,142	189,550	-	-	189,550

Financial instruments not measured at fair value

Type	Description of valuation technique and input used
Hire purchase liabilities	Discounted cash flow using a rate based on the contractual interest rate of the Company at the reporting date.

20. Related parties
Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Company are shown below. The balances related to the below transactions are shown in Note 6 and 12.

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
A. Corporate shareholder						
Sales of goods	-	-	-	1,119,309	11,049,009	6,837,061

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501015120 (692167-W)

20. Related parties (continued)
Significant related party transactions (continued)

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
B. Related companies						
Back charge of administrative expenses	(31,725)	-	-	-	-	-
Back charge of labour costs	(71,081)	-	-	-	-	-
Commission expense	(868,784)	-	-	-	-	-
Purchases	(8,465,423)	-	-	-	-	-
Rental expense	(2,590,995)	-	-	-	-	-
Sales	8,628,774	-	-	-	-	-
C. Companies in which owners of corporate shareholder have substantial financial interest						
Back charge of administrative expenses	-	-	(84,976)	(158,517)	(143,664)	-
Back charge of labour costs	-	78,158	444,198	77,686	90,978	(678,607)
Commission expense	(165,514)	(815,030)	(2,618,561)	(2,351,732)	(2,076,043)	(1,882,481)
Management fees	-	(200,000)	(200,000)	(480,000)	(480,000)	-
Purchases	-	(6,450,852)	(23,962,451)	(23,800,823)	(23,803,660)	(13,356,083)
Rental expense	-	(2,219,745)	(5,416,888)	(5,111,388)	(4,235,388)	(3,784,188)
Sales	-	9,272,743	19,495,123	19,334,244	2,499,366	269,373
D. Key management personnel						
Directors						
- Remuneration	(91,787)	(118,847)	(285,232)	(258,905)	(267,228)	(227,926)
- Estimated money value of any other benefits	(14,105)	(12,929)	(31,029)	(23,225)	(33,850)	(31,761)
	<u>(105,892)</u>	<u>(131,776)</u>	<u>(316,261)</u>	<u>(282,130)</u>	<u>(301,078)</u>	<u>(259,687)</u>

21. Capital management

The Company's objective when managing capital is to maintain a strong capital base and safeguard the Company's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor the adequacy of capital on an ongoing basis. There was no change in the Company's approach to capital management during the financial period/year.

There is no external capital requirement imposed on the Company.

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)


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INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF PMW CONCRETE INDUSTRIES SDN. BHD.

(Registration No. 200501015120 (692167-W))
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PMW Concrete Industries Sdn. Bhd., which comprise the statement of financial position as at 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024 and 31 May 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the years and period then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 1 to 38.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024 and 31 May 2025, and of its financial performance and its cash flows for the years and period then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in *the Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' 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 Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)


PMW Concrete Industries Sdn. Bhd.
(Registration No. 200501015120 (692167-W))
Independent Auditors' Report for the
Financial Period Ended 31 May 2025

Responsibilities of the Directors for the Financial Statements

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

In preparing the financial statements of the Company, the Directors are responsible for assessing the ability of the Company 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

ANNEXURE A – AUDITED FINANCIAL STATEMENTS OF PMW CONCRETE FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)


PMW Concrete Industries Sdn. Bhd.
(Registration No. 200501015120 (692167-W))
Independent Auditors' Report for the
Financial Period Ended 31 May 2025

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- 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 Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

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

Other Matter

The comparative information for the statement of profit or loss and other comprehensive income, changes in equity, cash flows, and notes to the financial statements for the financial period ended 31 May 2024 have not been audited.

Restriction on Distribution and Use

This report is made solely to the Company and for inclusion in the prospectus of PMW International Berhad in connection with the listing of and quotation for the entire enlarged issued share capital of PMW International Berhad on the ACE Market of Bursa Securities and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya

Date: 2 October 2025

Ooi Eng Siong
Approval Number: 03240/02/2026 J
Chartered Accountant

**ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS
UNDER REVIEW**

Winabumi Sdn. Bhd.

(Registration No. 200501032815 (714955-H))
(Incorporated in Malaysia)

**Financial statements for the period
ended 31 May 2025 and for the years
ended 31 December 2024, 2023, 2022
and 2021**

**ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS
UNDER REVIEW (Cont'd)**

1

Winabumi Sdn. Bhd.

(Registration No. 200501032815 (714955-H))

(Incorporated in Malaysia)

Statement of financial position

	Note	31.5.2025 Audited RM	31.12.2024 Audited RM	31.12.2023 Audited RM	31.12.2022 Audited RM	31.12.2021 Audited RM
Assets						
Property, plant and equipment	3	223,440	157,492	98,584	111	406
Right-of-use assets	4	2,805,232	3,014,578	3,517,007	4,019,436	7,265,491
Deferred tax assets	5	-	-	-	44,000	44,000
Net investment in sublease	6	13,161	46,509	124,151	-	-
Total non-current assets		<u>3,041,833</u>	<u>3,218,579</u>	<u>3,739,742</u>	<u>4,063,547</u>	<u>7,309,897</u>
Inventories	7	16,912,208	7,951,190	8,026,000	5,758,967	6,310,971
Trade and other receivables	8	10,256,339	4,780,473	90,724	2,202,319	1,127,307
Current tax assets		-	-	10,104	-	36,560
Net investment in sublease	6	78,955	77,642	75,080	-	-
Cash and bank balances	9	773,283	920,694	2,831,000	476,234	157,527
Total current assets		<u>28,020,785</u>	<u>13,729,999</u>	<u>11,032,908</u>	<u>8,437,520</u>	<u>7,632,365</u>
Total assets		<u>31,062,618</u>	<u>16,948,578</u>	<u>14,772,650</u>	<u>12,501,067</u>	<u>14,942,262</u>
Equity						
Share capital	10	100,000	100,000	100,000	100,000	100,000
Retained earnings		6,095,480	4,438,211	2,101,390	1,851,881	380,887
Total equity		<u>6,195,480</u>	<u>4,538,211</u>	<u>2,201,390</u>	<u>1,951,881</u>	<u>480,887</u>
Liabilities						
Lease liabilities		2,565,928	2,812,226	3,389,480	3,748,455	4,215,641
Deferred tax liabilities	5	6,873	6,873	6,873	-	-
Total non-current liabilities		<u>2,572,801</u>	<u>2,819,099</u>	<u>3,396,353</u>	<u>3,748,455</u>	<u>4,215,641</u>
Trade and other payables	11	21,349,874	8,802,317	8,596,600	6,190,035	6,957,783
Contract liabilities	12	-	-	20,100	-	-
Lease liabilities		585,382	577,254	558,207	467,186	3,287,951
Current tax liabilities		359,081	211,697	-	143,510	-
Total current liabilities		<u>22,294,337</u>	<u>9,591,268</u>	<u>9,174,907</u>	<u>6,800,731</u>	<u>10,245,734</u>
Total liabilities		<u>24,867,138</u>	<u>12,410,367</u>	<u>12,571,260</u>	<u>10,549,186</u>	<u>14,461,375</u>
Total equity and liabilities		<u>31,062,618</u>	<u>16,948,578</u>	<u>14,772,650</u>	<u>12,501,067</u>	<u>14,942,262</u>

The notes on page 8 to 31 are an integral part of these financial statements.

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

2

Winabumi Sdn. Bhd.

(Registration No. 200501032815 (714955-H))
(Incorporated in Malaysia)

Statement of profit or loss and other comprehensive income

		1.1.2025 to 31.5.2025	1.1.2024 to 31.5.2024	1.1.2024 to 31.12.2024	1.1.2023 to 31.12.2023	1.1.2022 to 31.12.2022	1.1.2021 to 31.12.2021
	Note	Audited RM	Unaudited RM	Audited RM	Audited RM	Audited RM	Audited RM
Revenue	13	24,245,292	21,178,460	57,862,431	46,362,855	40,167,733	25,813,096
Cost of sales		(20,570,955)	(20,688,344)	(51,825,953)	(43,407,352)	(36,550,549)	(24,835,040)
Gross profit		3,674,337	490,116	6,036,478	2,955,503	3,617,184	978,056
Other income		35,012	6,421	12,936	77,794	-	565,819
Administrative expenses		(1,480,010)	(857,808)	(2,595,010)	(2,195,931)	(1,546,599)	(1,477,248)
Net gain / (loss) on impairment of financial instruments	17	-	-	164,456	(164,456)	-	-
Results from operating activities		2,229,339	(361,271)	3,618,860	672,910	2,070,585	66,627
Finance income	14	9,323	6,527	13,659	13,779	4,204	1,456
Finance costs	15	(45,329)	(54,340)	(126,265)	(135,767)	(192,049)	(300,540)
Profit/(Loss) before tax		2,193,333	(409,084)	3,506,254	550,922	1,882,740	(232,457)
Tax expense	16	(536,064)	-	(1,169,433)	(301,413)	(411,746)	(35,481)
Profit/(Loss) and total comprehensive income/(expense) for the period/year	17	1,657,269	(409,084)	2,336,821	249,509	1,470,994	(267,938)

The notes on page 8 to 31 are an integral part of these financial statements.

**ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS
UNDER REVIEW (Cont'd)**

3

Winabumi Sdn. Bhd.

 (Registration No. 200501032815 (714955-H))
 (Incorporated in Malaysia)

Statement of changes in equity

	Share capital RM	Distributable Retained earnings RM	Total equity RM
Audited			
At 1 January 2021	100,000	648,825	748,825
Loss and total comprehensive expenses for the year	-	(267,938)	(267,938)
At 31 December 2021/1 January 2022	100,000	380,887	480,887
Profit and total comprehensive income for the year	-	1,470,994	1,470,994
At 31 December 2022/1 January 2023	100,000	1,851,881	1,951,881
Profit and total comprehensive income for the year	-	249,509	249,509
At 31 December 2023/1 January 2024	100,000	2,101,390	2,201,390
Profit and total comprehensive income for the year	-	2,336,821	2,336,821
At 31 December 2024/1 January 2025	100,000	4,438,211	4,538,211
Profit and total comprehensive income for the period	-	1,657,269	1,657,269
At 31 May 2025	100,000	6,095,480	6,195,480

Note 10

	Share capital RM	Distributable Retained earnings RM	Total equity RM
Unaudited			
At 1 January 2024	100,000	2,101,390	2,201,390
Loss and total comprehensive expense for the period	-	(409,084)	(409,084)
At 31 May 2024	100,000	1,692,306	1,792,306

Note 10

The notes on page 8 to 31 are an integral part of these financial statements.

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

4

Winabumi Sdn. Bhd.(Registration No. 200501032815 (714955-H))
(Incorporated in Malaysia)**Statement of cash flows**

	Note	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Cash flows from operating activities							
Profit/(Loss) before tax		2,193,333	(409,084)	3,506,254	550,922	1,882,740	(232,457)
<i>Adjustments for:</i>							
Depreciation of property, plant and equipment	3	36,252	37,731	82,347	18,003	295	541
Depreciation of right-of-use assets	4	209,346	209,346	502,429	502,429	3,246,055	3,246,056
Finance costs	15	45,329	54,339	126,265	135,767	192,049	300,540
Finance income	14	(9,323)	(13,659)	(13,659)	(13,779)	(4,204)	(1,456)
Inventories written off		-	-	-	-	606,234	-
Property, plant and equipment written off		-	-	-	109	-	-
Net (gain)/loss on impairment on financial assets		-	-	(164,456)	164,456	-	-
Operating profit/(loss) before changes in working capital		2,474,937	(121,327)	4,039,180	1,357,907	5,923,169	3,313,224
Changes in inventories		(8,961,018)	(171,259)	74,810	(2,267,033)	(54,230)	(1,308,370)
Changes in trade and other receivables, and prepayments		(5,475,866)	(4,238,220)	(4,525,293)	1,947,139	(1,075,012)	1,487,862
Changes in trade and other payables		12,547,557	2,472,205	205,717	2,406,565	(767,748)	(14,969)
Changes in contract liabilities		-	(20,100)	(20,100)	20,100	-	-
Cash generated from/(used in) operations		585,610	(2,078,701)	(225,686)	3,464,678	4,026,179	3,477,747
Interest paid		(45,329)	(54,339)	(126,265)	(135,767)	(192,049)	(300,540)
Interest received		9,323	13,659	13,659	13,779	4,204	1,456
Tax paid		(389,334)	(149,873)	(966,126)	(404,154)	(248,617)	(42,141)
Tax refund		654	18,494	18,494	-	16,941	11,311
Net cash from/(used in) operating activities		160,924	(2,250,760)	(1,285,924)	2,938,536	3,606,658	3,147,833

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

Statement of cash flows (continued)

	Note	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Cash flows from investing activities							
Acquisition of property, plant and equipment	3, (a)	(102,200)	(36,255)	(36,255)	(116,585)	-	-
Receipt of net investment in sublease		32,035	30,977	75,080	30,548	-	-
Net cash (used in)/from investing activities		(70,165)	(5,278)	38,825	(86,037)	-	-
Cash flows from financing activities							
Repayment of hire purchase liabilities		-	(16,444)	(105,000)	-	-	-
Repayment of lease liabilities	(b)	(238,170)	(230,312)	(558,207)	(497,733)	(3,287,951)	(3,179,460)
Net cash used in financing activities		(238,170)	(246,756)	(663,207)	(497,733)	(3,287,951)	(3,179,460)
Net change in cash and cash equivalents							
Cash and cash equivalents at 1 January		(147,411)	(2,502,794)	(1,910,306)	2,354,766	318,707	(31,627)
Cash and cash equivalents at 31 May/ December	9	773,283	328,206	920,694	2,831,000	476,234	157,527

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

Statement of cash flows (continued)

Notes to statements of cash flows:

(a) Purchase of property, plant and equipment

During the financial periods under review, the Company acquired property, plant and equipment with the aggregate costs as disclosed in Note 3 which include those acquired by means of hire purchase arrangement as follow:

Note	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
	-	105,000	105,000	-	-	-

Acquired property, plant and equipment
under hire purchase

(b) Cash outflows for leases as a lessee

Note	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Included in net cash from operating activities:						
Payment relating to short-term leases	17	2,881,775	3,042,354	7,599,576	7,060,433	139,133
Interest paid in relation to lease liabilities	15	45,329	53,188	135,767	192,049	300,540
		238,170	230,312	497,733	3,287,951	3,179,460
Included in net cash from financing activities:						
Payment of lease liabilities		3,165,274	3,325,854	8,233,076	10,540,433	3,619,133
Total cash outflows for leases						

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

Statement of cash flows (continued)
(c) Reconciliation of movements of liabilities to cash flows arising from financing activities

Audited	At 1 January 2025 RM	Net changes from financing cash flows RM	Acquisition of new lease RM	At 31 May 2025 RM
Lease liabilities	3,389,480	(238,170)	-	3,151,310

Unaudited	At 1 January 2024 RM	Net changes from financing cash flows RM	Acquisition of new lease RM	At 31 May 2024 RM
Hire purchase liabilities	-	(16,444)	105,000	88,556
Lease liabilities	3,947,687	(230,312)	-	3,717,375
	3,947,687	(246,756)	105,000	3,805,931

Audited	At 1 January 2024 RM	Net changes from financing cash flows RM	Acquisition of new lease RM	At 31 December 2024 RM
Hire purchase liabilities	-	(105,000)	105,000	-
Lease liabilities	3,947,687	(558,207)	-	3,389,480
	3,947,687	(663,207)	105,000	3,389,480

Audited	At 1 January 2023 RM	Net changes from financing cash flows RM	Acquisition of new lease RM	At 31 December 2023 RM
Lease liabilities	4,215,641	(497,733)	229,779	3,947,687

	At 1 January 2022 RM	Net changes from financing cash flows RM	Acquisition of new lease RM	At 31 December 2022 RM
Lease liabilities	7,503,592	(3,287,951)	-	4,215,641

	At 1 January 2021 RM	Net changes from financing cash flows RM	Acquisition of new lease RM	At 31 December 2021 RM
Lease liabilities	10,683,052	(3,179,460)	-	7,503,592

The notes on page 8 to 31 are an integral part of these financial statements.

**ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS
UNDER REVIEW (Cont'd)**

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Winabumi Sdn. Bhd.

(Registration No. 200501032815 (714955-H))
(Incorporated in Malaysia)

Notes to the financial statements

Winabumi Sdn. Bhd. is a private limited liability company, incorporated and domiciled in Malaysia. The address of the principal place of business and registered office of the Company is as follows:

Principal place of business

Lot 5, Lorong 2A-1
KKIP Timur Industrial Zone 12
Kota Kinabalu Industrial Park
89208 Tuaran, Sabah.

Registered office

55A, Medan Ipoh 1A,
Medan Ipoh Bistari,
31400 Ipoh, Perak.

The Company is principally engaged in manufacturing and trading of prestressed spun concrete poles, piles and its related building material.

1. Basis of preparation

The financial statements of the Company for financial years ended 31 December 2021, 2022, 2023, 2024 and financial period ended 31 May 2025 have been prepared solely for inclusion in the prospectus of PMW International Berhad in connection with the listing of and quotation for the entire enlarged issued share capital of PMW International Berhad on the ACE Market of Bursa Securities and should not be relied upon for any other purposes.

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Company:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

1. Basis of preparation (continued)
(a) Statement of compliance (continued)
MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026 (continued)

- Amendments that are part of Annual Improvements – Volume 11:
 - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
 - Amendments to MFRS 7, *Financial Instruments: Disclosures*
 - Amendments to MFRS 9, *Financial Instruments*
 - Amendments to MFRS 10, *Consolidated Financial Statements*
 - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures* – *Contracts Referencing Nature-dependent Electricity*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Company plans to apply the abovementioned amendments, accounting standards and interpretations in the respective financial periods when the abovementioned amendments, accounting standards and interpretations become effective, where applicable.

The initial application of the abovementioned amendments, accounting standards or interpretations is not expected to have any material financial impacts to the current period and prior period financial statements of the Company, except as mentioned below:

MFRS 18, *Presentation and Disclosure in Financial Statements*

MFRS 18 will replace MFRS 101, *Presentation of Financial Statements* and applies for annual periods beginning on or after 1 January 2027. The new accounting standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal.
- Management – defined performance measures (“MPMs”) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

MFRS 18, *Presentation and Disclosure in Financial Statements* (continued)

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Company is currently assessing the impact of adopting MFRS 18.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards 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.

2. Material accounting policy information

The Company has adopted amendments to MFRS 101, *Presentation of Financial Statements* and MFRS Practice Statement 2 – *Disclosures of Accounting Policies* from 1 January 2021. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Company's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in the respective notes to the financial statements where relevant.

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

3. Property, plant and equipment

	Factory buildings RM	Factory equipment RM	Furniture, fittings and equipment RM	Motor Vehicle RM	Total RM
Cost					
At 1 January 2021/ 31 December 2021/ 1 January 2022/ 31 December 2022/ 1 January 2023	368,260	22,812	33,433	-	424,505
Additions	-	-	116,585	-	116,585
Write-off	(368,260)	(22,812)	(14,623)	-	(405,695)
At 31 December 2023/ 1 January 2024	-	-	135,395	-	135,395
Addition	-	-	36,255	105,000	141,255
At 31 December 2024/ 1 January 2025	-	-	171,650	105,000	276,650
Additions	-	-	-	102,200	102,200
At 31 May 2025	-	-	171,650	207,200	378,850
Accumulated depreciation					
At 1 January 2021	368,196	22,799	32,563	-	423,558
Charge for the year	-	-	541	-	541
At 31 December 2021/ 1 January 2022	368,196	22,799	33,104	-	424,099
Charge for the year	-	-	295	-	295
At 31 December 2022/ 1 January 2023	368,196	22,799	33,399	-	424,394
Charge for the year	-	-	18,003	-	18,003
Write-off	(368,196)	(22,799)	(14,591)	-	(405,586)
At 31 December 2023/ 1 January 2024	-	-	36,811	-	36,811
Charge for the year	-	-	61,347	21,000	82,347
At 31 December 2024/ 1 January 2025	-	-	98,158	21,000	119,158
Charge for the year	-	-	25,799	10,453	36,252
At 31 May 2025	-	-	123,957	31,453	155,410

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

3. Property, plant and equipment (continued)

	Factory buildings RM	Factory equipment RM	Furniture, fittings and equipment RM	Motor Vehicle RM	Total RM
Carrying amounts					
At 1 January 2021	64	13	870	-	947
At 31 December 2021/ 1 January 2022	64	13	329	-	406
At 31 December 2022/ 1 January 2023	64	13	34	-	111
At 31 December 2023/ 1 January 2024	-	-	98,584	-	98,584
At 31 December 2024/ 1 January 2025	-	-	73,492	84,000	157,492
At 31 May 2025	-	-	47,693	175,747	223,440

3.1 Motor vehicle

The net carrying amounts of motor vehicles acquired under hire purchase arrangement are as follows:

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Motor vehicles	75,250	84,000	-	-	-

3.2 Material accounting policy information**(a) Recognition and measurement**

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

Factory buildings	5 - 10 years
Factory equipment	5 years
Furniture, fittings and equipment	2 years
Motor vehicles	5 years

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

4. Right-of-use assets

	Land RM	Factory buildings RM	Plant and machinery RM	Total RM
Cost				
At 1 January 2021/ 31 December 2021/ 1 January 2022	-	5,526,723	8,230,880	13,757,603
Derecognition	-	-	(8,230,880)	(8,230,880)
At 31 December 2022/ 1 January 2023	-	5,526,723	-	5,526,723
Addition	229,779	-	-	229,779
Derecognition	(229,779)	-	-	(229,779)
At 31 December 2023/ 1 January 2024/ 31 December 2024/ 1 January 2025/ 31 May 2025	-	5,526,723	-	5,526,723
Accumulated depreciation				
At 1 January 2021	-	502,429	2,743,627	3,246,056
Charge for the year	-	502,429	2,743,627	3,246,056
At 31 December 2021/ 1 January 2022	-	1,004,858	5,487,254	6,492,112
Charge for the year	-	502,429	2,743,626	3,246,055
Derecognition	-	-	(8,230,880)	(8,230,880)
At 31 December 2022/ 1 January 2023	-	1,507,287	-	1,507,287
Charge for the year	-	502,429	-	502,429
At 31 December 2023/ 1 January 2024	-	2,009,716	-	2,009,716
Charge for the year	-	502,429	-	502,429
At 31 December 2024/ 1 January 2025	-	2,512,145	-	2,512,145
Charge for the year	-	209,346	-	209,346
At 31 May 2025	-	2,721,491	-	2,721,491
Net carrying amounts				
At 1 January 2021	-	5,024,294	5,487,253	10,511,547
At 31 December 2021/ 1 January 2022	-	4,521,865	2,743,626	7,265,491
At 31 December 2022/ 1 January 2023	-	4,019,436	-	4,019,436
At 31 December 2023/ 1 January 2024	-	3,517,007	-	3,517,007
At 31 December 2024/ 1 January 2025	-	3,014,578	-	3,014,578
At 31 May 2025	-	2,805,232	-	2,805,232

Factory buildings represent operating lease agreements entered into by the Company for the use of office and factory. The lease is for an initial lease of 11 years.

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

4. Right-of-use assets (continued)**4.1 Extension options**

Certain lease contracts contain extension option exercisable before the end of the non-cancellable contract period. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

4.2 Material accounting policy information**(a) Recognition and measurement**

All right-of-use assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

(b) Recognition exemption

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

5. Deferred tax (assets)/liabilities**Recognised deferred tax (assets)/liabilities**

Deferred tax liabilities/(assets) are attribute to the following:

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Property, plant and equipment	<u>6,873</u>	<u>6,873</u>	<u>6,873</u>	<u>(44,000)</u>	<u>(44,000)</u>

Movements in temporary differences during the period/year

	At 1.1.2021 RM	Recognised in profit or loss (Note 16) RM	At 31.12.2021/ 31.12.2022 RM	Recognised in profit or loss (Note 16) RM	At 31.12.2023/ 31.12.2024/ 31.5.2025 RM
Property, plant and equipment	<u>(44,000)</u>	<u>-</u>	<u>(44,000)</u>	<u>50,873</u>	<u>6,873</u>

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

6. Net investment in sublease

The Company has classified one of its land subleases as finance lease because the sublease is for the whole lease terms of the head lease. The movements on the net investments in leases are as follows:

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
At 1 January	124,151	199,231	-	-	-
Additions	-	-	229,779	-	-
Lease payments received during the year	(33,500)	(80,400)	(33,500)	-	-
Finance income	1,465	5,320	2,952	-	-
At 31 May/December	92,116	124,151	199,231	-	-
Non-current	13,161	46,509	124,151	-	-
Current	78,955	77,642	75,080	-	-
	92,116	124,151	199,231	-	-

The following table sets out the maturity analysis of lease receivables showing the undiscounted lease payments to be received after the reporting date.

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Within one year	80,400	80,400	80,400	-	-
After one year but not more than five years	13,400	46,900	127,300	-	-
Total undiscounted lease payments receivable	93,800	127,300	207,700	-	-
Unearned finance income	(1,684)	(3,149)	(8,469)	-	-
Net investment in sublease	92,116	124,151	199,231	-	-

Lease liabilities relating to leases of sublet premises are recognised in accordance with MFRS 16, *Leases*.

7. Inventories

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
At cost:					
Raw material	4,328,598	5,338,796	3,868,234	4,428,117	4,526,253
Finished goods	12,583,610	2,612,394	4,157,766	1,330,850	1,784,718
	16,912,208	7,951,190	8,026,000	5,758,967	6,310,971
Recognised in profit or loss:					
Inventories recognised as cost of sales	20,091,446	50,775,950	41,928,355	35,745,858	24,384,583
Inventories written off	-	-	-	606,234	-

7.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method.

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

8. Trade and other receivables

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Trade					
Trade receivables	4,039,747	4,663,856	171,156	2,159,246	1,052,941
Amount due from a related party	8.1 6,024,975	-	-	-	-
Less: Impairment loss	-	-	(164,456)	-	-
	<u>10,064,722</u>	<u>4,663,856</u>	<u>6,700</u>	<u>2,159,246</u>	<u>1,052,941</u>
Non-trade					
Other receivables	89,943	68,985	27,800	12,261	25,856
Deposits	62,792	46,075	53,100	29,925	48,300
Prepayments	<u>38,882</u>	<u>1,557</u>	<u>3,124</u>	<u>887</u>	<u>210</u>
	<u>191,617</u>	<u>116,617</u>	<u>84,024</u>	<u>43,073</u>	<u>74,366</u>
	<u>10,256,339</u>	<u>4,780,473</u>	<u>90,724</u>	<u>2,202,319</u>	<u>1,127,307</u>

8.1 The trade amounts due from a related party is unsecured, interest-free and subject to the normal trade terms. The related party is a company of which the Directors of the Company have substantial financial interest.

9. Cash and bank balances

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Cash in hand	34,934	18,000	8,221	5,798	4,696
Bank balances	<u>738,349</u>	<u>902,694</u>	<u>2,822,779</u>	<u>470,436</u>	<u>152,831</u>
	<u>773,283</u>	<u>920,694</u>	<u>2,831,000</u>	<u>476,234</u>	<u>157,527</u>

10. Share capital

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Issued and fully paid shares with no par value classified as equity instruments:					
Ordinary shares:	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Number of ordinary shares					
Ordinary shares	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

11. Trade and other payables

	Note	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Trade						
Trade payables		439,016	234,754	-	182,580	223,740
Amount due to related parties	11.1	19,942,891	6,482,827	7,651,483	5,220,854	5,661,219
		<u>20,381,907</u>	<u>6,717,581</u>	<u>7,651,483</u>	<u>5,403,434</u>	<u>5,884,959</u>
Non-trade						
Other payables		4,345	18,668	77,266	45,701	773,121
Accruals		<u>963,622</u>	<u>2,066,068</u>	<u>867,851</u>	<u>740,900</u>	<u>299,703</u>
		<u>967,967</u>	<u>2,084,736</u>	<u>945,117</u>	<u>786,601</u>	<u>1,072,824</u>
		<u>21,349,874</u>	<u>8,802,317</u>	<u>8,596,600</u>	<u>6,190,035</u>	<u>6,957,783</u>

11.1 The trade amount due to related parties are unsecured, interest-free and subject to normal trade term. The related parties are companies of which the Directors of the Company have substantial financial interest.

12. Contract liabilities

Contract liabilities are the obligation to transfer goods to customer for which the Company has received consideration from the customer.

Below representing deposits received in advance from customers before the goods are provided to customers, and which are expected to be recognised as revenue within the next 12 months:

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Contract liabilities	<u>-</u>	<u>-</u>	<u>20,100</u>	<u>-</u>	<u>-</u>

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

Registration No. 200501032815 (714955-H)

13. Revenue

	1.1.2025 to 31.5.2025	1.1.2024 to 31.5.2024	1.1.2024 to 31.12.2024	1.1.2023 to 31.12.2023	1.1.2022 to 31.12.2022	1.1.2021 to 31.12.2021
	Audited RM	Unaudited RM	Audited RM	Audited RM	Audited RM	Audited RM
Revenue from contracts with customers	24,245,292	21,178,460	57,862,431	46,362,855	40,167,733	25,813,096
Timing of recognition						
At a point in time	24,245,292	21,178,460	57,862,431	46,362,855	40,167,733	25,813,096

Nature of goods and services

The following information reflects the typical transactions of the Company:

Nature of goods or services	Timing of recognition or method used to recognised revenue	Payment terms	Variable element in consideration	Obligation for returns or refunds
Sales of poles, piles, reinforced concrete square piles and others	Revenue is recognised when the goods are delivered and accepted by the customers at their premises.	Credit period of 30 days from invoice date.	Not applicable.	Not applicable.

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

Registration No. 200501032815 (714955-H)

13. Revenue (continued)

Warranty

The Company provides assurance warranty for specific types of concrete products. The following information reflects the typical warranty period provided to customers:

Products	Typical warranty period
Standard poles for telecommunications	1 year from date of customer acceptance
Standard poles for electricity distribution	Ranges between 1 and 3 years from date of delivery to the customer

Transaction prices allocated to the remaining performance obligations

There are no material performance obligations, whether unsatisfied or partly satisfied, to be recognised over the subsequent period.

14. Finance income

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Interest income from sublease	1,465	2,522	5,320	2,952	-	-
Bank interest	7,858	4,005	8,339	10,827	4,204	1,456
	9,323	6,527	13,659	13,779	4,204	1,456

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

15. Finance costs

Interest expense of financial liabilities that are not at fair value through profit or loss: - hire purchase liabilities Interest expense on lease liabilities	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
	-	1,152	4,072	-	-	-
	45,329	53,188	122,193	135,767	192,049	300,540
	45,329	54,340	126,265	135,767	192,049	300,540

16. Tax expense

Recognised in profit or loss Current tax expense - Current year - Under provision in prior years Total current tax recognised in profit or loss	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
	536,064	-	819,811	243,779	410,621	22,522
	-	-	349,622	6,761	1,125	12,959
	536,064	-	1,169,433	250,540	411,746	35,481
Deferred tax expense - Current year - Under provision in prior years Total deferred tax expense recognised in profit or loss Total income tax expense	-	-	-	6,845	-	-
	-	-	-	44,028	-	-
	-	-	-	50,873	-	-
	536,064	-	1,169,433	301,413	411,746	35,481

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

16. Tax expense (continued)

Reconciliation of tax expense

Profit/(Loss) before tax	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
	2,193,333	(409,084)	3,506,254	550,922	1,882,740	(232,457)
Income tax calculated using Malaysian tax rate of 24%	526,400	(98,180)	841,501	132,221	451,858	(55,790)
Non-deductible expenses	19,942	98,180	17,779	163,403	3,381	90,478
Non-taxable income	(10,278)	-	(39,469)	-	(2,618)	(2,892)
Differential in tax rate	-	-	-	(45,000)	(42,000)	(9,274)
Under provision in prior years	-	-	349,622	50,789	1,125	12,959
Income tax expense	536,064	-	1,169,433	301,413	411,746	35,481

17. Profit/(Loss) for the period/year

Profit for the period/year is arrived at after charging/(crediting):

Auditors' remuneration

Audit fees:	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
- KPMG PLT	18,750	18,750	45,000	45,000	-	-
- Other auditor	-	-	-	-	18,000	11,700
- Under provision prior year	-	-	-	-	2,000	-
Non-audit fees:	-	-	12,000	12,000	-	-
- Local affiliates of KPMG PLT	-	-	12,000	12,000	-	-

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

17. Profit/(Loss) for the period/year (continued)

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
Profit for the period/year is arrived at after charging/(crediting):						
Material expenses						
Depreciation of property, plant and equipment	36,252	37,731	82,347	18,003	295	541
Depreciation of right-of-use assets	209,346	209,346	502,429	502,429	3,246,055	3,246,056
Property, plant and equipment written off	-	-	-	109	-	-
Inventories written off	-	-	-	-	606,234	-
Personnel expenses (including key management personnel):						
- Salaries, bonuses and allowances	4,131,958	3,114,136	8,920,366	7,451,402	6,560,804	4,514,299
- Defined contribution plan	446,868	333,258	965,578	819,256	713,911	496,362
- Social contribution plan	57,925	51,250	126,075	108,773	100,210	66,095
- Employment insurance system	7,063	5,857	14,393	12,422	11,475	7,388
Other expenses/(income) arising from lease						
Expenses relating to short-term lease	2,881,775	3,042,354	7,206,417	7,599,576	7,060,433	139,133
Income from subleasing right-of-use assets	(33,500)	(33,500)	(80,400)	(33,500)	-	-
Net (gain)/loss on impairment of financial instruments						
Financial assets at amortised cost	-	-	(164,456)	164,456	-	-

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

18. Financial instruments
18.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as amortised cost ("AC").

	Carrying amount RM	AC RM
31.5.2025		
Financial assets		
Trade and other receivables ^	10,217,457	10,217,457
Cash and bank balances	<u>773,283</u>	<u>773,283</u>
	<u>10,990,740</u>	<u>10,990,740</u>
Financial liabilities		
Trade and other payables	<u>21,349,874</u>	<u>21,349,874</u>
31.12.2024		
Financial assets		
Trade and other receivables ^	4,778,916	4,778,916
Cash and bank balances	<u>920,694</u>	<u>920,694</u>
	<u>5,699,610</u>	<u>5,699,610</u>
Financial liabilities		
Trade and other payables	<u>8,802,317</u>	<u>8,802,317</u>
31.12.2023		
Financial assets		
Trade and other receivables ^	87,600	87,600
Cash and bank balances	<u>2,831,000</u>	<u>2,831,000</u>
	<u>2,918,600</u>	<u>2,918,600</u>
Financial liabilities		
Trade and other payables	<u>8,596,600</u>	<u>8,596,600</u>
31.12.2022		
Financial assets		
Trade and other receivables ^	2,201,432	2,201,432
Cash and bank balances	<u>476,234</u>	<u>476,234</u>
	<u>2,677,666</u>	<u>2,677,666</u>
Financial liabilities		
Trade and other payables	<u>6,190,035</u>	<u>6,190,035</u>

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

18. Financial instruments (continued)
18.1 Categories of financial instruments (continued)

31.12.2021	Carrying amount RM	AC RM
Financial assets		
Trade and other receivables ^	1,127,097	1,127,097
Cash and bank balances	<u>157,527</u>	<u>157,527</u>
	<u>1,284,624</u>	<u>1,284,624</u>
Financial liabilities		
Trade and other payables	<u>6,957,783</u>	<u>6,957,783</u>

^ Exclude prepayments

18.2 Net gains/(losses) arising from financial instruments

	31.5.2025 Audited RM	31.5.2024 Unaudited RM	31.12.2024 Audited RM	31.12.2023 Audited RM	31.12.2022 Audited RM	31.12.2021 Audited RM
Net gains/ (losses) on:						
Financial assets at amortised cost	9,323	6,527	178,115	(150,677)	4,204	1,456
Financial liabilities at amortised cost	(45,329)	(54,340)	(126,265)	(135,767)	(192,049)	(300,540)
	<u>(36,006)</u>	<u>(47,813)</u>	<u>51,850</u>	<u>(286,444)</u>	<u>(187,845)</u>	<u>(299,084)</u>

18.3 Financial risk management

The Company has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

18.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. There are no significant changes as compared to prior periods.

18. Financial instruments (continued)**18.4 Credit risk (continued)****Trade receivables***Risk management objectives, policies and processes for managing the risk*

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

At each reporting date, the Company assesses whether any of the receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or fully) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables are represented by the carrying amounts in the statement of financial position.

Concentration of credit risk

The Company's major concentration of credit risk relates to the amount owing by three customers (2024: one customer) which constituted 99% (2024: 100%) of its trade receivables as at the end of each reporting year.

Recognition and measurement of impairment losses

The Company adopts the simplified approach and uses an allowance matrix to measure expected credit losses ("ECLs") of trade receivables.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to 90 days past due.

Loss rates are based on actual credit loss experience over the past three years. The Company also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Company's view of economic conditions over the expected lives of the receivables. Nevertheless, the Company believes that these factors are immaterial for the purpose of impairment calculation for the year.

**ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS
UNDER REVIEW (Cont'd)**

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Registration No. 200501032815 (714955-H)

18. Financial instruments (continued)
18.4 Credit risk (continued)
Trade receivables (continued)
Recognition and measurement of impairment losses (continued)

The following table provides information about the exposure to credit risk and ECLs for trade receivables which are grouped together as they are expected to have similar risk nature.

	Gross carrying amount RM	Loss allowances RM	Net balance RM
31.5.2025			
Current (not past due)	4,039,747	-	4,039,747
31.12.2024			
Current (not past due)	4,663,856	-	4,663,856
31.12.2023			
More than 90 days past due	6,700	-	6,700
Credit impaired			
Individually impaired	164,456	(164,456)	-
	171,156	(164,456)	6,700
31.12.2022			
Current (not past due)	1,643,311	-	1,643,311
1 - 30 days past due	513,864	-	513,864
More than 90 days past due	2,071	-	2,071
	2,159,246	-	2,159,246
31.12.2021			
Current (not past due)	620,460	-	620,460
1 - 30 days past due	430,410	-	430,410
More than 90 days past due	2,071	-	2,071
	1,052,941	-	1,052,941

**ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS
UNDER REVIEW (Cont'd)**

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Registration No. 200501032815 (714955-H)

18. Financial instruments (continued)
18.4 Credit risk (continued)
Trade receivables (continued)
Recognition and measurement of impairment losses (continued)

The movements in the allowance for impairment in respect of trade receivables during the year are shown below.

	Credit impaired RM
Balance at 1 January 2021/31 December 2021/ 1 January 2022/31 December 2022/1 January 2023	-
Net remeasurement of loss allowance	(164,456)
Balance at 31 December 2023/1 January 2024	(164,456)
Net remeasurement of loss allowance	164,456
Balance at 31 December 2024/1 January 2025/31 May 2025	-

Cash and bank balances

The cash and bank balances are held with banks. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

This banks have low credit risks. Consequently, the Company is of the view that the loss allowance is not material and hence, it is not provided for.

Other receivables

Credit risks on other receivables are mainly arising from deposits paid for office buildings and fixtures rented. These deposits will be received at the end of each lease terms. The Company manage the credit risk together with the leasing arrangement.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting period, the Company does not recognise any loss allowance for impairment losses.

18.5 Liquidity risk

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

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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18. Financial instruments (continued)

18.5 Liquidity risk (continued)

The Company maintains a level of cash and bank balances deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due. It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Maturity analysis

The table below summarises the maturity profile of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments.

	Carrying amount RM	Contractual interest rate	Contractual cash flows RM	Within 1 year RM	1 – 2 years RM	2 – 5 years RM	More than 5 years RM
31.5.2025							
Trade and other payables	21,349,874	-	21,349,874	21,349,874	-	-	-
Lease liabilities	3,151,310	3.36%	3,000,000	600,000	600,000	1,800,000	-
	<u>24,501,184</u>		<u>24,349,874</u>	<u>21,949,874</u>	<u>600,000</u>	<u>1,800,000</u>	<u>-</u>
31.12.2024							
Trade and other payables	8,802,317	-	8,802,317	8,802,317	-	-	-
Lease liabilities	3,389,480	3.36%	3,600,000	600,000	600,000	1,800,000	600,000
	<u>12,191,797</u>		<u>12,402,317</u>	<u>9,402,317</u>	<u>600,000</u>	<u>1,800,000</u>	<u>600,000</u>
31.12.2023							
Trade and other payables	8,596,600	-	8,596,600	8,596,600	-	-	-
Lease liabilities	3,947,687	3.36%	4,200,000	600,000	600,000	1,800,000	1,200,000
	<u>12,544,287</u>		<u>12,796,600</u>	<u>9,196,600</u>	<u>600,000</u>	<u>1,800,000</u>	<u>1,200,000</u>

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

Registration No. 200501032815 (714955-H)

18. Financial instruments (continued)

18.5 Liquidity risk (continued)

Maturity analysis (continued)

31.12.2022

Trade and other payables	6,190,035	-	6,190,035	Within 1 year	1 – 2 years	2 – 5 years	More than 5 years
Lease liabilities	4,215,641	3.36%	4,800,000	600,000	600,000	1,800,000	1,800,000
	10,405,676		10,990,035	6,790,035	600,000	1,800,000	1,800,000

31.12.2021

Trade and other payables	6,957,783	-	6,957,783	Within 1 year	1 – 2 years	2 – 5 years	More than 5 years
Lease liabilities	7,503,592	3.36%	8,280,000	3,480,000	600,000	1,800,000	2,400,000
	14,461,375		15,237,783	10,437,783	600,000	1,800,000	2,400,000

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

18. Financial instruments (continued)
18.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Company's financial position or cash flows. The Company is not exposed to foreign currency risk and other price risk.

18.6.1 Interest rate risk

The Company's short-term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Company's kept its fixed rate borrowings at minimal level to reduce its exposure from fair value risk. The Company does not use derivative financial instruments to hedge its debt obligations.

Exposure to interest rate risk

The interest rate profile of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	31.5.2025 RM	31.12.2024 RM	31.12.2023 RM	31.12.2022 RM	31.12.2021 RM
Fixed rate instruments					
Financial liabilities					
Lease liabilities	<u>3,151,310</u>	<u>3,389,480</u>	<u>3,947,687</u>	<u>4,215,641</u>	<u>7,503,592</u>

18.7 Fair value information

The carrying amounts of cash and bank balances, short-term receivables and payables reasonably approximate their fair values due to the relatively short-term nature of these financial instruments. Accordingly, the fair values and fair value hierarchy has not been presented.

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)

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Registration No. 200501032815 (714955-H)

19. Related parties**Significant related party transactions**

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Company are shown below. The balances related to the below transactions are shown in Note 8 and 11.

	1.1.2025 to 31.5.2025 Audited RM	1.1.2024 to 31.5.2024 Unaudited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2022 to 31.12.2022 Audited RM	1.1.2021 to 31.12.2021 Audited RM
A. Companies which the Directors have substantial financial interest						
Sales	15,353,253	13,178,460	30,343,953	23,026,223	10,453,642	15,392,357
Purchases	(13,876,279)	(13,308,140)	(33,630,632)	(29,345,427)	(20,929,999)	(17,709,459)
Rental expenses	(3,126,775)	(3,290,654)	(7,798,717)	(7,599,576)	(7,060,433)	(3,619,133)
B. Key management personnel						
Directors						
- Remuneration	(2,656)	(35,698)	(96,778)	(43,200)	(79,257)	(84,978)
- Estimated money value of Directors' benefit-in-kind	(378)	(5,301)	(14,205)	(6,445)	(11,641)	(12,453)
	<u>(3,034)</u>	<u>(40,999)</u>	<u>(110,983)</u>	<u>(49,645)</u>	<u>(90,898)</u>	<u>(97,431)</u>

20. Capital management

The Company's objectives when managing capital is to maintain a strong capital base and safeguard the Company's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio. There was no change in the Company's approach to capital management during the financial period/year.

There is no external capital requirement imposed on the Company.

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)



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INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF WINABUMI SDN. BHD.

(Registration No. 200501032815 (714955-H))
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Winabumi Sdn. Bhd., which comprise the statement of financial position as at 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024 and 31 May 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the years and period then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 1 to 31.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024 and 31 May 2025, and of its financial performance and its cash flows for the years and period then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' 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 Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS UNDER REVIEW (Cont'd)



Winabumi Sdn. Bhd.
(Registration No. 200501032815 (714955-H))
Independent Auditors' Report for the
Financial Period Ended 31 May 2025

Responsibilities of the Directors for the Financial Statements

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

In preparing the financial statements of the Company, the Directors are responsible for assessing the ability of the Company 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

**ANNEXURE B – AUDITED FINANCIAL STATEMENTS OF WINABUMI FOR FINANCIAL PERIODS
UNDER REVIEW (Cont'd)**


Winabumi Sdn. Bhd.
(Registration No. 200501032815 (714955-H))
Independent Auditors' Report for the
Financial Period Ended 31 May 2025

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- 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 Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

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

Other Matter

The comparative information for the statement of profit or loss and other comprehensive income, changes in equity, cash flows, and notes to the financial statements for the financial period ended 31 May 2024 have not been audited.

Restriction on Distribution and Use

This report is made solely to the Company and for inclusion in the prospectus of PMW International Berhad in connection with the listing of and quotation for the entire enlarged issued share capital of PMW International Berhad on the ACE Market of Bursa Securities and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya

Date: 2 October 2025

Ooi Eng Siong
Approval Number: 03240/02/2026 J
Chartered Accountant