

**NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF 5E RESOURCES HOLDINGS BERHAD (“5E RESOURCES” OR “COMPANY”) DATED 30 MARCH 2026 (“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](http://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, TA Securities or Tricor Investor & Issuing House Services Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus, subject to availability, from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

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

**Jurisdictional Disclaimer**

The IPO and the distribution of the Electronic Prospectus are subject to Malaysian law. The Electronic Prospectus will not be distributed outside Malaysia. Bursa Securities, TA Securities, 5E Resources, the Directors, Promoters and Offerors named in the Prospectus 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 the subscription or purchase of, or an invitation to subscribe for or purchase, the IPO Shares to any person outside Malaysia or in any jurisdiction or in any circumstance in which such an offer is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. Prospective applicants who may be in possession of the Electronic Prospectus are required to take note, to inform themselves, and to observe such restrictions.

**Close of Application**

Applications will be accepted from **10.00 a.m. on 30 March 2026** and will close at **5.00 p.m. on 3 April 2026**. Any changes to the timetable will be advertised by the Company in widely circulated English and Bahasa Malaysia daily newspapers in Malaysia, and an announcement of such changes would be made to the Website accordingly.

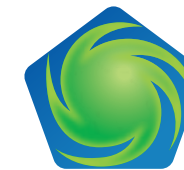
The Electronic Prospectus made available on the Website after the closing of the application period is made available solely for informational and archiving purposes. No securities will be allotted or issued on the basis of the Electronic Prospectus after the closing of the application period.

**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.

## PROSPECTUS



**5E RESOURCES HOLDINGS BERHAD**

(Registration No. 202501022128 (1623541-K))  
(Incorporated in Malaysia under the Companies Act 2016)

**INITIAL PUBLIC OFFERING (“IPO”) IN CONJUNCTION WITH THE LISTING OF 5E RESOURCES HOLDINGS BERHAD (“5E RESOURCES” OR “COMPANY”) ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) COMPRISING:**

- (I) **PUBLIC ISSUE OF 304,500,000 NEW ORDINARY SHARES IN 5E RESOURCES (“SHARES”) (“ISSUE SHARES”) IN THE FOLLOWING MANNER:**
- 77,000,000 ISSUE SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
  - 35,000,000 ISSUE SHARES MADE AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, EMPLOYEES AND OTHER PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF 5E RESOURCES AND OUR SUBSIDIARIES; AND
  - 192,500,000 ISSUE 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 154,000,000 EXISTING SHARES (“OFFER SHARES”) BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS,**

**AT AN IPO PRICE OF RM0.26 PER ISSUE SHARE / OFFER SHARE, PAYABLE IN FULL UPON APPLICATION.**

*Principal Adviser, Sponsor, Underwriter and Placement Agent*

**TA SECURITIES**

AN UNWAVERING COMMITMENT

**TA SECURITIES HOLDINGS BERHAD**

(Registration No. 197301001467 (14948-M))

(A Participating Organisation of Bursa Malaysia Securities Berhad)

**NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER 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 242.**

BURSA SECURITIES HAS APPROVED OUR IPO AND THIS PROSPECTUS HAS BEEN REGISTERED BY BURSA SECURITIES. THE APPROVAL OF OUR IPO AND REGISTRATION OF THIS PROSPECTUS SHOULD NOT BE TAKEN TO INDICATE THAT BURSA SECURITIES RECOMMENDS THE OFFERING OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. BURSA SECURITIES HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF THE SECURITIES BEING OFFERED FOR INVESTMENT.

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

**THE ACE MARKET OF BURSA SECURITIES (“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 OF BURSA SECURITIES. 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 30 MARCH 2026**



**5E RESOURCES HOLDINGS BERHAD**

(Registration No. 202501022128 (1623541-K))



PLO 738, Jalan Platinum Utama, Zon 12B, Kawasan Perindustrian Pasir Gudang,  
81700 Pasir Gudang, Johor, Malaysia.



+607-252 1288 / +607-252 1388



ir@5e-resources.com

www.5e-resources.com

All defined terms used in this Prospectus are defined under the “Definitions” section commencing from page x of this Prospectus.

### **RESPONSIBILITY STATEMENTS**

Our Directors, Promoters and Offerors have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. 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.

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

### **STATEMENTS OF DISCLAIMER**

Approval has been granted by Bursa Securities for the listing and quotation of our Shares. 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, has also been lodged with the Registrar of Companies, who takes no responsibility for its contents.

### **OTHER STATEMENTS**

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

Our Shares are offered to the public on the premise of full and accurate disclosure of all material information concerning 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 SAC. This classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review undertaken by the SAC. The new status is released in the updated list of Shariah-compliant securities, on the last Friday of May and November.

This Prospectus is prepared and published solely in connection with our IPO under the laws of Malaysia. Our Shares are offered in Malaysia on the basis of the information contained and representations made in this Prospectus. Our Company, Directors, Promoters, Offerors and our Principal Adviser, Sponsor, Underwriter and Placement Agent have not authorised anyone to provide any information or to make any representation not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Company, Directors, Promoters and Offerors, our Principal Adviser, Sponsor, Underwriter and Placement Agent or any of its directors, or any other persons involved in our IPO.

This Prospectus has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or with / by any regulatory authority or other relevant body of any jurisdiction other than Malaysia. Accordingly, this Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe for or purchase our Shares in any jurisdiction or in any circumstances in which such an offer is not authorised or is unlawful or to any person to whom it is unlawful to make such offer or invitation.



We will not, prior to acting on any acceptance in respect of our IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto, whether or not any enquiry or investigation is made in connection therewith.

It shall also 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 subject only to the laws of Malaysia in connection therewith.

Further, it shall be your sole responsibility, if you are or may be subject to the laws of any countries or jurisdictions other than Malaysia, to consult your professional advisers as to whether your application for our IPO would result in the contravention of any laws of such countries or jurisdictions. Neither we nor our Principal Adviser nor any other advisers in relation to our IPO shall accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, voidable or void in any country or jurisdiction.

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.

### **ELECTRONIC PROSPECTUS**

This Prospectus can be viewed or downloaded from Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com). The contents of the Electronic Prospectus and the copy of this Prospectus registered with Bursa Securities are the same.

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

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

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

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

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



- (iii) any data, information, files or other materials downloaded from the Third-Party Internet Sites is done at your own discretion and risk. We and our Principal Adviser are not responsible, liable or under obligation for any damage to your computer systems or loss of data resulting from the downloading of any such data, information, files or other 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 only liable in respect of the integrity of the contents of the Electronic Prospectus, to the extent of the contents of the Electronic Prospectus on the web server of the Internet Participating Financial Institutions or Participating Securities Firms which may be viewed via web browser or other relevant software. The Internet Participating Financial Institutions or Participating Securities Firms are not responsible for the integrity of the contents of the Electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions or Participating Securities Firms and subsequently communicated or disseminated in any manner to you or other parties; and
- (ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of the Electronic Prospectus cannot be guaranteed as the internet is not a fully secured medium.

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

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**INDICATIVE TIMETABLE**

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

| <b>Events</b>                                                               | <b>Tentative Dates</b>    |
|-----------------------------------------------------------------------------|---------------------------|
| Issuance of this Prospectus / Opening of the Application period for our IPO | 10.00 a.m., 30 March 2026 |
| Closing of the Application period for our IPO                               | 5.00 p.m., 3 April 2026   |
| Balloting of the Applications                                               | 7 April 2026              |
| Allotment / Transfer of IPO Shares to successful applicants                 | 14 April 2026             |
| Listing on the ACE Market                                                   | 15 April 2026             |

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

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## PRESENTATION OF INFORMATION

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All references to “5E Resources” or “our Company” in this Prospectus are to 5E Resources Holdings Berhad, while references to “5E Resources Group” or “our Group” are to our Company and our Subsidiaries (as defined herein). References to words such as “we”, “us”, “our” and “ourselves” are to our Company, our Group or any member company of our Group as the context requires, unless otherwise stated. Unless the context otherwise requires, references to “Management” are to our Executive Directors and 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 singular shall, where applicable, include plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include companies and corporations.

In this Prospectus, 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 hundredth 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.

If there are any discrepancies or inconsistencies between the English and Bahasa Malaysia versions of this Prospectus, the English version shall prevail.

Any reference to dates and times in this Prospectus are references to dates and times in Malaysia.

Any reference to any provisions of the statutes, rules, regulations, enactments or rules of stock exchange in this Prospectus shall (where the context admits) be construed as a reference to provisions of such statutes, rules, regulations, enactments or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendment or re-enactment to statutes, rules, regulations, enactments, or rules of stock exchange for the time being in force.

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 which our Group operates in 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 IMR Report prepared by Vital Factor (as defined herein). We have appointed Vital Factor to provide an independent market and industry review, which is included in **Section 8** of this Prospectus. In compiling its data for the review, Vital Factor had relied on research methodology, industry sources, published materials, its own private databases and direct contacts within the industry.

We believe that the information on the industry and other 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 or indirectly linked to such website does not form part of this Prospectus and you should not rely on such information for the purposes of your decision whether or not to invest in our Shares.

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**FORWARD-LOOKING STATEMENTS**

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

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

Such forward-looking statements include, without limitation, statements relating to:

- (i) our future overall business development and operations;
- (ii) our future financial position, earnings, cash flows and liquidity;
- (iii) our business strategies, trends and competitive position and the effect of such competition;
- (iv) our plans and objectives for future operations;
- (v) our ability to pay future dividends; and
- (vi) the general industry environment, including the demand and supply for our services.

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

- (i) the economic, political and investment environment in Malaysia and globally; and
- (ii) government policies, legislations or regulations.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the “Risk Factors” section and the “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” section of this Prospectus. We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are based on information available to us as at the LPD.

Should we become aware of any subsequent material change or development affecting any matter 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 supplementary or replacement prospectus, as the case may be, in accordance with the provisions of Rule 3.12D of the Listing Requirements, provisions of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6) of the Prospectus Guidelines (Supplementary and Replacement Prospectus).

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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**

|                                        |                                                                                      |
|----------------------------------------|--------------------------------------------------------------------------------------|
| <b>5E Resources or our Company</b>     | : 5E Resources Holdings Berhad (Registration No. 202501022128 (1623541-K))           |
| <b>5E Resources Group or our Group</b> | : Collectively, 5E Resources and our Subsidiaries                                    |
| <b>5ERNSB</b>                          | : 5E Resources Northern Sdn Bhd (Registration No. 202501009199 (1610613-K))          |
| <b>5ERSB</b>                           | : 5E Resources Sdn Bhd (Registration No. 200601022459 (742213-K))                    |
| <b>Subsidiaries</b>                    | : Collectively, 5ERSB, 5ERNSB and TS Heuls                                           |
| <b>TS Heuls</b>                        | : TS Heuls Chemical & Engineering Sdn Bhd (Registration No. 199701023344 (438841-P)) |

**EXISTING / FUTURE OPERATIONAL FACILITIES OF OUR GROUP**

|                                  |                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Lot 13416 &amp; 13417</b>     | : 2 parcels of leasehold vacant land owned by 5ERNSB and held under Pajakan Negeri 215646, Lot 13416 and Pajakan Negeri 215657, Lot 13417, Mukim Chenderiang, Daerah Batang Padang, Negeri Perak.                                                                                                                                                                        |
| <b>New Perak Facility</b>        | : A new scheduled waste management facility to be constructed by 5ERNSB on Lot 13416 & 13417, details of which are as set out in <b>Section 7.18.3</b> of this Prospectus.                                                                                                                                                                                               |
| <b>PLO 83 Facility</b>           | : An existing scheduled waste management facility owned by 5ERSB bearing postal address PLO 83, Jalan Perak, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang, Johor.                                                                                                                                                                                              |
| <b>PLO 83 &amp; 317 Facility</b> | : Collectively, PLO 83 Facility and PLO 317 Facility, which are located next to one another.                                                                                                                                                                                                                                                                             |
| <b>PLO 317 Facility</b>          | : An existing scheduled waste management facility owned by 5ERSB bearing postal address PLO 317, Jalan Perak, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang, Johor.                                                                                                                                                                                             |
| <b>PLO 321 Facility</b>          | : An existing warehouse and logistics office owned by 5ERSB bearing postal address PLO 321, Jalan Perak 2, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang, Johor.<br><br>Upon completion of its Phase 2 construction estimated by the 1 <sup>st</sup> half of 2026, this facility will also include a scheduled waste management facility and operations office. |
| <b>PLO 738 Facility</b>          | : An existing scheduled waste management facility owned by 5ERSB bearing postal address PLO 738, Jalan Platinum Utama, Zon 12B, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang, Johor.                                                                                                                                                                           |
| <b>Property No. 26</b>           | : A terrace factory rented by TS Heuls bearing postal address No. 26, Jalan Permas 9/13, Bandar Baru Permas Jaya, 81750 Masai, Johor used as storage for the trading of chemicals.                                                                                                                                                                                       |



## DEFINITIONS

**Property No. 31** : A terrace factory owned by TS Heuls and bearing postal address No. 31, Jalan Permas 9/8, Bandar Baru Permas Jaya, 81750 Masai, Johor, to be used as storage for the trading of chemicals replacing Property No. 26.

## GENERAL

**5E Holdings** : 5E Holdings Sdn Bhd (now known as Sunny Crest Sdn Bhd) (Registration No. 202001038095 (1394416-M)), the former holding company of 5ERSB

**5E Resources Shares or Shares** : Ordinary shares in our Company

**5E Singapore** : 5E Resources Limited (now known as Sunny Crest Pte Ltd) (Registration No. 202136285K), a company incorporated in Singapore and the former ultimate holding company of 5ERSB. The company was listed on the Catalist Board of Singapore Exchange Securities Trading Limited in May 2022 but was subsequently delisted in March 2025

**ACE Market** : ACE Market of Bursa Securities

**Acquisition of 5ERSB** : The acquisition by 5E Resources of the entire issued share capital of 5ERSB comprising 26,916,741 ordinary shares for a purchase consideration of RM123,549,000 satisfied wholly by the issuance and allotment of 1,235,490,000 new Shares at an issue price of RM0.10 each, which was completed on 8 December 2025

**Act** : Companies Act 2016, as may be amended from time to time

**ADA** : Authorised Depository Agent

**AGM** : Annual General Meeting

**APAD** : Malaysian Land Public Transport Agency (formerly known as Land Public Transport Commission)

**Application** : The application for the Issue Shares by way of Application Form, Electronic Share Application or Internet Share Application

**Application Form** : The printed application form for the application for the Issue Shares

**ARM** : Alternative raw materials

**ARMC** : Audit and Risk Management Committee

**ASP** : Average selling price

**ATM** : Automated teller machine

**Authorised Financial Institution** : Authorised financial institution participating in the Internet Share Application, with respect to payments for our Issue Shares

**Board** : Board of Directors of 5E Resources

## DEFINITIONS

|                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Bumiputera</b>                                    | : In the context of: <ul style="list-style-type: none"> <li>(a) individuals, Malays and the aborigines and the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia;</li> <li>(b) companies, companies which fulfil, among others, the following criteria or such other criteria as may be imposed by the MITI:             <ul style="list-style-type: none"> <li>(i) registered under the Act as a private company;</li> <li>(ii) its shareholders are 100.00% Bumiputera; and</li> <li>(iii) its board of directors (including its staff) are at least 51.00% Bumiputera; and</li> </ul> </li> <li>(c) cooperatives, cooperatives whose shareholders or cooperative members are at least 95.00% Bumiputera or such other criteria as may be imposed by the MITI</li> </ul> |
| <b>Bursa Depository or Depository</b>                | : Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Bursa Securities</b>                              | : Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>CAGR</b>                                          | : Compound annual growth rate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Capitalisation and Demerger from 5E Singapore</b> | : The capitalisation by 5ERSB of an amount owing to 5E Singapore via the issuance and allotment of new ordinary shares in 5ERSB, followed by the acquisition of the entire issued share capital of 5ERSB by Wong Kim Fatt, Loo Sok Ching, Lim Te Hua, Shankar A/L Narasingam, Ban Kim Wah and GreenEdge, details of which are as set out in <b>Section 6.2</b> of this Prospectus                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>CCC</b>                                           | : Certificate of completion and compliance or such certificate by any other name issued by the principal submitting person or the relevant authority (whichever is applicable) under the Street, Drainage and Building Act 1974 and any by-laws made under it or such relevant legislation applicable at the material time, including a certificate of fitness for occupation issued by the local authorities                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>CCM</b>                                           | : Companies Commission of Malaysia                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>CDS</b>                                           | : Central Depository System                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>CDS Account</b>                                   | : Account established for a Depositor by Bursa Depository for the recording of deposits or withdrawals of securities and dealings in such securities by the Depositor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>CEO</b>                                           | : Chief Executive Officer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Central Depositories Act or SICDA</b>             | : Securities Industry (Central Depositories) Act 1991, as may be amended from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

**DEFINITIONS**

|                                     |                                                                                                                                                                                                                                                                             |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CMSA</b>                         | : Capital Markets and Services Act 2007                                                                                                                                                                                                                                     |
| <b>COO</b>                          | : Chief Operating Officer                                                                                                                                                                                                                                                   |
| <b>Constitution</b>                 | : Constitution of our Company                                                                                                                                                                                                                                               |
| <b>Depositor</b>                    | : A holder of a CDS Account                                                                                                                                                                                                                                                 |
| <b>Director(s)</b>                  | : Director(s) of our Company and within the meaning given in Section 2 of the CMSA                                                                                                                                                                                          |
| <b>DOE</b>                          | : Department of Environment                                                                                                                                                                                                                                                 |
| <b>DOSH</b>                         | : Department of Occupational Safety and Health Malaysia                                                                                                                                                                                                                     |
| <b>E&amp;E</b>                      | : Electrical and electronics                                                                                                                                                                                                                                                |
| <b>EBITDA</b>                       | : Earnings before interest, taxation, depreciation and amortisation                                                                                                                                                                                                         |
| <b>E-consignment note</b>           | : Electronic consignment note                                                                                                                                                                                                                                               |
| <b>EIA</b>                          | : Environmental impact assessment                                                                                                                                                                                                                                           |
| <b>Electronic Prospectus</b>        | : An electronic version of this Prospectus that is issued, circulated, distributed, stored or hosted on digital platforms or electronic storage mediums, including but not limited to website, mobile application, email, compact disc, thumb drive and cloud-based storage |
| <b>Electronic Share Application</b> | : An Application for the Issue Shares through a Participating Financial Institution's ATM                                                                                                                                                                                   |
| <b>Eligible Persons</b>             | : Collectively, the eligible Directors and employees of our Group, and other persons who have contributed to the success of our Group                                                                                                                                       |
| <b>EPS</b>                          | : Earnings per Share                                                                                                                                                                                                                                                        |
| <b>EQA 1974</b>                     | : Environmental Quality Act 1974                                                                                                                                                                                                                                            |
| <b>EQIER 2009</b>                   | : Environmental Quality (Industrial Effluent) Regulations 2009                                                                                                                                                                                                              |
| <b>EQSWR 2005</b>                   | : Environmental Quality (Scheduled Wastes) Regulations 2005                                                                                                                                                                                                                 |
| <b>ESG</b>                          | : Environmental, social and governance                                                                                                                                                                                                                                      |
| <b>eSWIS</b>                        | : Electronic Scheduled Waste Information System                                                                                                                                                                                                                             |
| <b>EV</b>                           | : Electric vehicle                                                                                                                                                                                                                                                          |
| <b>E-waste</b>                      | : Electronic waste                                                                                                                                                                                                                                                          |
| <b>F&amp;B</b>                      | : Food and beverages                                                                                                                                                                                                                                                        |
| <b>FPE</b>                          | : 10-month financial period ended 31 October                                                                                                                                                                                                                                |
| <b>FRDM</b>                         | : Fire and Rescue Department of Malaysia (Jabatan Bomba Dan Penyelamat Malaysia)                                                                                                                                                                                            |

## DEFINITIONS

|                                                      |                                                                                                                                                                                   |
|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>FYE</b>                                           | : Financial year ended / ending 31 December, as the case may be                                                                                                                   |
| <b>Government</b>                                    | : Government of Malaysia                                                                                                                                                          |
| <b>GP</b>                                            | : Gross profit                                                                                                                                                                    |
| <b>GreenEdge</b>                                     | : GreenEdge Sdn Bhd (Registration No. 202401031980 (1577829-P))                                                                                                                   |
| <b>IBC</b>                                           | : Intermediate bulk container                                                                                                                                                     |
| <b>ICA 1975</b>                                      | : Industrial Co-ordination Act 1975                                                                                                                                               |
| <b>IMR or Vital Factor</b>                           | : Vital Factor Consulting Sdn Bhd (Registration No. 199301012059 (266797-T)), the independent business and market research consultants appointed for our IPO                      |
| <b>IMR Report</b>                                    | : The independent market research report prepared by the IMR as set out in <b>Section 8</b> of this Prospectus                                                                    |
| <b>Internet Participating Financial Institutions</b> | : Participating financial institutions for the Internet Share Application, as listed in <b>Section 16.6</b> of this Prospectus                                                    |
| <b>Internet Share Application</b>                    | : An application for the Issue Shares through an online share application service provided by the Internet Participating Financial Institutions or Participating Securities Firms |
| <b>IPO</b>                                           | : Initial public offering of the IPO Shares in conjunction with the listing and quotation of our entire enlarged issued share capital on the ACE Market                           |
| <b>IPO Price</b>                                     | : RM0.26 per IPO Share                                                                                                                                                            |
| <b>IPO Shares</b>                                    | : Collectively, the Issue Shares and Offer Shares                                                                                                                                 |
| <b>Issue Shares</b>                                  | : 304,500,000 new Shares to be issued pursuant to the Public Issue                                                                                                                |
| <b>ISO</b>                                           | : International Organization for Standardization                                                                                                                                  |
| <b>ISO/IEC</b>                                       | : International Organization for Standardization (ISO) and International Electrotechnical Commission (IEC)                                                                        |
| <b>JBCC</b>                                          | : Johor Bahru City Council (Majlis Bandaraya Johor Bahru)                                                                                                                         |
| <b>Key Senior Management</b>                         | : Collectively, Lim Te Hua, Shankar A/L Narasingam, Sim Ting Ling, Ang Khoon Poh, Lee Wah Kian and Boo Chin Hwee                                                                  |
| <b>KPDN</b>                                          | : Ministry of Domestic Trade and Costs of Living (Kementerian Perdagangan Dalam Negeri dan Kos Sara Hidup Malaysia)                                                               |
| <b>Listing</b>                                       | : The admission of 5E Resources to the Official List and the listing and quotation of our entire enlarged issued share capital on the ACE Market                                  |
| <b>Listing Requirements</b>                          | : ACE Market Listing Requirements of Bursa Securities                                                                                                                             |

**DEFINITIONS**

|                                             |                                                                                                                                                                                                                                                                 |
|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>LPD</b>                                  | : 2 March 2026, being the latest practicable date prior to the issuance of this Prospectus                                                                                                                                                                      |
| <b>LVDH</b>                                 | : Low vacuum dehydration                                                                                                                                                                                                                                        |
| <b>Malaysian Public</b>                     | : Malaysian citizens, companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia                                                                                                                                 |
| <b>Market Day</b>                           | : A day on which Bursa Securities is open for trading in securities, which may include a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year |
| <b>MCCG</b>                                 | : Malaysian Code on Corporate Governance issued by the SC                                                                                                                                                                                                       |
| <b>MFRS</b>                                 | : Malaysian Financial Reporting Standards                                                                                                                                                                                                                       |
| <b>MIA</b>                                  | : Malaysian Institute of Accountants                                                                                                                                                                                                                            |
| <b>MIDA</b>                                 | : Malaysian Investment Development Authority                                                                                                                                                                                                                    |
| <b>MITI</b>                                 | : Ministry of Investment, Trade and Industry of Malaysia                                                                                                                                                                                                        |
| <b>MOF</b>                                  | : Ministry of Finance, Malaysia                                                                                                                                                                                                                                 |
| <b>MyIPO</b>                                | : Intellectual Property Corporation of Malaysia                                                                                                                                                                                                                 |
| <b>NA</b>                                   | : Net assets                                                                                                                                                                                                                                                    |
| <b>N/A</b>                                  | : Not applicable or not available                                                                                                                                                                                                                               |
| <b>NBV</b>                                  | : Net book value                                                                                                                                                                                                                                                |
| <b>Offerors</b>                             | : Collectively, Wong Kim Fatt, Loo Sok Ching, Lim Te Hua, Shankar A/L Narasingam and Ban Kim Wah, being the offerors for the Offer for Sale                                                                                                                     |
| <b>Offer for Sale</b>                       | : Offer for sale by the Offerors of 154,000,000 existing Shares, representing 10.00% of our enlarged total number of 1,540,000,000 issued Shares upon Listing, to selected investors by way of private placement at the IPO Price                               |
| <b>Offer Shares</b>                         | : 154,000,000 existing Shares to be offered by the Offerors pursuant to the Offer for Sale                                                                                                                                                                      |
| <b>Official List</b>                        | : A list specifying all securities which have been admitted for listing on and which have not been removed from the ACE Market                                                                                                                                  |
| <b>OSHA</b>                                 | : Occupational Safety and Health Act 1994                                                                                                                                                                                                                       |
| <b>Participating Financial Institutions</b> | : Participating financial institutions for the Electronic Share Application, as listed in <b>Section 16.5</b> of this Prospectus                                                                                                                                |
| <b>Participating Securities Firms</b>       | : Participating securities firms for the Internet Share Application, as listed in <b>Section 16.6</b> of this Prospectus                                                                                                                                        |

## DEFINITIONS

|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PAT</b>                    | : Profit after tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>PBT</b>                    | : Profit before tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>PDA 1974</b>               | : Petroleum Development Act 1974                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>PE Multiple</b>            | : Price-to-earnings multiple                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Period Under Review</b>    | : Collectively, FYE 2022, FYE 2023, FYE 2024 and FPE 2025                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>PGCC</b>                   | : Pasir Gudang City Council (Majlis Bandaraya Pasir Gudang)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Pink Form Allocation</b>   | : The allocation of 35,000,000 Pink Form Shares to the Eligible Persons                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Pink Form Shares</b>       | : 35,000,000 Issue Shares made available for application by the Eligible Persons                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Placement Shares</b>       | : Collectively, 154,000,000 Offer Shares and 192,500,000 Issue Shares made available by way of private placement to selected investors and Bumiputera investors approved by the MITI respectively                                                                                                                                                                                                                                                                                                                                                          |
| <b>PPE</b>                    | : Property, plant and equipment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Promoters</b>              | : Collectively, Loo Sok Ching, Lim Te Hua and Shankar A/L Narasingam                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Prospectus</b>             | : This Prospectus dated 30 March 2026 in relation to our IPO                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Public Issue</b>           | : Public issue of 304,500,000 new Shares, representing 19.77% of our enlarged total number of 1,540,000,000 issued Shares upon Listing, at the IPO Price comprising: <ul style="list-style-type: none"> <li>(i) 77,000,000 Issue Shares made available for application by the Malaysian Public via balloting;</li> <li>(ii) 35,000,000 Issue Shares made available for application by the Eligible Persons; and</li> <li>(iii) 192,500,000 Issue Shares made available by way of private placement to Bumiputera investors approved by the MITI</li> </ul> |
| <b>R&amp;D</b>                | : Research and development                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Rules</b>                  | : Rules of Bursa Depository, as may be amended from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>SAC</b>                    | : Shariah Advisory Council of the SC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>SC</b>                     | : Securities Commission Malaysia                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Specified Shareholders</b> | : Collectively, Wong Kim Fatt, Loo Sok Ching, Lim Te Hua, Shankar A/L Narasingam, Ban Kim Wah and GreenEdge                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>sq ft</b>                  | : Square feet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

## **DEFINITIONS**

|                                                                                        |                                                                                                                           |
|----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| <b>SRF</b>                                                                             | : Solid recovered fuel                                                                                                    |
| <b>SST</b>                                                                             | : Sales and service tax                                                                                                   |
| <b>SW</b>                                                                              | : Scheduled waste                                                                                                         |
| <b>TA Securities or Principal Adviser or Sponsor or Underwriter or Placement Agent</b> | : TA Securities Holdings Berhad (Registration No. 197301001467 (14948-M))                                                 |
| <b>TIH or Issuing House or Share Registrar</b>                                         | : Tricor Investor & Issuing House Services Sdn Bhd (Registration No. 197101000970 (11324-H))                              |
| <b>TNB</b>                                                                             | : Tenaga Nasional Berhad (Registration No. 199001009294 (200866-W))                                                       |
| <b>TWG</b>                                                                             | : Toxic waste generator                                                                                                   |
| <b>Underwriting Agreement</b>                                                          | : The underwriting agreement dated 11 March 2026 entered into between our Company and our Underwriter pursuant to our IPO |
| <b>VOC</b>                                                                             | : Volatile organic compound                                                                                               |
| <b>Wencor</b>                                                                          | : Wencor (M) Sdn Bhd (Registration No. 200201019470 (587133-V))                                                           |
| <b>Wentel Engineering</b>                                                              | : Wentel Engineering Sdn Bhd (Registration No. 200001029819 (532426-A))                                                   |
| <b>Wentel Engineering Holdings</b>                                                     | : Wentel Engineering Holdings Berhad (Registration No. 202301007290 (1501211-T)), a company listed on the ACE Market      |

## **CURRENCY**

|                   |                                                             |
|-------------------|-------------------------------------------------------------|
| <b>RM and sen</b> | : Ringgit Malaysia and sen, the lawful currency of Malaysia |
| <b>S\$</b>        | : Singapore dollar                                          |

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## DEFINITIONS

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### **MAJOR CUSTOMERS AND SUPPLIERS OF OUR GROUP**

The details of our major customers and suppliers whose names have been redacted for confidentiality throughout this Prospectus are set out below:

Customer A : Customer A is a private company incorporated in Malaysia principally involved in manufacturing and supply of non-branded coffee powder. It is a subsidiary of a company listed on the Euronext Amsterdam Stock Exchange in the Netherlands which is involved in offering coffee and tea products.

Customer A's name is not disclosed as consent for disclosure of their name in this Prospectus was not provided.

Customer B : Customer B is a private company incorporated in Malaysia principally involved in manufacture of various insulin products and in research and development activities of biopharmaceutical products. It is a subsidiary of a company listed on the Bombay Stock Exchange and the National Stock Exchange in India which is engaged in the manufacture of biotechnology products and research services.

Customer B's name is not disclosed as consent for disclosure of their name in this Prospectus was not provided.

Customer C : Customer C is a private company incorporated in Malaysia principally involved in assembly, manufacture and sale of motor vehicles, accessories and components. It is a subsidiary of a company listed on the Tokyo Stock Exchange in Japan and the New York Stock Exchange in the United States which is involved in supplying motorcycles, automobiles, and power products as its main products.

Customer C's name is not disclosed as consent for disclosure of their name in this Prospectus was not provided.

Customer D : Customer D is a private company incorporated in Malaysia principally involved in recycling, reprocessing, and sales of metal alloys.

Customer D's name is not disclosed as consent for disclosure of their name in this Prospectus was not provided.

Customer E : Customer E is a private company incorporated in Malaysia principally involved in manufacturing active electronic components. It is a subsidiary of a company listed on the Euronext Paris Stock Exchange in France, the New York Stock Exchange in the United States, and Borsa Italiana in Italy which is a global semiconductor company that designs, develops, manufactures and markets a broad range of products used in a variety of applications for automotive, industrial, personal electronics and communications equipment, and computers and peripherals end-markets.

Customer E's name is not disclosed as consent for disclosure of their name in this Prospectus was not provided.



## DEFINITIONS

- Customer F** : Customer F is a private company incorporated in Malaysia principally involved in manufacture of electro plating. It is a subsidiary of a company listed on the Frankfurt Stock Exchange and the over-the-counter market OTCQX International Premier in the United States which develops, manufactures and markets a wide variety of semiconductors and semiconductor-based solutions focusing on automotive as well as industrial and consumer-related segments as key markets.
- Customer F's name is not disclosed as consent for disclosure of their name in this Prospectus was not provided.
- Customer G** : Customer G is a private company incorporated in Malaysia principally involved in manufacturing, blending, and trading synthetic latex. It is a subsidiary of a company listed on the London Stock Exchange in the United Kingdom which is a business-to-business speciality chemicals producer.
- Customer G's name is not disclosed as consent for disclosure of their name in this Prospectus was not provided.
- Group H** : Comprising Customer H1, Company H2, Company H3 and Company H4, all of which are private companies incorporated in Malaysia. During the Period Under Review, Customer H1 was a customer of our Group, while Company H2, Company H3 and Company H4 were both customers and suppliers of our Group.
- Customer H1 is principally involved in manufacturing and selling steel tyre cord, hose wire, bead wire, and related products. Company H2 is principally involved in manufacturing and selling steel wire rope and other related steel wire products. Company H3 is principally involved in R&D, product testing, technical advice and services, engineering services, managing and conducting training activities, properties management services, and maintenance of buildings, equipment, plant and machineries. Company H4 is principally involved in investment holding, and manufacturing and selling of wire ropes and other related steel wire products.
- Group H are subsidiaries of a company listed on the Korea Exchange in Korea which manufactures specialty steel wire products for a diverse range of industries including automotive, bridge, energy, construction and electronics.
- Group H's names are not disclosed as consent for disclosure of their names in this Prospectus was not provided.
- Supplier A** : Supplier A is a private company incorporated in Malaysia principally involved in the collection, transportation, treatment, and disposal of scheduled waste.
- Supplier A's name is not disclosed as consent for disclosure of their name in this Prospectus was not provided.

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**DEFINITIONS**

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Supplier B : Supplier B is a sole proprietorship registered in Malaysia principally involved in providing environmental, safety, and health related consultation and management system audit service and training.

Supplier B's name is not disclosed as consent for disclosure of their name in this Prospectus was not provided.

Supplier C : Supplier C is a private company incorporated in Malaysia principally involved in processing, manufacturing, and trading chemicals and solutions.

Supplier C's name is not disclosed as consent for disclosure of their name in this Prospectus was not provided.

Supplier D : Supplier D is a private company incorporated in Malaysia principally involved in providing waste management, treatment, and disposal services.

Supplier D's name is not disclosed as consent for disclosure of their name in this Prospectus was not provided.

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**GLOSSARY OF TECHNICAL TERMS**

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

|                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Acid                            | : A solution that has pH of less than 7.00 and such solutions can be described by the adjective “acidic”.                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Alkali                          | : A solution that has pH of more than 7.00 and such solutions can be described by the adjectives “alkaline” or “basic”.                                                                                                                                                                                                                                                                                                                                                                                                      |
| Alternative raw materials (ARM) | : In the context of this Prospectus, it refers to using materials that are typically considered waste or byproducts as substitutes for raw materials in industrial processes. An example is to use solid residue from thermal oxidation and carbonisation in cement and brick manufacturing.                                                                                                                                                                                                                                 |
| Carbonisation                   | : Refers to the scheduled waste management process where waste with organic material is heated in a low-oxygen environment to “crack” or break the organic components into valuable outputs such as biogas and liquid fuel oil.                                                                                                                                                                                                                                                                                              |
| Circular economy                | : Refers to a model of production and consumption that involves, among others, recycling, recovering, and reusing existing materials and products for as long as practical. The goals of a circular economy include reducing raw material usage and waste generation to promote sustainability.                                                                                                                                                                                                                              |
| Clinker                         | : The intermediate product in cement manufacturing. It is produced by heating limestone with clay and other materials in a cement kiln.                                                                                                                                                                                                                                                                                                                                                                                      |
| Compound                        | : In the context of this Prospectus, a compound refers to a chemical substance consisting of two or more distinct elements chemically bonded in fixed mass proportions. Compounds exhibit properties different from their component elements and can only be separated into simpler substances through chemical means, not physical processes.                                                                                                                                                                               |
| Coolant                         | : A liquid substance that is used to regulate the temperature of machinery and equipment, such as engines. Mixtures of water and glycol are commonly used as coolants. Coolants are commonly used to transfer heat away from heat generating devices such as internal combustion engines to prevent overheating.                                                                                                                                                                                                             |
| Desorber                        | : A system that removes contaminants from liquid waste streams by the reverse absorption processes. Methods include density-based separation (for example, using centrifugation to separate different density substances in a mixture), and thermal / chemical desorption (example, stripping of volatile pollutants). This is applied in scheduled waste management to capture and remove hazardous materials (for example, stripping volatile organic compounds for incineration) or purify liquids for discharge / reuse. |

**GLOSSARY OF TECHNICAL TERMS**

|                                   |                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Demulsifying agent                | : A chemical that causes an emulsion (a stable mixture of two liquids that usually do not mix together) to separate. For example, when a demulsifying agent is added to an oil-in-water emulsion, it causes it to split, with the oil layer floating on top of the water layer. It can also prevent two liquids from forming a stable mixture. |
| Digestion                         | : In the context of this Prospectus, it refers to the chemical, biological, and / or thermal processes used to break down complex or toxic substances into simpler, less harmful components. An example is the process of recovering metal from e-waste and other waste by dissolving it in strong acid.                                       |
| Licensed contractor               | : In the context of this Prospectus, it refers to a company that is licensed by the DOE to collect, transport, treat, recover, recycle, and / or dispose scheduled wastes.                                                                                                                                                                     |
| Effluent                          | : In the context of this Prospectus, it refers to treated wastewater that complies with the relevant regulations.                                                                                                                                                                                                                              |
| Electronic waste (e-waste)        | : Refers to waste composed of unwanted electronic and electrical devices or parts.                                                                                                                                                                                                                                                             |
| Emulsion                          | : A mixture of two or more liquids that are typically unable to mix with each other such as oil and water. In an emulsion, one liquid is dispersed and suspended as tiny droplets in the other liquid.                                                                                                                                         |
| Ferrous metal                     | : A metal that is made up entirely or mostly of the element iron, such as iron, carbon steel, and stainless steel.                                                                                                                                                                                                                             |
| Halogenated organic compound      | : Refers to an organic compound that contains one or more halogen atoms. The halogens are fluorine, chlorine, bromine, and iodine.                                                                                                                                                                                                             |
| Inorganic compound                | : Refers to substance that do not contain carbon-hydrogen (C-H) bonds, distinguishing them from organic compounds. Some simple carbon-containing compounds (for example, carbonates) are classified as inorganic due to their mineral-like properties.                                                                                         |
| Intermediate bulk container (IBC) | : A sturdy and reusable container intended for bulk handling, transport, and storage of liquids, slurries, semi-solids, or solid materials. They may be enclosed within a protective metal cage frame that provides structural support and protection.                                                                                         |
| Jerrycan                          | : A flat-sided, rectangular plastic or metal container used for storing and transporting liquids.                                                                                                                                                                                                                                              |
| Jumbo bag                         | : A large, sturdy, and reusable industrial-grade container used for bulk transportation and storage of dry, flowable solid materials such as sand and plastic pellets. Jumbo bags are usually made of strong woven plastic material.                                                                                                           |
| Low vacuum dehydration (LVDH)     | : Refers to the process of removing contaminants (such as water and VOCs) from liquids (such as solvents and oils) through controlled low-temperature heating within a vacuum environment.                                                                                                                                                     |
| Metal hydroxide                   | : A compound formed when a metal combines with one or more hydroxide ions (OH <sup>-</sup> ).                                                                                                                                                                                                                                                  |

**GLOSSARY OF TECHNICAL TERMS**

|                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Metal oxide                | : A compound formed when a metal combines with one or more oxygen ions (O <sup>-</sup> ).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Oil                        | : In the context of this Prospectus, it refers to a liquid substance that is composed primarily of hydrocarbons (organic compounds that are wholly made of carbon and hydrogen).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Oil-in-water               | : An emulsion composed of oil dispersed and suspended in water.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Organic compound           | : Refers to a substance that contains carbon together with carbon-hydrogen (C-H) bonds. It may also contain other elements such as oxygen, nitrogen, and sulphur.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Potential of hydrogen (pH) | : pH is used to specify the degree of acidity or alkalinity (basicity) of a solution. A solution with pH of less than 7.00 is acidic, and a solution with pH of more than 7.00 is alkaline. A solution with pH equal to 7.00 is neutral (neither acidic or alkaline).                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Precious metal             | : In the context of this Prospectus, it refers to high economic value metals such as silver and palladium. Other examples include gold and platinum.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Rag                        | : In the context of this Prospectus, it refers to discarded or soiled cloth material, such as clothing, gloves, towels, and cleaning cloths.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Recovery                   | : In the context of this Prospectus, it refers to the regulated process of converting scheduled waste that cannot be conventionally recycled into alternative resources, thereby diverting it from final disposal. This includes transforming waste into energy through thermal treatment (e.g., waste-to-energy or fuel substitution), repurposing it as industrial materials (such as cement clinker filler or construction aggregates), or extracting recoverable components (e.g., metals, acids, or solvents) for reintroduction into production cycles.                                                                                                                            |
| Recycling                  | : In the context of this Prospectus, it refers to the systematic process of converting scheduled waste into reusable materials or products through physical, chemical, or biological treatment, thereby reintegrating them into production cycles. This practice reduces reliance on virgin resources, minimises waste disposal, and aligns with circular economy objectives. Examples include reprocessing spent solvents into industrial-grade chemicals, refining used oils into lubricants, neutralising and recovering acids or alkalis for use in manufacturing processes or wastewater treatment, and decontaminating containers or fabrics such as cotton gloves for safe reuse. |
| Scheduled waste (SW)       | : Any waste falling within the categories listed in the First Schedule of the EQSWR 2005. Due to their hazardous nature and potential harm to human health and the environment, scheduled waste requires specialised handling by licensed contractors.                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Scheduled waste management | : In the context of this Prospectus, it refers to the collection, recovery, recycling, and disposal of scheduled wastes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

**GLOSSARY OF TECHNICAL TERMS**

|                            |                                                                                                                                                                                                                                                                                                                                                                                                                            |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Slag                       | : It is an inorganic byproduct formed through high-temperature processes. It forms during metallurgical operations like metal ore smelting and refining, where fluxes react with silicate impurities, as well as during coal combustion in power plants and waste incineration, where mineral residues fuse together.                                                                                                      |
| Sludge                     | : In the context of this Prospectus, it refers to viscous, semi-solid residue composed of suspended solids intermixed with liquids. It is generated as a byproduct of industrial processes (for example, wastewater treatment or chemical manufacturing) or accumulates in storage tanks or pipelines.                                                                                                                     |
| Solar PV panel             | : Interconnected solar photovoltaic cells that are assembled together as a single unit encased within a metal frame, where the cells are in the form of a semiconductor wafer that absorbs sunlight to directly generate electricity.                                                                                                                                                                                      |
| Solid recovered fuel (SRF) | : In the context of this Prospectus, it refers to a waste management process that transforms non-recyclable or non-recoverable solid waste materials into usable energy, such as heat, electricity, or combustible fuels (such as SRF pellets), through thermal, biochemical, or physicochemical processes. SRF diverts waste from landfills while extracting its energy value, aligning with circular economy principles. |
| Solution                   | : A homogeneous mixture formed when one or more substances (the solutes) dissolve in liquid (the solvent). Examples include sugar or salt dissolved in water.                                                                                                                                                                                                                                                              |
| Solvent                    | : A substance, usually a liquid, that dissolves other substances to form a solution. Examples of solvents include water and organic liquids (organic solvents).                                                                                                                                                                                                                                                            |
| SW 1                       | : Refers to metal and metal-bearing wastes as prescribed under the EQSWR 2005, and covers all SW Codes under this classification, such as SW 101, SW 102, etc.                                                                                                                                                                                                                                                             |
| SW 2                       | : Refers to wastes containing primarily inorganic constituents as prescribed under the EQSWR 2005, and covers all SW Codes under this classification, such as SW 201, SW 202, etc.                                                                                                                                                                                                                                         |
| SW 3                       | : Refers to wastes containing primarily organic constituents as prescribed under the EQSWR 2005, and covers all SW Codes under this classification, such as SW 301, SW 302, etc.                                                                                                                                                                                                                                           |
| SW 4                       | : Refers to wastes containing either inorganic or organic constituents as prescribed under the EQSWR 2005, and covers all SW Codes under this classification, such as SW 401, SW 402, etc.                                                                                                                                                                                                                                 |
| SW Code                    | : Refers to one of the categories of scheduled waste listed in the First Schedule of the EQSWR 2005.                                                                                                                                                                                                                                                                                                                       |
| Thermal oxidation          | : In the context of this Prospectus, it refers to the process where scheduled waste or other materials are heated in the presence of oxygen. Depending on the materials heated, this process results in the formation of metal oxides, minerals, industrial materials, solid residue, and / or waste-to-energy.                                                                                                            |

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**GLOSSARY OF TECHNICAL TERMS**

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|                                 |                                                                                                                                                                                                      |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Volatile organic compound (VOC) | : An organic compound with low boiling point that readily evaporates at room temperature.                                                                                                            |
| Waste                           | : Any material discarded due to it being unwanted, unusable, or undesirable.                                                                                                                         |
| Waste generator                 | : Any party that generates scheduled waste.                                                                                                                                                          |
| Wastewater treatment            | : Refers to the biological, physical-chemical, and other process carried out to remove contaminants from wastewater so that the treated effluent meets the required standards and can be discharged. |

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**GLOSSARY OF TECHNICAL TERMS**

The SW Codes that are mentioned in this Prospectus have the following descriptions in the First Schedule of the EQSWR 2005.

| <b>SW Code</b> | <b>Description</b>                                                                                                                                                                                                                                                                                                                         |
|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SW 103         | : Waste of batteries containing cadmium and nickel or mercury or lithium.                                                                                                                                                                                                                                                                  |
| SW 104         | : Dust, slag, dross or ash containing aluminium, arsenic, mercury, lead, cadmium, chromium, nickel, copper, vanadium, beryllium, antimony, tellurium, thallium or selenium excluding slag from iron and steel factory.                                                                                                                     |
| SW 110         | : Waste from electrical and electronic assemblies containing components such as accumulators, mercury-switches, glass from cathode-ray tubes and other activated glass polychlorinated biphenyl-capacitors, or contaminated with cadmium, mercury, lead, nickel, chromium, copper, lithium, silver, manganese or polychlorinated biphenyl. |
| SW 202         | : Waste catalysts.                                                                                                                                                                                                                                                                                                                         |
| SW 204         | : Sludges containing one or several metals including chromium, copper, nickel, zinc, lead, cadmium, aluminium, tin, vanadium and beryllium.                                                                                                                                                                                                |
| SW 205         | : Waste gypsum arising from chemical industry or power plant.                                                                                                                                                                                                                                                                              |
| SW 206         | : Spent inorganic acids.                                                                                                                                                                                                                                                                                                                   |
| SW 207         | : Sludges containing fluoride.                                                                                                                                                                                                                                                                                                             |
| SW 301         | : Spent organic acids with pH less or equal to 2 which are corrosive or hazardous.                                                                                                                                                                                                                                                         |
| SW 302         | : Flux waste containing mixture of organic acids, solvents or compounds of ammonium chloride.                                                                                                                                                                                                                                              |
| SW 303         | : Adhesive or glue waste containing organic solvents excluding solid polymeric materials.                                                                                                                                                                                                                                                  |
| SW 305         | : Spent lubricating oil.                                                                                                                                                                                                                                                                                                                   |
| SW 306         | : Spent hydraulic oil.                                                                                                                                                                                                                                                                                                                     |
| SW 307         | : Spent mineral oil-water emulsion.                                                                                                                                                                                                                                                                                                        |
| SW 308         | : Oil tanker sludges.                                                                                                                                                                                                                                                                                                                      |
| SW 309         | : Oil-water mixture such as ballast water.                                                                                                                                                                                                                                                                                                 |
| SW 310         | : Sludge from mineral oil storage tank.                                                                                                                                                                                                                                                                                                    |
| SW 311         | : Waste oil or oily sludge.                                                                                                                                                                                                                                                                                                                |
| SW 312         | : Oily residue from automotive workshop, service station oil or grease interceptor.                                                                                                                                                                                                                                                        |
| SW 313         | : Oil contaminated earth from re-finishing of used lubricating oil.                                                                                                                                                                                                                                                                        |
| SW 314         | : Oil or sludge from oil refinery plant maintenance operation.                                                                                                                                                                                                                                                                             |
| SW 315         | : Tar or tarry residues from oil refinery or petrochemical plant.                                                                                                                                                                                                                                                                          |



**GLOSSARY OF TECHNICAL TERMS**

|        |                                                                                                                                      |
|--------|--------------------------------------------------------------------------------------------------------------------------------------|
| SW 319 | : Waste of phenols or phenol compounds including chlorophenol in the form of liquids or sludges.                                     |
| SW 321 | : Rubber or latex wastes or sludge containing organic solvents or heavy metals.                                                      |
| SW 322 | : Waste of non-halogenated organic solvents.                                                                                         |
| SW 323 | : Waste of halogenated organic solvents.                                                                                             |
| SW 325 | : Uncured resin waste containing organic solvents or heavy metals including epoxy resin and phenolic resin.                          |
| SW 327 | : Waste of thermal fluids (heat transfer) such as ethylene glycol.                                                                   |
| SW 401 | : Spent alkalis containing heavy metals.                                                                                             |
| SW 402 | : Spent alkalis with pH more or equal to 11.5 which are corrosive or hazardous.                                                      |
| SW 405 | : Waste arising from the preparation and production of pharmaceutical product.                                                       |
| SW 406 | : Clinker, slag and ashes from scheduled waste incinerator.                                                                          |
| SW 408 | : Contaminated soil, debris or matter resulting from cleaning-up of a spill of chemical, mineral oil or scheduled waste.             |
| SW 409 | : Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes.                   |
| SW 410 | : Rags, plastics, papers or filters contaminated with scheduled wastes.                                                              |
| SW 411 | : Spent activated carbon excluding carbon from treatment of potable water and processes of the food industry and vitamin production. |
| SW 416 | : Sludges of inks, paints, pigments, lacquer, dye or varnish.                                                                        |
| SW 417 | : Waste of inks, paints, pigments, lacquer, dye or varnish.                                                                          |
| SW 418 | : Discarded or off-specification inks, paints, pigments, lacquer, dye or varnish products containing organic solvent.                |
| SW 421 | : A mixture of scheduled wastes.                                                                                                     |
| SW 422 | : A mixture of scheduled and non-scheduled wastes.                                                                                   |
| SW 424 | : Spent oxidizing agent.                                                                                                             |
| SW 427 | : Mineral sludges including calcium hydroxide sludges, phosphating sludges, calcium sulphite sludges and carbonates sludges.         |
| SW 429 | : Chemicals that are discarded or off-specification.                                                                                 |

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**1. CORPORATE DIRECTORY****BOARD OF DIRECTORS**

| <b>Name (Gender)</b>          | <b>Designation</b>                           | <b>Address</b>                                                                      | <b>Nationality</b> |
|-------------------------------|----------------------------------------------|-------------------------------------------------------------------------------------|--------------------|
| Loo Sok Ching (F)             | Non-Independent<br>Non-Executive Chairperson | No. 5, Jalan Saga<br>Taman Melodies<br>80250 Johor Bahru<br>Johor                   | Malaysian          |
| Lim Te Hua (M)                | Executive Director / CEO                     | No. 65, Jalan Chengai<br>Taman Melodies<br>80250 Johor Bahru<br>Johor               | Malaysian          |
| Shankar A/L<br>Narasingam (M) | Executive Director / COO                     | No. 17, Jalan Molek 2/35<br>Taman Molek<br>81100 Johor Bahru<br>Johor               | Malaysian          |
| Wang Sze Min (F)              | Independent<br>Non-Executive Director        | No. 9, Jalan Terentang<br>Taman Kebun Teh<br>80250 Johor Bahru<br>Johor             | Malaysian          |
| Siow Chin How (M)             | Independent<br>Non-Executive Director        | No. 1, Jalan Adda 6/15<br>Taman Adda Heights<br>81100 Johor Bahru<br>Johor          | Malaysian          |
| Wang Han Lin (M)              | Independent<br>Non-Executive Director        | No. 28, Jalan Abiad<br>Taman Tebrau Jaya<br>80400 Johor Bahru<br>Johor              | Malaysian          |
| Tan Suan See (F)              | Independent<br>Non-Executive Director        | No. 7, Jalan Setia Duta<br>U13/21P<br>Setia Eco Park<br>40170 Shah Alam<br>Selangor | Malaysian          |

Notes:

(M) refers to male

(F) refers to female

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## 1. CORPORATE DIRECTORY

### AUDIT AND RISK MANAGEMENT COMMITTEE

| Name          | Designation | Directorship                       |
|---------------|-------------|------------------------------------|
| Wang Sze Min  | Chairperson | Independent Non-Executive Director |
| Siow Chin How | Member      | Independent Non-Executive Director |
| Tan Suan See  | Member      | Independent Non-Executive Director |

### REMUNERATION COMMITTEE

| Name          | Designation | Directorship                       |
|---------------|-------------|------------------------------------|
| Siow Chin How | Chairperson | Independent Non-Executive Director |
| Wang Han Lin  | Member      | Independent Non-Executive Director |
| Tan Suan See  | Member      | Independent Non-Executive Director |

### NOMINATION COMMITTEE

| Name          | Designation | Directorship                       |
|---------------|-------------|------------------------------------|
| Wang Han Lin  | Chairperson | Independent Non-Executive Director |
| Wang Sze Min  | Member      | Independent Non-Executive Director |
| Siow Chin How | Member      | Independent Non-Executive Director |

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## 1. CORPORATE DIRECTORY

|                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>COMPANY SECRETARIES</b>                                         | <p>: <b>Cospec Management Services Sdn Bhd</b><br/>(Registration No. 199301023725 (278463-H))</p> <p>Third Floor, No. 73, 75, 77, 79 &amp; 81<br/>Jalan SS21/60<br/>Damansara Utama<br/>47400 Petaling Jaya<br/>Selangor Darul Ehsan</p> <p>Telephone No. : +603-7725 1777</p> <p><b>Tea Sor Hua</b><br/>(SSM Practising Certificate No. 201908001272)<br/>Professional : Malaysian Association of Company<br/>Qualification Secretaries ("<b>MACS</b>")<br/>(Membership No.: MACS 01324)</p> <p><b>Lee Siew Fun</b><br/>(SSM Practising Certificate No. 202008000735)<br/>Professional : Malaysian Institute of Chartered<br/>Qualification Secretaries and Administrators<br/>(<b>"MAICSA"</b>)<br/>(Membership No.: MAICSA 7063623)</p> |
| <b>REGISTERED OFFICE</b>                                           | <p>: Third Floor, No. 77, 79 &amp; 81<br/>Jalan SS21/60<br/>Damansara Utama<br/>47400 Petaling Jaya<br/>Selangor Darul Ehsan</p> <p>Telephone No. : +603-7725 1777<br/>Email : <a href="mailto:info@cospec.com.my">info@cospec.com.my</a></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>HEAD OFFICE</b>                                                 | <p>: PLO 738, Jalan Platinum Utama<br/>Zon 12B, Kawasan Perindustrian Pasir Gudang<br/>81700 Pasir Gudang<br/>Johor</p> <p>Telephone No. : +607-252 1288<br/>Fax No. : +607-253 2588<br/>Email : <a href="mailto:enquiry@5e-resources.com">enquiry@5e-resources.com</a><br/>Website : <a href="http://www.5e-resources.com">www.5e-resources.com</a></p>                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>PRINCIPAL ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT</b> | <p>: <b>TA Securities Holdings Berhad</b><br/>(Registration No. 197301001467 (14948-M))</p> <p>29<sup>th</sup> Floor, Menara TA One<br/>22, Jalan P. Ramlee<br/>50250 Kuala Lumpur<br/>Wilayah Persekutuan</p> <p>Telephone No. : +603-2072 1277</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

## 1. CORPORATE DIRECTORY

### AUDITORS AND REPORTING ACCOUNTANTS

: **Crowe Malaysia PLT**  
(201906000005 (LLP0018817-LCA) & AF1018)

Level 16, Tower C, Megan Avenue II  
12, Jalan Yap Kwan Seng  
50450 Kuala Lumpur  
Wilayah Persekutuan

Telephone No. : +603-2788 9999

Partner-in-charge : Lean Wei Ee  
Approval No. : 03827/05/2026 J  
Professional : Chartered Accountant of the Malaysian  
Qualification : Institute of Accountants and Fellow  
Member of the Association of Chartered  
Certified Accountants

### SOLICITORS FOR OUR IPO

: **David Lai & Tan**

Level 9, Wisma Miramas  
No. 1, Jalan 2/109E  
Taman Desa, Jalan Klang Lama  
58100 Kuala Lumpur  
Wilayah Persekutuan

Telephone No. : +603-7972 7968

### INDEPENDENT BUSINESS AND MARKET RESEARCH CONSULTANTS

: **Vital Factor Consulting Sdn Bhd**  
(Registration No. 199301012059 (266797-T))

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

Telephone No. : +603-7931 3188

Person-in-charge : Wooi Tan  
Qualification : Master of Business Administration from  
The New South Wales Institute of  
Technology (now known as University of  
Technology, Sydney), Australia, Bachelor  
of Science from The University of New  
South Wales, Australia and a Fellow of the  
Australia Marketing Institute, and Institute  
of Managers and Leaders, Australia  
(formerly known as the Australian Institute  
of Management)

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

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**1. CORPORATE DIRECTORY**

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**ISSUING HOUSE &  
SHARE REGISTRAR** : **Tricor Investor & Issuing House Services Sdn Bhd**  
(Registration No. 197101000970 (11324-H))

Unit 32-01, Level 32, Tower A  
Vertical Business Suite, Avenue 3  
Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Wilayah Persekutuan

Telephone No. : +603-2783 9299

**LISTING SOUGHT** : ACE Market

**SHARIAH STATUS** : Approved by the SAC

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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 18 December 2025, approved our Listing.

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

| No. | Details of conditions imposed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Status of compliance |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| (1) | Submission of the following information with respect to the moratorium on the shareholdings of the specified shareholders to Bursa Depository:<br>(a) Name of shareholders;<br>(b) Number of shares; and<br>(c) Date of expiry of the moratorium for each block of shares;                                                                                                                                                                                                                                                                                                                                                                                                                                                         | To be complied       |
| (2) | Approvals from other relevant authorities have been obtained for implementation of the Listing;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Complied             |
| (3) | The Bumiputera equity requirements for public listed companies as approved / exempted by the SC including any conditions imposed thereon;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Complied             |
| (4) | Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Guidance Note 15 of the Listing Requirements;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | To be complied       |
| (5) | Furnish to Bursa Securities a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire enlarged issued share capital of the Company at least 1 Market Day prior to the listing date;                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | To be complied       |
| (6) | Furnish to Bursa Securities a confirmation of compliance with Paragraph 2.2(b)(ii)(aa) of Guidance Note 10 of the Listing Requirements by all the directors at least 2 Market Days prior to the listing date, together with copy of the Mandatory Accreditation Programme certificates;                                                                                                                                                                                                                                                                                                                                                                                                                                            | To be complied       |
| (7) | In relation to the public offering to be undertaken by the Company, to announce at least 2 Market Days prior to the listing date, the result of the offering including the following:<br><br>(a) Level of subscription of public balloting and placement;<br>(b) Basis of allotment / allocation;<br>(c) A table showing the distribution for placement tranche as per the prescribed format by Bursa Securities; and<br>(d) Disclosure of placees who become substantial shareholders of the Company arising from the public offering, if any;<br><br>TA Securities must ensure that the overall distribution of 5E Resources' securities is properly carried out to mitigate any disorderly trading in the secondary market; and | To be complied       |

**2. APPROVALS AND CONDITIONS**

| No. | Details of conditions imposed                                                                                                                                                                                              | Status of compliance |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| (8) | 5E Resources / TA Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of the Company to the Official List. | To be complied       |

**2.1.2 SC**

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

The SC had, vide its letter dated 19 December 2025, approved our application under the Bumiputera equity requirement for public listed companies pursuant to our Listing, subject to the following conditions:

| No. | Details of conditions imposed                                                                                                                                    | Status of compliance |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| (1) | 5E Resources allocating Shares equivalent to 12.50% of its enlarged number of issued shares upon Listing to Bumiputera investors to be approved by the MITI; and | Complied             |
| (2) | 5E Resources is to make available at least 50% of the shares offered to the Malaysian public investors via balloting to Bumiputera public investors.             | Complied             |

**2.1.3 MITI**

MITI had, vide its letter dated 21 October 2025, taken note of and has no objection to our Listing.

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## 2. APPROVALS AND CONDITIONS

### 2.2 MORATORIUM ON OUR SHARES

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

- (i) The moratorium applies to the entire shareholdings held by our Specified Shareholders for a period of 6 months from the date of our admission to the Official List ("**First 6-Month Moratorium**");
- (ii) Upon the expiry of the First 6-Month Moratorium, we must ensure that our Specified Shareholders' aggregate shareholdings amounting to at least 45.00% of our enlarged total number of issued Shares (adjusted for any bonus issue or subdivision of shares) remain under moratorium for another period of 6 months ("**Second 6-Month Moratorium**"); and
- (iii) Thereafter, upon the expiry of the Second 6-Month Moratorium, our Specified Shareholders may sell, transfer or assign up to a maximum of 1/3rd per annum (on a straight-line basis) of our Shares held under moratorium ("**Subsequent Moratorium**").

(The period covered under the First 6-Month Moratorium, the Second 6-Month Moratorium and the Subsequent Moratorium shall collectively be referred to as the "**Entire Moratorium Period**".)

The details of our Shares which will be subject to moratorium are as follows:

| Specified Shareholders | Moratorium shares during the First 6-Month Moratorium |              | Moratorium shares during the Second 6-Month Moratorium |              |
|------------------------|-------------------------------------------------------|--------------|--------------------------------------------------------|--------------|
|                        | No. of Shares                                         | (1)%         | No. of Shares                                          | (1)%         |
| GreenEdge              | 281,446,900                                           | 18.28        | 180,344,616                                            | 11.71        |
| Loo Sok Ching          | 288,863,396                                           | 18.76        | 185,096,933                                            | 12.02        |
| Wong Kim Fatt          | 222,125,402                                           | 14.42        | 142,332,782                                            | 9.24         |
| Ban Kim Wah            | 124,127,501                                           | 8.06         | 79,538,010                                             | 5.17         |
| Lim Te Hua             | 116,664,102                                           | 7.58         | 74,755,638                                             | 4.85         |
| Shankar A/L Narasingam | 48,272,699                                            | 3.13         | 30,932,021                                             | 2.01         |
| <b>Total</b>           | <b>1,081,500,000</b>                                  | <b>70.23</b> | <b>693,000,000</b>                                     | <b>45.00</b> |

| Specified Shareholders | Moratorium shares during year 2 after our IPO |              | Moratorium shares during year 3 after our IPO |              |
|------------------------|-----------------------------------------------|--------------|-----------------------------------------------|--------------|
|                        | No. of Shares                                 | (1)%         | No. of Shares                                 | (1)%         |
| GreenEdge              | 120,229,744                                   | 7.81         | 60,114,872                                    | 3.90         |
| Loo Sok Ching          | 123,397,956                                   | 8.01         | 61,698,978                                    | 4.01         |
| Wong Kim Fatt          | 94,888,521                                    | 6.16         | 47,444,261                                    | 3.08         |
| Ban Kim Wah            | 53,025,340                                    | 3.44         | 26,512,670                                    | 1.72         |
| Lim Te Hua             | 49,837,092                                    | 3.24         | 24,918,546                                    | 1.62         |
| Shankar A/L Narasingam | 20,621,347                                    | 1.34         | 10,310,674                                    | 0.67         |
| <b>Total</b>           | <b>462,000,000</b>                            | <b>30.00</b> | <b>231,000,000</b>                            | <b>15.00</b> |

Note:

- (1) Based on our enlarged total number of 1,540,000,000 Shares after our IPO.

The moratorium has been fully accepted by our Specified Shareholders, who have provided written undertakings that they will not sell, transfer or assign their shareholdings under moratorium during the relevant moratorium period.

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**2. APPROVALS AND CONDITIONS**

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In compliance with Rule 3.19(2) of the Listing Requirements, the shareholders of GreenEdge, namely Loo Sok Ching, Wong Kim Fatt, Ban Kim Wah, Lim Te Hua and Shankar A/L Narasingam, have each provided a letter of undertaking that they will not sell, transfer or assign any part of their shareholdings in GreenEdge for the Entire Moratorium Period.

The moratorium restrictions are specifically endorsed on the share certificates representing the Shares held by our Specified Shareholders which are under moratorium to ensure that our Share Registrar does not register any sale, transfer or assignment that contravenes such restrictions.

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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 details of our IPO as derived from the full text of this Prospectus are as follows:

| Allocation                                                                                           | Number of<br>IPO Shares | (1)%  |
|------------------------------------------------------------------------------------------------------|-------------------------|-------|
| <b>Public Issue</b>                                                                                  |                         |       |
| Malaysian Public via balloting                                                                       |                         |       |
| - Bumiputera                                                                                         | 38,500,000              | 2.50  |
| - Non-Bumiputera                                                                                     | 38,500,000              | 2.50  |
| Eligible Persons                                                                                     | 35,000,000              | 2.27  |
| Private placement to Bumiputera investors approved by the MITI                                       | 192,500,000             | 12.50 |
| <b>Offer for Sale</b>                                                                                |                         |       |
| Private placement to selected investors                                                              | 154,000,000             | 10.00 |
| Enlarged number of Shares upon Listing                                                               | 1,540,000,000           |       |
| IPO Price per Share                                                                                  | RM0.26                  |       |
| Market capitalisation (calculated based on the IPO Price and enlarged number of Shares upon Listing) | RM400,400,000           |       |

**Note:**

(1) Based on our enlarged total number of 1,540,000,000 Shares after our IPO.

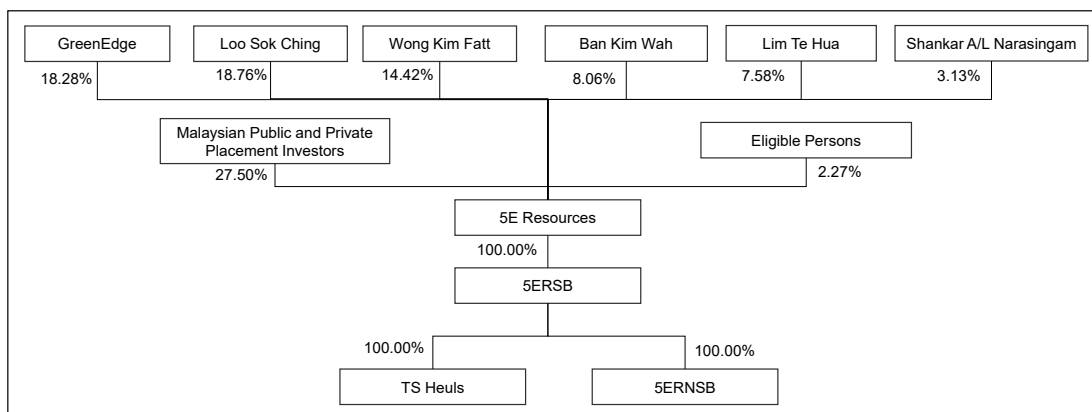
Further details of our IPO are set out in **Section 4.3** of this Prospectus.

In compliance with the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of Shares held by our Specified Shareholders (in compliance with Rule 3.19 of the Listing Requirements).

#### 3.2 GROUP STRUCTURE AND BUSINESS MODEL

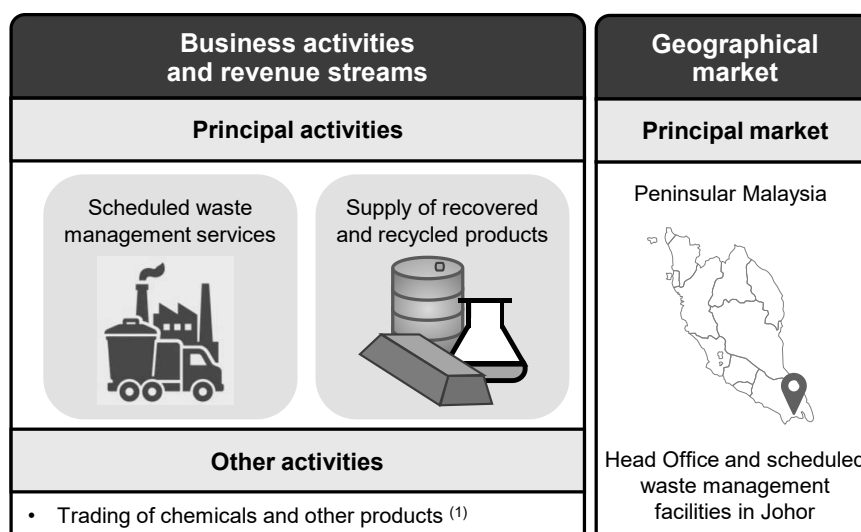
Our Company was incorporated under the Act on 19 May 2025 as a private limited company under the name of 5E Resources Holdings Sdn Bhd. Subsequently, on 18 August 2025, our Company was converted to a public limited company and assumed its present name of 5E Resources Holdings Berhad.

Our group structure after our IPO (assuming the Pink Form Allocation and the Issue Shares made available for application by the Malaysian Public will be fully subscribed) is as follows:



### 3. PROSPECTUS SUMMARY

We are an investment holding company. Through our subsidiaries, we are principally involved in the provision of scheduled waste management services, supply of recovered and recycled products, and trading of chemicals and other products. The following diagram illustrates our Group's principal activities and principal market:



Note:

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

Further details of our Group and business are set out in **Sections 6 and 7** of this Prospectus respectively.

### 3.3 COMPETITIVE ADVANTAGES AND KEY STRENGTHS

Our competitive advantages and key strengths are as follows:

- (i) **With a proven track record of 18 years in scheduled waste management services, we have built strong customer confidence in our services which provides a solid platform for securing new business**

Since the commencement of operations of PLO 83 & 317 Facility in 2008, we have been providing scheduled waste management services and supplying recovered and recycled products for approximately 18 years. Our proven track record as an established provider of scheduled waste management services will provide us with the platform for future business growth.

- (ii) **Our licences to manage a wide range of scheduled wastes give us access to a large addressable market, enabling business growth**

As at the LPD, we are licensed to manage scheduled wastes under 34 out of the 77 SW Codes listed in the First Schedule of the EQSWR 2005. This allows us to serve a broader customer base across various industries, reduce dependency on any single waste category or customer sectors, as well as provide our customers with the convenience of a comprehensive solution for scheduled waste management which enhances our value proposition.

### 3. PROSPECTUS SUMMARY

- (iii) **Our accredited in-house laboratory and R&D department work to optimise recovery and recycling methods and facilitate accurate costing, ensuring cost-effective operations while maximising the recovery and recycling of products**

Having an in-house laboratory allows us to conduct precise analysis of the customer's scheduled waste samples without relying on third-party laboratories. It also supports continuous environmental monitoring, ensuring our wastewater discharge and gaseous emissions comply with regulatory standards. By managing these analyses internally, we reduce costs and improve turnaround time for test results.

- (iv) **Our recovery and recycling capabilities enable us to convert waste into valuable resources, thereby generating additional revenue, advancing our customers' environmental sustainability goals, and reinforcing our role as a participant in the circular economy**

Our recovery and recycling practices align with the principles of the circular economy, a model of production and consumption that prioritises reduction in waste and reusing materials for as long as possible. By recovering and recycling scheduled waste, we reduce the need for virgin raw materials, both for our own operations as well as for our customers who would also use our recovered or recycled products in their respective operations. Our participation in the circular economy not only supports national environmental goals but also strengthens our business model.

- (v) **We have experience handling major environmental pollution incidents which differentiates our service portfolio and also opens up additional opportunities for growth**

Our proven experience in handling major environmental pollution incidents sets us apart from other operators in the market and presents additional opportunities for business growth. This track record reinforces our technical credibility, enhances our reputation in the industry, and positions us to secure similar projects in the future, supporting the continued growth and sustainability of our business.

- (vi) **We have experienced Directors and Key Senior Management to drive our growth**

We have an experienced management team headed by our Executive Director and CEO, Lim Te Hua and complemented by our Executive Director and COO, Shankar A/L Narasingam who bring with them approximately 18 years of experience in the scheduled waste management industry. Further, our other key senior management is equipped with the relevant experience, expertise and technical knowledge in their respective areas of responsibility to facilitate the smooth operation of our business.

Further details of our competitive advantages and key strengths are set out in **Section 7.4** of this Prospectus.

### 3.4 BUSINESS STRATEGIES AND FUTURE PLANS

Our business strategies and future plans are as follows:

- (i) **Establish PLO 321 Facility**

As at the LPD, we are in the process of establishing PLO 321 Facility, a new scheduled waste management facility, on a plot of land that we own at Jalan Perak 2 in Kawasan Perindustrian Pasir Gudang, Johor. PLO 321 Facility will include a warehouse and logistics office (Phase 1) as well as a scheduled waste management facility and an operations office (Phase 2).

### 3. PROSPECTUS SUMMARY

Construction work on Phase 1 was completed in November 2023 when we received the CCC for the warehouse and logistics office, subsequent to which we commenced operations at the warehouse by storing recovered and recycled materials in March 2024.

In May 2024, we received EIA approval to manage scheduled wastes covered by 27 SW Codes at PLO 321 Facility, out of which 4 are new to us (SW 103, SW 205, SW 406, and SW 429). We commenced work on constructing Phase 2 in April 2025. As at the LPD, construction works and installation of the machinery and equipment are on-going, and we expect to complete them by the 1<sup>st</sup> half of 2026. We anticipate that the new facility will commence operations in providing scheduled waste management services in the 2<sup>nd</sup> half of 2026.

We acquired the land for RM13.00 million and incurred costs of RM15.50 million in setting up Phase 1, and the total estimated cost of setting up Phase 2 is RM72.00 million (including the cost of constructing the buildings, and purchasing, installing, testing, and commissioning the machinery and equipment). As at the LPD, we have incurred RM25.52 million in setting up Phase 2 and the remaining RM46.48 million will be funded entirely with our internally generated funds.

#### (ii) Establish the New Perak Facility

We plan to establish a new scheduled waste management facility in Perak, namely the New Perak Facility. This new facility will be developed on 2 parcels of leasehold land measuring in aggregate 607,784 sq ft in Batang Padang, Perak, namely Lot 13416 & 13417. The acquisition of Lot 13416 & 13417 by 5ERNSB was completed on 5 January 2026.

The New Perak Facility will include operations office, laboratory, scheduled waste storage, recovery, and recycling area, warehouse as well as vehicle parking area. In January 2026, DOE Perak approved our EIA application for the establishment of the New Perak Facility and for the provision of scheduled waste management services covering 44 SW Codes, 6 of which have not been licenced to us to manage at our existing licensed facilities or PLO 321 Facility.

We plan to carry out several new scheduled waste recovery and recycling methods at the New Perak Facility that we currently do not utilise at our existing licensed facilities, namely SRF pelletising, spent EV battery recovery, and solar PV panel recovery.

We expect to complete construction works on the New Perak Facility in the 2<sup>nd</sup> half of 2029 and thereafter commence scheduled waste management operations in the 1<sup>st</sup> half of 2030.

The total estimated costs of setting up the New Perak Facility (comprising construction and purchase of machinery and equipment) are RM110.66 million, out of which RM58.00 million will be funded via our Public Issue proceeds and the remaining RM52.66 million will be funded via our internally generated funds and / or bank borrowings.

### 3. PROSPECTUS SUMMARY

#### 3.5 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with other matters in this Prospectus, the risk factors as set out in **Section 9** of this Prospectus. Some of the more important risk factors are summarised below:

**(i) Our sustainability and financial performance may be adversely affected if we do not have the valid licences that are required to carry out our scheduled waste management business**

Our scheduled waste management services are regulated under the EQSWR 2005, part of the EQA 1974. To operate these services, we must maintain valid licences issued by the DOE, including licences for operating scheduled waste management facilities and for transporting specified type of scheduled waste with the trucks driven by the drivers permitted under the DOE licence. Without these licences, we cannot collect and transport the specified type of scheduled waste from our customers' premises to our facilities, nor operate our scheduled waste management facilities, which could negatively impact our business sustainability and financial performance.

**(ii) We do not have long term recurrent revenue contracts with our customers and must continuously secure new orders from them**

All of our revenue during the Period Under Review and up to the LPD was derived from purchase orders for specific services and / or products. As a result, we must continuously secure new purchase orders in sufficient quantity and value to sustain our business. There is no assurance that we will be able to do so consistently in the future, and this may cause our revenue to fluctuate.

**(iii) Our collection and management of scheduled wastes are subject to a monthly maximum quantity as stipulated in our licences**

If the actual quantity of scheduled wastes that we collect and process at any of our scheduled waste management facilities exceed the stipulated monthly maximum quantity, the scheduled waste management licence for that facility may be revoked, and we may be subject to a fine or other penalties. In addition, the maximum monthly quantity allowed for each SW Code may limit our growth, as we cannot exceed the stipulated amount even when opportunities arise. Although we can request for an increase in the maximum monthly quantity, the approval process takes time and depends on several factors, including our capacity to handle larger volumes. This delay could cause us to miss valuable business opportunities to grow our revenue or expand our operations.

**(iv) Our customers are mostly in manufacturing industries and we may be adversely affected by downturns in manufacturing industries**

Downturns in manufacturing industries in Malaysia may reduce demand for scheduled waste management services and consequently adversely affect our financial performance and growth prospects. These downturns may be due to, among other factors, unfavourable economic and market conditions, adverse changes in government policy, and imposition of tariffs on goods manufactured in Malaysia. These factors are unpredictable and beyond our control.

**3. PROSPECTUS SUMMARY****(v) Prolonged or major breakdowns of our scheduled waste management facilities and transport vehicles may disrupt our operations and adversely affect our financial performance**

We rely on our scheduled waste management facilities and transport vehicles to provide our scheduled waste management services. Any prolonged or major breakdowns of our facilities and transport vehicles could disrupt our operations and negatively impact our financial performance. Although we regularly maintain our equipment, machinery, and vehicles, there is no guarantee that they will not experience prolonged or major breakdowns.

**(vi) We may experience workplace accidents and natural disasters that may adversely affect our operations and financial performance**

The scheduled waste we handle is hazardous and can cause significant harm to both people and the environment if not properly managed. We face potential risks during the collection and transportation of scheduled waste between our customers' premises and our licensed facilities. Our trucks could be involved in accidents, resulting in spills that contaminate the environment or cause fires, which could damage property and endanger lives.

Since some of the scheduled waste we collect and manage is flammable, we also face the risk of fires. Similarly, our licensed facilities may be affected by natural disasters such as flooding or by prolonged interruptions in power and water supply, both of which would disrupt operations and negatively affect our financial performance.

**(vii) Foreign workers constitute a large percentage of the workers at our scheduled waste management facilities**

As at the LPD, we employ foreign workers for sorting of collected wastes, handling wastes as well as recovered and recycled products within our facilities, and operating various scheduled waste recovery and recycling systems and machinery. Foreign workers who work in Malaysia without the relevant approvals and permits may be fined, imprisoned, and / or deported. In addition, we may be liable for compound, fine, and other legal action if we employ foreign workers who do not have the relevant approvals and permits, or if they work outside of our Group while under our employment. These approvals and permits are valid for a specified period, and they must be renewed upon expiry.

**(viii) Some of our licences are issued in the names of some of our employees, and if they leave our Group before the licences are transferred to other employees we may have to suspend or cease some of our operations**

For instance, our licences under the PA 1952 and its subsidiary legislations are issued to Lim Te Hua, our Executive Director and CEO, for TS Heuls at Property No. 26, Ang Khoon Poh, our Head of R&D, for 5ERSB at PLO 738 Facility, and Lee Wah Kian, our Production Manager for 5ERSB at PLO 317 Facility. These licences allow us to purchase, store, use, and / or sell specific chemicals. If the said employees leave our Group before the licences are transferred to other employees, our business operations may be impacted.



**3. PROSPECTUS SUMMARY****(ix) We are dependent on our Executive Directors and Key Senior Management team**

We are dependent on the experience, expertise, technical knowledge, and sales and marketing capability of our Executive Directors and Key Senior Management. If we lose the services of one or more of our Executive Directors or Key Senior Management and are unable to engage a suitable replacement promptly, our day-to-day business operations, our financial performance, and the successful implementation of our business strategies may be adversely affected.

**(x) We must comply with the relevant environmental laws and regulations**

Our scheduled waste management operations must comply with the relevant environmental laws and regulations. The relevant environmental laws and regulations may change from time to time. If the laws and regulations become more stringent, we may need to install additional equipment and / or incur more costs for additional processes.

Any non-compliance with the relevant laws and regulations may lead to the authorities taking action against us, such as imposing penalties, fines, and suspending our operations. Our licences may also be suspended, revoked, or not renewed. In addition, we may incur costs to clean up environmental damages. The penalties and costs that we incur may disrupt our business operations, damage our reputation, and adversely affect our financial performance.

**3.6 DIRECTORS AND KEY SENIOR MANAGEMENT**

Our Directors and Key Senior Management are as follows:

| <b>Name</b>                         | <b>Designation</b>                        |
|-------------------------------------|-------------------------------------------|
| <b><u>Directors</u></b>             |                                           |
| Loo Sok Ching                       | Non-Independent Non-Executive Chairperson |
| Lim Te Hua                          | Executive Director / CEO                  |
| Shankar A/L Narasingam              | Executive Director / COO                  |
| Wang Sze Min                        | Independent Non-Executive Director        |
| Siow Chin How                       | Independent Non-Executive Director        |
| Wang Han Lin                        | Independent Non-Executive Director        |
| Tan Suan See                        | Independent Non-Executive Director        |
| <b><u>Key Senior Management</u></b> |                                           |
| Sim Ting Ling                       | Group Financial Controller                |
| Ang Khoo Poh                        | Head of R&D                               |
| Lee Wah Kian                        | Production Manager                        |
| Boo Chin Hwee                       | Head of Marketing                         |

Further details of our Directors and Key Senior Management are set out in **Section 5** of this Prospectus.

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**3. PROSPECTUS SUMMARY****3.7 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS**

The shareholdings of our Promoters and substantial shareholders in our Company (who are Malaysians or company incorporated in Malaysia) before and after our IPO are set out below:

| Name                                          | Before our IPO / As at the LPD |       |                |       | After our IPO  |       |                |       |
|-----------------------------------------------|--------------------------------|-------|----------------|-------|----------------|-------|----------------|-------|
|                                               | Direct                         |       | Indirect       |       | Direct         |       | Indirect       |       |
|                                               | No. of Shares                  | (1)%  | No. of Shares  | (1)%  | No. of Shares  | (2)%  | No. of Shares  | (2)%  |
| <b>Promoters and substantial shareholders</b> |                                |       |                |       |                |       |                |       |
| Loo Sok Ching                                 | 344,457,400                    | 27.88 | (3)546,338,100 | 44.22 | (4)288,863,396 | 18.76 | (3)503,572,302 | 32.70 |
| Lim Te Hua                                    | 139,117,300                    | 11.26 | -              | -     | (5)116,664,102 | 7.58  | -              | -     |
| <b>Promoter</b>                               |                                |       |                |       |                |       |                |       |
| Shankar A/L Narasingam                        | 57,574,300                     | 4.66  | -              | -     | (6)48,272,699  | 3.13  | -              | -     |
| <b>Substantial shareholders</b>               |                                |       |                |       |                |       |                |       |
| Wong Kim Fatt                                 | 264,891,200                    | 21.44 | (3)625,904,300 | 50.66 | (7)222,125,402 | 14.42 | (3)570,310,296 | 37.04 |
| Ban Kim Wah                                   | 148,012,900                    | 11.98 | -              | -     | (8)124,127,501 | 8.06  | -              | -     |
| GreenEdge                                     | 281,446,900                    | 22.78 | -              | -     | 281,446,900    | 18.28 | -              | -     |

Notes:

- (1) Based on our enlarged total number of 1,235,500,000 Shares after the Acquisition of 5ERSB and before our IPO / as at the LPD.
- (2) Based on our enlarged total number of 1,540,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of the Shares held by his / her spouse and his / her direct interests in GreenEdge pursuant to Section 8 of the Act.
- (4) After the sale of 55,594,004 Shares pursuant to the Offer for Sale.
- (5) After the sale of 22,453,198 Shares pursuant to the Offer for Sale.
- (6) After the sale of 9,301,601 Shares pursuant to the Offer for Sale.
- (7) After the sale of 42,765,798 Shares pursuant to the Offer for Sale.
- (8) After the sale of 23,885,399 Shares pursuant to the Offer for Sale.

Further details of our Promoters and substantial shareholders are set out in **Section 5** of this Prospectus.

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**3. PROSPECTUS SUMMARY****3.8 UTILISATION OF PROCEEDS**

The gross proceeds of RM79.17 million raised by our Company from our Public Issue are intended to be used in the following manner:

| No.          | Purpose                                                                         | Estimated time frame for utilisation from the date of Listing | Amount RM'000 | %             |
|--------------|---------------------------------------------------------------------------------|---------------------------------------------------------------|---------------|---------------|
| (i)          | Part finance the construction of the New Perak Facility                         | Within 36 months                                              | 24,000        | 30.31         |
| (ii)         | Part finance the purchase of machinery and equipment for the New Perak Facility | Within 36 months                                              | 34,000        | 42.95         |
| (iii)        | Working capital                                                                 | Within 12 months                                              | 14,770        | 18.66         |
| (iv)         | Estimated listing expenses                                                      | Within 3 months                                               | 6,400         | 8.08          |
| <b>Total</b> |                                                                                 |                                                               | <b>79,170</b> | <b>100.00</b> |

Further details of our utilisation of proceeds are set out in **Section 4.8** of this Prospectus.

**3.9 FINANCIAL AND OPERATIONAL HIGHLIGHTS**

The following table sets out the key financial and operational highlights of our Group for the Period Under Review:

|                                                                        | Audited            |                    |                    | Unaudited          | Audited            |
|------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                                                        | FYE 2022<br>RM'000 | FYE 2023<br>RM'000 | FYE 2024<br>RM'000 | FPE 2024<br>RM'000 | FPE 2025<br>RM'000 |
| Revenue                                                                | 64,969             | 79,961             | 80,149             | 68,108             | 67,754             |
| GP                                                                     | 29,779             | 39,812             | 36,421             | 31,101             | 31,756             |
| PBT                                                                    | 20,484             | 30,124             | 29,166             | 25,158             | 26,934             |
| PAT / Total comprehensive income attributable to owners of our Company | 15,414             | 23,785             | 21,780             | 19,095             | 20,214             |
| GP margin (%) <sup>(1)</sup>                                           | 45.84              | 49.79              | 45.44              | 45.66              | 46.87              |
| PBT margin (%) <sup>(2)</sup>                                          | 31.53              | 37.67              | 36.39              | 36.94              | 39.75              |
| PAT margin (%) <sup>(3)</sup>                                          | 23.73              | 29.75              | 27.17              | 28.04              | 29.83              |
| Number of Shares assumed in issue ('000) <sup>(4)</sup>                | 1,540,000          | 1,540,000          | 1,540,000          | 1,540,000          | 1,540,000          |
| Basic / Diluted EPS (sen) <sup>(5)</sup>                               | 1.00               | 1.54               | 1.41               | 1.24               | 1.31               |

**Notes:**

- (1) GP margin is computed based on our GP over revenue.
- (2) PBT margin is computed based on our PBT over revenue.
- (3) PAT margin is computed based on our PAT over revenue.
- (4) Assumed enlarged number of Shares in issue after our IPO.
- (5) Computed based on PAT attributable to owners of our Company over the enlarged total number of Shares in issue after our IPO. The diluted EPS is equal to the basic EPS as there were no potential dilutive ordinary shares outstanding at the end of the respective financial year / period.

Further details of our financial information are set out in **Section 12** of this Prospectus.

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**3. PROSPECTUS SUMMARY**

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**3.10 DIVIDEND POLICY**

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

As we are a holding company, our ability to declare and pay dividends or make other distributions to our shareholders are dependent upon the dividends we receive from our subsidiaries, present and future. The payment of dividends by our subsidiaries is dependent upon various factors, including but not limited to, their distributable profits, financial performance, and cash flow requirements for operations and capital expenditures, as well as other factors that their respective boards of directors deem relevant.

As at the LPD, there is no dividend restriction imposed on our subsidiaries pursuant to any agreements or arrangements.

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

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

Further details on our dividend policy are set out in **Section 12.10** of this Prospectus.

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**4. DETAILS OF OUR IPO****4.1 OPENING AND CLOSING OF APPLICATION PERIOD**

The Application period will open at 10.00 a.m. on 30 March 2026 and will remain open until 5.00 p.m. on 3 April 2026. **LATE APPLICATION WILL NOT BE ACCEPTED.**

**4.2 INDICATIVE TIMETABLE**

The indicative timing of events leading up to the listing and quotation of our entire enlarged issued share capital on the ACE Market are set out below:

| Events                                                                      | Tentative Dates |
|-----------------------------------------------------------------------------|-----------------|
| Issuance of this Prospectus / Opening of the Application period for our IPO | 30 March 2026   |
| Closing of the Application period for our IPO                               | 3 April 2026    |
| Balloting of the Applications                                               | 7 April 2026    |
| Allotment / Transfer of our IPO Shares to successful applicants             | 14 April 2026   |
| Listing on the ACE Market                                                   | 15 April 2026   |

In the event 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 make an announcement on 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, subject to the clawback and reallocation provisions set out in **Section 4.3.4** of this Prospectus.

|                                                                      | Number of IPO Shares | (1)%         |
|----------------------------------------------------------------------|----------------------|--------------|
| <b>Public Issue</b>                                                  |                      |              |
| (i) Malaysian Public via balloting                                   |                      |              |
| - Bumiputera                                                         | 38,500,000           | 2.50         |
| - Non-Bumiputera                                                     | 38,500,000           | 2.50         |
| (ii) Eligible Persons                                                | 35,000,000           | 2.27         |
| (iii) Private placement to Bumiputera investors approved by the MITI | 192,500,000          | 12.50        |
|                                                                      | <b>304,500,000</b>   | <b>19.77</b> |
| <b>Offer for Sale</b>                                                |                      |              |
| Private placement to selected investors                              | 154,000,000          | 10.00        |
| <b>Total</b>                                                         | <b>458,500,000</b>   | <b>29.77</b> |

Note:

(1) Based on our enlarged total number of 1,540,000,000 Shares after our IPO.

**4. DETAILS OF OUR IPO**

The basis of allocation of our IPO Shares shall take into account the desirability of distributing our IPO Shares to a reasonable number of applicants to broaden the shareholding base of our Company to meet the public spread requirements, and to establish a liquid and adequate market for our Shares. Applicants will be selected in a fair and equitable manner to be determined by our Board.

To the best of our knowledge and belief:

- (i) there is no person who intends to subscribe for more than 5.00% of our IPO Shares; and
- (ii) save for the Pink Form Allocation made available for application by the Eligible Persons, none of our substantial shareholders, Directors or members of Key Senior Management indicated to our Company that they intend to subscribe for our IPO Shares made available for application by the Malaysian Public via balloting.

**4.3.1 Public Issue**

A total of 304,500,000 Issue Shares, representing approximately 19.77% of our enlarged total number of Shares, will be made available at the IPO Price in the following manner:

**(i) Malaysian Public via balloting**

77,000,000 Issue Shares, representing 5.00% of our enlarged total number of Shares, will be made available for Application by the Malaysian Public via balloting, of which at least 50.00% is to be set aside for Bumiputera investors. Any Issue Shares not subscribed by Bumiputera investors will be made available for Application by the Malaysian Public via balloting.

**(ii) Eligible Persons**

35,000,000 Issue Shares, representing approximately 2.27% of our enlarged total number of Shares, will be made available for Application by our Eligible Persons in recognition of their efforts and support to our Group.

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

|                                                            | <b>Number of Eligible Persons</b> | <b>Aggregate number of Pink Form Shares allocated</b> |
|------------------------------------------------------------|-----------------------------------|-------------------------------------------------------|
| Eligible Directors <sup>(1)</sup>                          | 4                                 | 4,000,000                                             |
| Eligible employees of our Group <sup>(2)</sup>             | 13                                | 16,557,000                                            |
| Persons who have contributed to our success <sup>(3)</sup> | 49                                | 14,443,000                                            |
| <b>Total</b>                                               | <b>66</b>                         | <b>35,000,000</b>                                     |

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

**4. DETAILS OF OUR IPO**Notes:

- (1) The criteria for allocation to our eligible Directors are based on their respective roles and responsibilities as well as their contribution to our Group. The number of Pink Form Shares to be allocated to our eligible Directors are as follows:

| <b>Name</b>   | <b>Designation</b>                 | <b>Number of Pink Form Shares allocated</b> |
|---------------|------------------------------------|---------------------------------------------|
| Wang Sze Min  | Independent Non-Executive Director | 1,000,000                                   |
| Siow Chin How | Independent Non-Executive Director | 1,000,000                                   |
| Wang Han Lin  | Independent Non-Executive Director | 1,000,000                                   |
| Tan Suan See  | Independent Non-Executive Director | 1,000,000                                   |
| <b>Total</b>  |                                    | <b>4,000,000</b>                            |

- (2) The criteria for allocation to our eligible employees (as approved by our Board) are based on, among others, the following:
- (i) the eligible employee must be a full-time confirmed employee and on the payroll of our Group;
  - (ii) the number of Pink Form Shares allocated to our eligible employees are based on their seniority, position, length of service and / or their contribution to our Group as well as other factors deemed relevant by our Board; and
  - (iii) the eligible employee must be at least 18 years of age.

The number of Pink Form Shares allocated under this category is inclusive of the allocation to our Key Senior Management set out as follows:

| <b>Name</b>   | <b>Designation</b>         | <b>Number of Pink Form Shares allocated</b> |
|---------------|----------------------------|---------------------------------------------|
| Sim Ting Ling | Group Financial Controller | 6,798,000                                   |
| Ang Khoon Poh | Head of R&D                | 4,285,000                                   |
| Lee Wah Kian  | Production Manager         | 115,000                                     |
| Boo Chin Hwee | Head of Marketing          | 800,000                                     |
| <b>Total</b>  |                            | <b>11,998,000</b>                           |

- (3) The criteria for allocation to the persons who have contributed to our success (as approved by our Board) are based on, among others, their contribution and support to the growth of our Group as well as their length of relationship with us. The persons who have contributed to our success include our customers, suppliers and business associates.

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**4. DETAILS OF OUR IPO**

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Eligible Persons who subscribe for Pink Form Shares under this **Section 4.3.1(ii)** may also apply for the Issue Shares made available for the Malaysian Public via balloting under **Section 4.3.1(i)** above.

**(iii) Private placement to Bumiputera investors approved by the MITI**

192,500,000 Issue Shares, representing 12.50% of our enlarged total number of Shares, will be made available by way of private placement to Bumiputera investors approved by the MITI.

The basis of allocation of our Issue Shares shall take into account the distribution of the Issue Shares to a reasonable number of applicants to broaden our Company's shareholding base to meet the public spread requirements and to establish a liquid market for our Shares. Applicants will be selected in a fair and equitable manner to be determined by our Directors. There is no over-allotment or 'greenshoe' option that will increase the number of our Issue Shares.

Our Public Issue is subject to the terms and conditions of this Prospectus.

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#### 4. DETAILS OF OUR IPO

##### 4.3.2 Offer for Sale

A total of 154,000,000 Offer Shares, representing 10.00% of our enlarged total number of Shares, are offered by our Offerors at the IPO Price to selected investors by way of private placement.

The details of our Offerors are set out below:

| Name and address                                                                                  | Nature of relationship with our Group                                           | Shareholdings before our IPO and as at the LPD |       | Offer for Sale |      | Shareholdings after our IPO |       |
|---------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|------------------------------------------------|-------|----------------|------|-----------------------------|-------|
|                                                                                                   |                                                                                 | No. of Shares                                  | (1)%  | No. of Shares  | (1)% | No. of Shares               | (2)%  |
| Loo Sok Ching<br>No. 5, Jalan Saga<br>Taman Melodies<br>80250 Johor Bahru<br>Johor                | Promoter, substantial shareholder and Non-Independent Non-Executive Chairperson | 344,457,400                                    | 27.88 | 55,594,004     | 4.50 | 288,863,396                 | 18.76 |
| Wong Kim Fatt<br>No. 5, Jalan Saga<br>Taman Melodies<br>80250 Johor Bahru<br>Johor                | Substantial shareholder                                                         | 264,891,200                                    | 21.44 | 42,765,798     | 3.46 | 222,125,402                 | 14.42 |
| Ban Kim Wah<br>No. 23, Jalan<br>Harmonium 31/7<br>Taman Desa Tebrau<br>81100 Johor Bahru<br>Johor | Substantial shareholder                                                         | 148,012,900                                    | 11.98 | 23,885,399     | 1.93 | 124,127,501                 | 8.06  |
| Lim Te Hua<br>No. 65, Jalan Chengai<br>Taman Melodies<br>80250 Johor Bahru<br>Johor               | Promoter, substantial shareholder and Executive Director                        | 139,117,300                                    | 11.26 | 22,453,198     | 1.82 | 116,664,102                 | 7.58  |

#### 4. DETAILS OF OUR IPO

| Name and address                                                                                | Nature of relationship with our Group | Shareholdings before our IPO and as at the LPD |      | Offer for Sale |      | Shareholdings after our IPO |      |
|-------------------------------------------------------------------------------------------------|---------------------------------------|------------------------------------------------|------|----------------|------|-----------------------------|------|
|                                                                                                 |                                       | No. of Shares                                  | (1)% | No. of Shares  | (1)% | No. of Shares               | (2)% |
| Shankar A/L Narasingam<br>No. 17, Jalan Molek 2/35<br>Taman Molek<br>81100 Johor Bahru<br>Johor | Promoter and Executive Director       | 57,574,300                                     | 4.66 | 9,301,601      | 0.75 | 48,272,699                  | 3.13 |

Notes:

(1) Based on our total number of 1,235,500,000 Shares after the Acquisition of 5ERSB and as at the LPD.

(2) Based on our enlarged total number of 1,540,000,000 Shares after our IPO.

The Offer for Sale is expected to raise gross proceeds of approximately RM40.04 million which will accrue entirely to the Offerors and we will not receive any of the proceeds. The Offerors shall bear all expenses such as stamp duty, placement fees, registration and share transfer fee relating to the Offer Shares, the aggregate of which is estimated to be approximately RM1.08 million.

The Offer for Sale is subject to the terms and conditions of this Prospectus.

Further details of our Offerors, who are also our Promoters, substantial shareholders and/or Directors, are set out in **Section 5.1.2** of this Prospectus.

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## 4. DETAILS OF OUR IPO

### 4.3.3 Underwriting Arrangement

The 77,000,000 Issue Shares made available for Application by the Malaysian Public via balloting and the 35,000,000 Issue Shares under the Pink Form Allocation as set out in **Sections 4.3.1(i)** and **4.3.1(ii)** of this Prospectus respectively have been fully underwritten.

The 192,500,000 Issue Shares made available for private placement to Bumiputera investors approved by the MITI and the 154,000,000 Offer Shares made available for private placement to selected investors are not underwritten and will be placed out by our Placement Agent.

### 4.3.4 Clawback and Reallocation

#### (i) Issue Shares for the Malaysian Public via balloting

If any Issue Shares allocated to the Malaysian Public via balloting under **Section 4.3.1(i)** of this Prospectus are not fully subscribed, the balance portion will be allocated in the following order:

- (a) Firstly, to our Eligible Persons (excluding eligible Directors) under **Section 4.3.1(ii)** of this Prospectus;
- (b) Secondly, any remaining portion will be made available by way of private placement to selected investors under **Section 4.3.2** of this Prospectus; and
- (c) Finally, any remaining Issue Shares thereafter will be subscribed by the Underwriter, subject to the terms and conditions of the Underwriting Agreement.

#### (ii) Pink Form Shares for our Eligible Persons

If any Issue Shares allocated to our Eligible Persons under **Section 4.3.1(ii)** of this Prospectus are not fully subscribed, the balance portion will be allocated in the following order:

- (a) Firstly, to other Eligible Persons (excluding eligible Directors) who have applied for excess on top of their pre-determined allocation on a fair and equitable basis;
- (b) Secondly, any remaining portion will be made available for Application by the Malaysian Public via balloting under **Section 4.3.1(i)** of this Prospectus;
- (c) Thirdly, any remaining portion will be made available by way of private placement to selected investors under **Section 4.3.2** of this Prospectus; and
- (d) Finally, any remaining Issue Shares thereafter will be subscribed by the Underwriter, subject to the terms and conditions of the Underwriting Agreement.

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**4. DETAILS OF OUR IPO****(iii) Issue Shares by way of private placement to Bumiputera investors approved by the MITI**

If any Issue Shares allocated to Bumiputera investors approved by the MITI under **Section 4.3.1(iii)** of this Prospectus are not fully subscribed, the balance portion will be allocated in the following order:

- (a) Firstly, to Bumiputera Malaysian Public as part of the balloting process under **Section 4.3.1(i)** of this Prospectus;
- (b) Secondly, to Malaysian institutional investors by way of private placement under **Section 4.3.2** of this Prospectus; and
- (c) Finally, any remaining portion thereafter will be made available for Application by other Malaysian Public via balloting under **Section 4.3.1(i)** of this Prospectus and / or by way of private placement to other selected investors under **Section 4.3.2** of this Prospectus.

**(iv) Offer Shares by way of private placement to selected investors**

If any Offer Shares allocated to selected investors under **Section 4.3.2** of this Prospectus are not fully subscribed, the balance portion will be made available for Application by the Malaysian Public via balloting under **Section 4.3.1(i)** of this Prospectus.

**4.3.5 Minimum subscription level**

There is no minimum subscription level in terms of proceeds to be raised from our IPO. However, we are required to achieve a level of subscription which would enable the holding of such minimum number of our Shares by public shareholders for our Company to comply with the public shareholding requirements as per the Listing Requirements or as approved by Bursa Securities.

Pursuant to the Listing Requirements, at least 25.00% of our enlarged total number of Shares must be held by a minimum number of 200 public shareholders holding not less than 100 Shares each at the point of our Listing.

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

**4.3.6 Price stabilisation mechanism**

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

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**4. DETAILS OF OUR IPO****4.4 SHARE CAPITAL AND MARKET CAPITALISATION UPON LISTING**

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

|                                                                                                                                     | <b>No. of Shares</b> | <b>RM</b>          |
|-------------------------------------------------------------------------------------------------------------------------------------|----------------------|--------------------|
| <b>Issued share capital</b>                                                                                                         |                      |                    |
| As at the date of this Prospectus                                                                                                   | 1,235,500,000        | 123,550,000        |
| To be issued pursuant to the Public Issue                                                                                           | 304,500,000          | 79,170,000         |
| <b>Enlarged issued share capital upon Listing</b>                                                                                   | <b>1,540,000,000</b> | <b>202,720,000</b> |
| <b>IPO Price</b>                                                                                                                    |                      | 0.26               |
| <b>Expected market capitalisation upon Listing</b><br>(based on our IPO Price and enlarged total number of Shares upon our Listing) |                      | 400,400,000        |

The Offer for Sale will not have an effect on our issued share capital as the Offer Shares are already in existence prior to our IPO.

As at the date of this Prospectus, we have only 1 class of shares, being ordinary shares, all of which rank equally with each other. Our Issue Shares will, upon issuance and allotment, 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 issuance and allotment of our Issue Shares.

Our Offer Shares 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 transfer of our Offer Shares.

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

At any general meeting of our Company, each of our shareholders shall be entitled to vote in person, by proxy, by attorney or by other duly authorised representative. Subject to the Listing Requirements, any resolution put to vote in the meeting shall be decided by way of poll. In the case of a show of hands or in the case of a poll, each shareholder, or holder of preference shares who has a right to vote, present in person or by proxy or by an attorney or by duly authorised representative shall have 1 vote, and on a poll, every shareholder present in person or by proxy or attorney or representative shall have 1 vote for each share he holds. A proxy may, but need not be, a member of our Company.

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## 4. DETAILS OF OUR IPO

### 4.5 OBJECTIVES OF OUR IPO

The objectives of our IPO are as follows:

- (i) to enable our Group to raise funds for the purposes specified under **Section 4.8** of this Prospectus;
- (ii) to gain recognition through our listing status which will enhance our Group's reputation and facilitate the marketing of our services, expansion of our customer base, retention of our employees and attraction of new talents in the industry that we operate in;
- (iii) to provide an opportunity for the Malaysian Public, including our Eligible Persons to participate in our equity and future growth; and
- (iv) to enable us to tap into the equity capital market for future fund raising to pursue future growth opportunities as and when these opportunities arise, through other forms of capital raising avenue, such as rights issue and private placement.

### 4.6 BASIS OF ARRIVING AT THE IPO PRICE

Our IPO Price was determined after taking into consideration, among others, the following factors:

- (i) our operating history and financial performance as described in **Sections 7.1** and **12** of this Prospectus respectively;
- (ii) our pro forma combined NA per Share of approximately RM0.14, computed based on our Group's pro forma combined NA of approximately RM210.00 million as at 31 October 2025 after taking into consideration the payment of declared dividend of 0.43 sen per Share (details of which are as set out in **Section 12.10** of this Prospectus), our Public Issue, utilisation of proceeds and our enlarged total number of 1,540,000,000 Shares upon Listing;
- (iii) our EPS of approximately RM0.0141, computed based on our Group's audited combined PAT of approximately RM21.78 million for the FYE 2024 and our enlarged total number of 1,540,000,000 Shares upon Listing, translating to a PE Multiple of 18.44 times based on our IPO Price of RM0.26 per Share;
- (iv) our annualised EPS of approximately RM0.0158, computed based on our Group's audited combined PAT of approximately RM20.21 million for the FPE 2025 and our enlarged total number of 1,540,000,000 Shares upon Listing, translating to a PE Multiple of 16.46 times based on our IPO Price of RM0.26 per Share;
- (v) our competitive advantages and key strengths as set out in **Section 7.4** of this Prospectus;
- (vi) our business strategies and future plans as set out in **Section 7.18** of this Prospectus; and
- (vii) outlook and prospects of the scheduled waste management industry in Malaysia in which our Group operates as described in **Section 8** of this Prospectus.

**You should note that the market price of our Shares upon and subsequent to our Listing is subject to the vagaries of market forces and other uncertainties. You are reminded to carefully consider the Risk Factors as set out in Section 9 of this Prospectus before deciding to invest in our Shares.**

**4. DETAILS OF OUR IPO****4.7 DILUTION**

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

|                                                                                                                                                                    |           | RM     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--------|
| IPO Price                                                                                                                                                          | A         | 0.26   |
| Pro forma combined NA per Share as at 31 October 2025 after the Acquisition of 5ERSB and payment of declared dividend <sup>(1)</sup> , and before the Public Issue | B         | 0.11   |
| Pro forma combined NA per Share after the Public Issue and utilisation of proceeds                                                                                 | C         | 0.14   |
| Increase in pro forma combined NA per Share attributable to our existing shareholders                                                                              | C – B     | 0.03   |
| Dilution in pro forma combined NA per Share to our new investors                                                                                                   | A – C = D | 0.12   |
| Dilution in pro forma combined NA per Share to our new investors as a percentage of our IPO Price                                                                  | D / A     | 46.15% |

Note:

(1) Refers to the interim dividend of 0.43 sen per Share which was declared on 11 March 2026. Kindly refer to **Section 12.10** of this Prospectus for further details on the dividend declared.

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

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

Save as disclosed below, there is no substantial disparity between our IPO Price and effective cash cost to our Promoters, Directors, substantial shareholders, Key Senior Management, and / or persons connected with them for any of our Shares acquired by them in any transaction since incorporation of our Company up to the date of this Prospectus:

|                                                       | No. of Shares held before our IPO | Total consideration<br>RM | Effective cash cost per Share<br>RM |
|-------------------------------------------------------|-----------------------------------|---------------------------|-------------------------------------|
| <b>Promoter, substantial shareholder and Director</b> |                                   |                           |                                     |
| Lim Te Hua                                            | <sup>(1)</sup> 139,117,300        | <sup>(2)</sup> 13,911,730 | 0.10                                |
| Loo Sok Ching                                         | <sup>(1)</sup> 344,457,400        | <sup>(2)</sup> 34,445,740 | 0.10                                |
| <b>Promoter and Director</b>                          |                                   |                           |                                     |
| Shankar A/L Narasingam                                | <sup>(1)</sup> 57,574,300         | <sup>(2)</sup> 5,757,430  | 0.10                                |
| <b>Substantial shareholders</b>                       |                                   |                           |                                     |
| GreenEdge                                             | <sup>(1)</sup> 281,446,900        | <sup>(2)</sup> 28,144,690 | 0.10                                |
| Wong Kim Fatt                                         | <sup>(1)</sup> 264,891,200        | <sup>(2)</sup> 26,489,120 | 0.10                                |
| Ban Kim Wah                                           | <sup>(1)</sup> 148,012,900        | <sup>(2)</sup> 14,801,290 | 0.10                                |

**4. DETAILS OF OUR IPO**Notes:

- (1) Being the subscriber shares issued and allotted upon incorporation of our Company and Shares issued and allotted pursuant to the Acquisition of 5ERSB.
- (2) Calculated based on the amount paid by him / her / it for the subscriber shares and the total purchase consideration for the Acquisition of 5ERSB attributable to him / her / it.

As at the date of this Prospectus, save for the Pink Form Allocation, there is no outstanding right granted to anyone to acquire our Shares. The Pink Form Allocation is based on our IPO Price.

**4.8 UTILISATION OF PROCEEDS**

The Public Issue is expected to raise gross proceeds of RM79.17 million for our Group, which shall be used in the following manner:

| No.          | Purpose                                                                         | Estimated time frame for utilisation from the date of Listing | Amount RM'000 | %             |
|--------------|---------------------------------------------------------------------------------|---------------------------------------------------------------|---------------|---------------|
| (i)          | Part finance the construction of the New Perak Facility                         | Within 36 months                                              | 24,000        | 30.31         |
| (ii)         | Part finance the purchase of machinery and equipment for the New Perak Facility | Within 36 months                                              | 34,000        | 42.95         |
| (iii)        | Working capital                                                                 | Within 12 months                                              | 14,770        | 18.66         |
| (iv)         | Estimated listing expenses                                                      | Within 3 months                                               | 6,400         | 8.08          |
| <b>Total</b> |                                                                                 |                                                               | <b>79,170</b> | <b>100.00</b> |

Pending the eventual utilisation of the proceeds from our Public Issue for the abovementioned purposes, we intend to place them in short-term deposits and / or money market instruments / funds with licensed financial institutions. The interest or gain arising from the short-term deposits and / or money market instruments / funds will be used to fund the working capital of our Group.

We will make an extension of time announcement on Bursa Securities' website in the event that we require longer time frame for utilisation of the Public Issue proceeds due to, among others, any delay in setting up the New Perak Facility. We will also disclose the status of utilisation of these proceeds in our quarterly results and annual report until they are fully utilised.

Pursuant to Rule 8.24 of the Listing Requirements, we must issue a circular to our shareholders and seek our shareholders' approval if we propose to make a change of 25% or more to the use of proceeds raised from our Public Issue.

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#### 4. DETAILS OF OUR IPO

##### 4.8.1 Part finance the construction of the New Perak Facility

Presently, we carry out our scheduled waste management processes at PLO 738 Facility and PLO 83 & PLO 317 Facility at Pasir Gudang, Johor. In addition, we are currently constructing Phase 2 of PLO 321 Facility, which comprises a new scheduled waste management facility adjacent to PLO 83 & 317 Facility. Our operations in Johor allow us to build presence and market our services especially to customers in the southern region of Peninsular Malaysia. While our customer base is mainly concentrated in the southern region of Peninsular Malaysia which contributed more than 70.00% of our Group's total revenue during the Period Under Review, we have been actively pursuing opportunities to expand our presence in other regions within Peninsular Malaysia.

In April 2025, 5ERNSB entered into a sale and purchase agreement to acquire Lot 13416 & 13417 for a total purchase consideration of RM8.80 million. The said acquisition was completed in January 2026.

We intend to set up a new scheduled waste management facility on Lot 13416 & 13417, namely the New Perak Facility, which will serve as an additional operational facility to expand our presence in other regions within Peninsular Malaysia. The New Perak Facility will also enhance our operational efficiency by mitigating challenges associated with transportation and in turn allow us to better serve our potential and existing customers in the central and northern regions of Peninsular Malaysia.

The total land size of Lot 13416 & 13417 is approximately 607,784 sq ft, and the estimated built-up area of the New Perak Facility is approximately 300,000 sq ft which will include operations office, laboratory, scheduled waste storage, recovery and recycling area, warehouse and vehicle parking area.

In January 2026, we obtained the EIA approval from DOE Perak for the establishment of the New Perak Facility and to manage scheduled waste covering 44 SW Codes, 6 of which have not been licensed to us to manage at our existing licensed facilities or PLO 321 Facility. Following thereto, we expect to commence construction works in the 2<sup>nd</sup> half of 2027 and commence operations in the 1<sup>st</sup> half of 2030. Please refer to **Section 7.18.3** of this Prospectus for further details on the rationale and indicative timeline for setting up the New Perak Facility.

The following table summarises the maximum annual quantity of the type of SW Codes that we are able to manage at our existing facilities, PLO 321 Facility and the New Perak Facility:

| Scheduled waste category | PLO 83 & 317 and PLO 738 (tonnes) <sup>(1)</sup> | PLO 321 Facility (tonnes) <sup>(2)</sup> | New Perak Facility (tonnes) <sup>(3)</sup> |
|--------------------------|--------------------------------------------------|------------------------------------------|--------------------------------------------|
| SW 1                     | 14,400                                           | 2,400                                    | 26,400                                     |
| SW 2                     | 53,520                                           | 43,800                                   | 72,000                                     |
| SW 3                     | 155,676                                          | 38,760                                   | 198,000                                    |
| SW 4                     | 58,998                                           | 141,006                                  | 191,424                                    |
| <b>Total</b>             | <b>282,594</b>                                   | <b>225,966</b>                           | <b>487,824</b>                             |

Notes:

- (1) Computed by multiplying the licensed maximum monthly quantity of each type of licensed SW Code by 12 months.
- (2) Computed by multiplying the estimated maximum monthly quantity of each type of SW Code listed in the PLO 321 Facility's approved EIA by 12 months.
- (3) Computed by multiplying the estimated maximum monthly quantity of each type of SW Code listed in the New Perak Facility's approved EIA by 12 months.

**4. DETAILS OF OUR IPO**

For information, the utilisation rates of our PLO 83 & 317 Facility and PLO 738 Facility based on the quantity of scheduled wastes collected during the Period Under Review are summarised in the following table. Kindly refer to **Section 7.9** of this Prospectus for further details on our capacity and utilisation rates.

| Scheduled waste category | Utilisation rates of PLO 83 & 317 Facility and PLO 738 Facility (%) |          |          |          |
|--------------------------|---------------------------------------------------------------------|----------|----------|----------|
|                          | FYE 2022                                                            | FYE 2023 | FYE 2024 | FPE 2025 |
| SW 1                     | 5                                                                   | 14       | 20       | 5        |
| SW 2                     | 44                                                                  | 46       | 34       | 29       |
| SW 3                     | 7                                                                   | 8        | 11       | 12       |
| SW 4                     | 27                                                                  | 30       | 25       | 27       |

While the annual utilisation rates (based on the quantity collected) for each scheduled waste category were below 50% during the Period Under Review, the relatively low annual figures are attributable to the averaging of monthly utilisation rates. When assessed on a monthly basis, certain SW Codes recorded higher utilisation levels in specific months of each financial year. For instance, some SW Codes recorded utilisation levels exceeding 80% during particular months. These variations indicate periodic peaks in demand at different times of the year.

The total estimated costs for the construction of the New Perak Facility are RM46.16 million, breakdown of which is as follows:

| Details                                          | <sup>(1)</sup> Estimated costs<br>RM'000 |
|--------------------------------------------------|------------------------------------------|
| Preliminary works                                | 3,175                                    |
| Earthworks                                       | 3,909                                    |
| Structural and architectural works               | 21,980                                   |
| Mechanical and electrical works                  | 9,524                                    |
| External works                                   | 3,492                                    |
| Other costs and contingencies                    | 2,975                                    |
| Consultancy and professional fees <sup>(2)</sup> | 1,100                                    |
| <b>Total</b>                                     | <b>46,155</b>                            |

Notes:

- (1) The cost estimations are based on quotations, save for contingencies.
- (2) Comprise fees for architects, mechanical and electrical consultants, and certification companies.

We intend to utilise RM24.00 million of our proceeds from Public Issue to partly fund the aforesaid construction costs, while the balance funding requirement of RM22.16 million will be met via our Group's internally generated funds and / or bank borrowings.

If the total actual cost for the construction of the New Perak Facility exceeds the aforesaid amount as estimated, the shortfall will be funded via our internally generated funds and / or bank borrowings. Conversely, any surplus from the Public Issue proceeds earmarked for this purpose will be allocated for our working capital.

**4. DETAILS OF OUR IPO****4.8.2 Part finance the purchase of machinery and equipment for the New Perak Facility**

In conjunction with the establishment of the New Perak Facility, we intend to purchase new machinery and equipment for installation at the New Perak Facility. The types of these new machinery and equipment as well as the total estimated cost are set out as follows:

| <b>Details</b>                                          | <b>No. of units to be purchased</b> | <b>(1) Estimated costs RM'000</b> |
|---------------------------------------------------------|-------------------------------------|-----------------------------------|
| Wastewater treatment plant                              | 1                                   | 21,000                            |
| Rotary kiln with cogeneration system                    | 1                                   | 20,000                            |
| ARM processing system (integrated with the rotary kiln) | 1                                   | 3,000                             |
| Spent EV battery recovery system                        | 1                                   | 3,000                             |
| Waste acid and alkali recycling system                  | 1                                   | 2,500                             |
| SRF pelletising system                                  | 1                                   | 2,000                             |
| Waste oil recycling system <sup>(2)</sup>               | 1                                   | 2,000                             |
| E-waste recovery system <sup>(3)</sup>                  | 1                                   | 2,000                             |
| Waste coolant recycling system                          | 1                                   | 1,500                             |
| Solar PV panel recovery system                          | 1                                   | 1,500                             |
| Laboratory                                              | N/A                                 | 1,500                             |
| Rag and container decontamination system                | 1                                   | 500                               |
| Storage tanks                                           | 8                                   | 2,500                             |
| Contingencies <sup>(4)</sup>                            | N/A                                 | 1,500                             |
| <b>Total</b>                                            |                                     | <b>64,500</b>                     |

Notes:

- (1) The cost estimations are based on quotations, save for contingencies.
- (2) Waste oil recycling system with anaerobic thermal separation. Further details of the anaerobic thermal separation method are set out in **Section 7.18.4(d)** of this Prospectus.
- (3) E-waste recovery system with hydrometallurgical recovery and smelter. Further details of the hydrometallurgical recovery and smelting methods are set out in **Sections 7.18.4(e)** and **7.18.4(f)** of this Prospectus.
- (4) Include shipping, logistics, installation and commissioning costs.

As at the LPD, our Group has not incurred any costs for the aforesaid purchase of new machinery and equipment. We expect to place order for the new machinery and equipment in the 1<sup>st</sup> half of 2029 and install the new machinery and equipment in the 2<sup>nd</sup> half of 2029, further details of the indicative timeline are set out in **Section 7.18** of this Prospectus.

We intend to utilise RM34.00 million of our Public Issue proceeds to partly fund the aforesaid purchase of new machinery and equipment, while the balance funding requirement of RM30.50 million will be met via our Group's internally generated funds and / or bank borrowings.

If the total actual cost for the purchase of new machinery and equipment exceeds the aforesaid amount as estimated, the shortfall will be funded via our internally generated funds and / or bank borrowings. Conversely, any surplus from the Public Issue proceeds earmarked for this purpose will be allocated for our working capital.

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**4. DETAILS OF OUR IPO****4.8.3 Working capital**

In tandem with the expected growth in our business, we intend to allocate RM14.77 million of our Public Issue proceeds for our working capital requirements as follows:

| <b>Working capital</b>                 | <b>Amount<br/>RM'000</b> |
|----------------------------------------|--------------------------|
| Payment to suppliers                   | 12,000                   |
| General working capital <sup>(1)</sup> | 2,770                    |
| <b>Total</b>                           | <b>14,770</b>            |

Note:

(1) Includes payroll and administrative expenses, utility expenses, office related expenses and other miscellaneous items.

**4.8.4 Estimated listing expenses**

Our listing expenses are estimated to be RM6.40 million, the details of which are as follows:

| <b>Estimated listing expenses</b>                                            | <b>Amount<br/>RM'000</b> |
|------------------------------------------------------------------------------|--------------------------|
| Professional fees <sup>(1)</sup>                                             | 3,230                    |
| Fees payable to authorities                                                  | 124                      |
| Underwriting, placement and brokerage fees                                   | 2,452                    |
| Printing, advertisement and other incidental charges relating to our Listing | 594                      |
| <b>Total</b>                                                                 | <b>6,400</b>             |

Note:

(1) Include fees for, among others, the Principal Adviser, Reporting Accountants, Solicitors for the IPO, IMR, Company Secretaries and Issuing House & Share Registrar.

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

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## 4. DETAILS OF OUR IPO

### 4.9 BROKERAGE, UNDERWRITING COMMISSION AND PLACEMENT FEE

#### 4.9.1 Brokerage fee

We will bear the brokerage fees to be incurred on the issuance and allotment of the 112,000,000 Issue Shares pursuant to our IPO under **Sections 4.3.1(i) and 4.3.1(ii)** of this Prospectus at the rate of 1.00% of the IPO Price in respect of successful Applications which bear the stamp of TA Securities, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and / or the Issuing House. The brokerage fee is subject to SST.

#### 4.9.2 Underwriting commission

TA Securities, as our Underwriter, has agreed to underwrite 112,000,000 Issue Shares as set out in **Sections 4.3.1(i) and 4.3.1(ii)** of this Prospectus. We will pay our Underwriter an underwriting commission at the rate of 2.50% of the total value of the Issue Shares underwritten at the IPO Price. The underwriting commission is subject to SST.

#### 4.9.3 Placement fee

TA Securities, as our Placement Agent, has agreed to place out 192,500,000 Issue Shares made available by way of private placement to Bumiputera investors approved by the MITI as set out in **Section 4.3.1(iii)** of this Prospectus. We will pay our Placement Agent a placement fee at the rate of up to 2.50% of the total value of the Issue Shares placed out by the Placement Agent at the IPO Price. The placement fee is subject to SST.

TA Securities has also agreed to place out the 154,000,000 Offer Shares made available by way of private placement to selected investors as set out in **Section 4.3.2** of this Prospectus at the same placement fee rate. The placement fee to be incurred on the sale of the Offer Shares will be fully borne by our Offerors.

As our Placement Agent, TA Securities is entitled to charge brokerage commission of up to 1.00% to private placement investors as set out in **Sections 4.3.1(iii) and 4.3.2** of this Prospectus. For the avoidance of doubt, such brokerage commission will be paid by the relevant private placement investors and will not be borne by us nor the Offerors.

### 4.10 UNDERWRITING ARRANGEMENT

Our Company had on 11 March 2026 entered into the Underwriting Agreement with our Underwriter, whereby our Underwriter has agreed to underwrite 112,000,000 Issue Shares made available for application by the Malaysian Public via balloting and the Eligible Persons ("**Underwritten Shares**"), upon the terms and subject to the conditions as set out in the Underwriting Agreement.

The salient terms of the Underwriting Agreement are summarised below:

In consideration of the underwriting commission payable to the Underwriter as stated in Clause 11.1 (Underwriter's Commission Payable) and relying upon each of the representations, warranties as well as covenants and undertakings by the Company as set out in the Underwriting Agreement and subject to the fulfillment of the conditions precedent set out below and the Underwriter shall be entitled at its absolute discretion to determine (including fixing and / or varying) the issuance date (including all delayed issuance dates, if any) of the Prospectus which shall be a date not later than 2 months from the date of the Underwriting Agreement, and at the request of the Company, the Underwriter has agreed to subscribe and / or procure subscribers for the Underwritten Shares not taken up or duly applied for by 5.00 p.m. on the last date and time for the receipt of applications and payment for the Issue Shares in accordance with the Prospectus or any such date as may be extended from time to time which the Company and the Underwriter may mutually agree upon ("**Closing Date**"), upon the terms

**4. DETAILS OF OUR IPO**

and subject to the conditions contained in the Underwriting Agreement.

**Conditions precedent**

- (i) Unless waived, wholly or in part, by the Underwriter in its absolute discretion (in which case any condition precedent or any part thereof so waived shall be deemed to have been satisfied), the obligations of the Underwriter under the Underwriting Agreement shall be conditional upon the fulfilment and/or satisfaction of the following:
  - (a) the approval for Listing from Bursa Securities remaining valid and have not been revoked or amended and all the conditions imposed therein which have to be complied by the Company prior to Listing, have been complied by the Company;
  - (b) all other necessary approvals and consents required in relation to the Public Issue and the Listing including but not limited to governmental approvals having been obtained and are in full force and effect;
  - (c) the issue of the Issue Shares having been approved by the shareholders of the Company;
  - (d) the issue and subscription of the Issue Shares in accordance with the provisions of the Underwriting Agreement is not being prohibited by any statute, order, rule, regulation, directive or guideline (whether or not having the force of law) promulgated or issued by any legislative, executive or regulatory body or authority of Malaysia (including Bursa Securities);
  - (e) the Prospectus having been registered with Bursa Securities and lodged with the Registrar of Companies of the CCM together with all the required documents in accordance with the Listing Requirements, CMSA, the Act and the relevant laws and regulations;
  - (f) there having been, on or prior to the Closing Date, no material breach of any representation, warranty, covenant, undertaking or obligation of the Company in the Underwriting Agreement or which is contained in any certificate, statement, or notice provided under or in connection with the Underwriting Agreement or which proves to be incorrect in any material respect;
  - (g) there having been, on or prior to the Closing Date, no material adverse change, or any development involving a prospective material adverse change, in the financial condition or business or operations of the Group or in the prospects or future financial condition or business or operations of the Group (which will be material in the context of the Public Issue and the sale of any Underwritten Shares) from that set forth in the Prospectus, nor the occurrence of any event nor the discovery of any fact rendering materially inaccurate, untrue or incorrect to such extent which is or will be material in any of the representations, warranties, covenants and undertakings and obligations of the Company contained in the Underwriting Agreement;
  - (h) the Underwriter receiving a copy certified by a director or secretary of the Company to be a true resolution of the Board approving the Listing, the Prospectus (including a confirmation that the Board, collectively and individually, accept full responsibility for the accuracy of all information stated in the Prospectus) and the Underwriting Agreement, the issue and offer of the Issue Shares and authorising a person or persons to sign the Underwriting Agreement on behalf of the Company; and

#### 4. DETAILS OF OUR IPO

- (i) the Underwriter having been satisfied that arrangements have been made by the Company to ensure payment of the cost and expenses referred to in Clause 16 (Costs and Expenses) of the Underwriting Agreement.

##### **Termination or force majeure**

- (ii) Notwithstanding anything contained in the Underwriting Agreement, the Underwriter may by notice in writing to the Company given at any time before the date of Listing, terminate, cancel and withdraw its commitment to underwrite the Underwritten Shares if:
  - (a) the approval of Bursa Securities for the Listing is revoked, withdrawn or procured but subject to the conditions not acceptable to the Underwriter;
  - (b) there is any material breach by the Company of any of the representations, warranties, covenants or undertakings contained in Clause 4 (Representations and Warranties by the Company) and Clause 5 (Covenants and Undertakings by the Company) of the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated in the notice given to the Company;
  - (c) there is a material failure on the part of the Company to perform any of its obligations contained in the Underwriting Agreement;
  - (d) there is withholding of information of a material nature from the Underwriter which is required to be disclosed pursuant to the Underwriting Agreement which, in the reasonable opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of the Group, the success of the Public Issue or Listing, or the distribution or sale of the Issue Shares;
  - (e) there shall have occurred, or happened any material and adverse change in the business or financial condition of the Group;
  - (f) the Listing does not take place within 3 months from the date of the Underwriting Agreement or such other extended date as may be agreed by the Underwriter;
  - (g) the imposition of any moratorium, suspension or material restriction on trading in securities generally on ACE Market due to exceptional financial circumstances or otherwise which, in the reasonable opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of the Group, the success of the Public Issue, or the distribution or sale of the Issue Shares;
  - (h) a material adverse change in the stock market condition occurs, and for the purposes of this clause, a material adverse change in the stock market condition shall be deemed to have occurred if the FTSE Bursa Malaysia KLCI ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:
    - (i) on or after the date of the Underwriting Agreement; and
    - (ii) prior to the allotment of the Issue Shares,

lower than 90% of the level of Index at the last close of normal trading on Bursa Securities on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least 3 consecutive Market Days or any other adverse change in the market conditions which the Parties

**4. DETAILS OF OUR IPO**

mutually agree to be sufficiently material and adverse to render it to be a terminating event; or

- (i) there shall have occurred, or happened any of the following circumstances:
  - (i) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or
  - (ii) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of the Underwriter (including without limitation, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents);

which, 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 Group as a whole or the success of the Public Issue or Listing 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.

- (iii) In the event that the Underwriting Agreement is terminated by the Underwriter pursuant to Paragraph (ii) above, the Underwriter and the Company may confer with a view to deferring the Public Issue by amending the terms of the Underwriting Agreement and entering into a new underwriting agreement accordingly, but neither the Underwriter nor the Company shall be under any obligation to enter into a fresh agreement.
- (iv) Upon any such notice(s) being given pursuant to Paragraph (ii) above, the Underwriter shall be released and discharged from their obligations under the Underwriting Agreement whereupon the following shall take place within 3 Market Days of the receipt of such notice:
  - (a) the Company shall make payment of underwriting commission to the Underwriter in accordance with Clause 11.2 (Underwriter's Commission Payable on Termination) of the Underwriting Agreement;
  - (b) the Company shall pay or reimburse to the Underwriter the costs and expenses referred to in Clause 16 (Costs and Expenses) of the Underwriting Agreement; and
  - (c) each Party shall return all other monies (in the case of the Underwriter, after deducting the underwriting commission due and owing to the Underwriter under the Underwriting Agreement) including but not limited to the subscription monies paid to the other Party under the Underwriting Agreement (except for monies paid by the Company for the payment of the expenses as provided under the Underwriting Agreement),

and thereafter, the Underwriting Agreement shall be terminated and of no further force and effect and none of the Parties shall have a claim against the other save and except in respect of any antecedent breaches.



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

### 5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

#### 5.1.1 Promoters and substantial shareholders' shareholdings

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

| Name                                                 | Before our IPO / As at the LPD |       |                | After our IPO  |       |                |
|------------------------------------------------------|--------------------------------|-------|----------------|----------------|-------|----------------|
|                                                      | Direct                         |       | Indirect       | Direct         |       | Indirect       |
|                                                      | No. of Shares                  | (1)%  |                | No. of Shares  | (2)%  |                |
| <b><u>Promoters and substantial shareholders</u></b> |                                |       |                |                |       |                |
| Loo Sok Ching                                        | 344,457,400                    | 27.88 | (3)546,338,100 | (4)288,863,396 | 18.76 | (3)503,572,302 |
| Lim Te Hua                                           | 139,117,300                    | 11.26 | -              | (5)116,664,102 | 7.58  | -              |
| <b><u>Promoter</u></b>                               |                                |       |                |                |       |                |
| Shankar A/L Narasingam                               | 57,574,300                     | 4.66  | -              | (6)48,272,699  | 3.13  | -              |
| <b><u>Substantial shareholders</u></b>               |                                |       |                |                |       |                |
| Wong Kim Fatt                                        | 264,891,200                    | 21.44 | (3)625,904,300 | (7)222,125,402 | 14.42 | (3)570,310,296 |
| Ban Kim Wah                                          | 148,012,900                    | 11.98 | -              | (8)124,127,501 | 8.06  | -              |
| GreenEdge                                            | 281,446,900                    | 22.78 | -              | 281,446,900    | 18.28 | -              |

**Notes:**

- (1) Based on our enlarged total number of 1,235,500,000 Shares after the Acquisition of 5ERSB and before our IPO / as at the LPD.
- (2) Based on our enlarged total number of 1,540,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of the Shares held by his / her spouse and his / her direct interests in GreenEdge pursuant to Section 8 of the Act.
- (4) After the sale of 55,594,004 Shares pursuant to the Offer for Sale.
- (5) After the sale of 22,453,198 Shares pursuant to the Offer for Sale.
- (6) After the sale of 9,301,601 Shares pursuant to the Offer for Sale.

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

(7) After the sale of 42,765,798 Shares pursuant to the Offer for Sale.

(8) After the sale of 23,885,399 Shares pursuant to the Offer for Sale.

Our Promoters and substantial shareholders do not have different voting rights from other shareholders of our Company.

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

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

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

### 5.1.2 Profiles of Promoters and substantial shareholders

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

(i) **Loo Sok Ching**

*Promoter, substantial shareholder and Non-Independent Non-Executive Chairperson*

Loo Sok Ching, a Malaysian female aged 68, is our Promoter, substantial shareholder and Non-Independent Non-Executive Chairperson. She was appointed to our Board on 19 May 2025. Leveraging on her experience in the industry in which our Group operates, she is mainly responsible for leading our Board in the collective oversight of our Group's management as well as overseeing our Group's corporate governance framework in complying with the relevant legal and regulatory requirements governing our Group's operations.

Loo Sok Ching obtained her Malaysian Certificate of Education from Sekolah Menengah Inggeris Batu Pahat in 1976.

She began her career in 1977 as an administrative and clerical personnel in Guan Heng Trading Company. She left this employment in 1982 and joined Wanfy (M) Sdn Bhd as an administrative and clerical personnel. Throughout her years in the company, she gradually assumed the role of overseeing the overall finance and administrative functions of the company up to her departure in 1997.

In 1997, she joined TS Heuls as a General Manager where she was responsible for overseeing the finance and administrative functions. In 2007, she became a director of TS Heuls mainly responsible for managing both the revenue generation and cost control functions of the company.

She was also a director of 5ERSB from 2007 up to 2010, after which she was appointed as an advisor to 5ERSB where she provided strategic advice and guidance on business development and corporate planning. She was subsequently re-appointed as director of 5ERSB in 2021 and has since been responsible for the overall corporate strategy of the company.

In 2021, she became the Executive Chairperson of 5E Singapore, which was subsequently listed on the Catalist Board of Singapore Exchange Securities Trading Limited in May 2022 but delisted in March 2025. She was then mainly responsible for the overall corporate strategy of the group. As at the LPD, she continues to hold the position of director of 5E Singapore.

In May 2025, she resigned as a director of 5ERSB and TS Heuls and assumed the role of Non-Independent Non-Executive Chairperson of our Company in the same month.

As at the LPD, save for her role as our Non-Independent Non-Executive Chairperson, she does not hold any directorship in other public companies in Malaysia. Please refer to **Section 5.2.3** of this Prospectus for further details of her directorships and involvement in other companies outside our Group as at the LPD.

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

### (ii) **Lim Te Hua**

*Promoter, substantial shareholder, Executive Director and CEO*

Lim Te Hua, a Malaysian male aged 53, is our Promoter, substantial shareholder, Executive Director and CEO. He was appointed to our Board on 19 May 2025. He is mainly responsible for our Group's overall management and execution of corporate strategies as well as development of our Group's business. He has 29 years of experience in the waste management industry.

Lim Te Hua graduated with a Bachelor of Science from Campbell University, United States of America in 1997. He further obtained a Master of Business Administration (MBA) from Akamai University, United States of America in 2007.

He is a Certified Environmental Professional recognised by the DOE in Scheduled Waste Management (CePSWam) since 2011 and in the Operation of Industrial Effluent Treatment System – Physical Chemical Processes (CePIETSO-PCP) since 2012. He is also a member of the Malaysian Institute of Chemistry since 2019.

He began his career in 1997 as a Chemist in TS Heuls where he was mainly responsible for promoting sales of chemical products and providing technical support to customers for wastewater treatment services. In 2001, he became a director of TS Heuls and has since been responsible for managing the company's operations.

In 2006, he took on an additional role as a Chemist in 5ERSB where he assumed the overall responsibility for the initial setting up of 5ERSB's business operations. He assumed the role of Director and CEO of 5ERSB in 2008 following the company's commencement of operations.

In 2022, he was appointed as an Executive Director of 5E Singapore, which was then listed on the Catalist Board of Singapore Exchange Securities Trading Limited, and subsequently resigned from the board in June 2025 following the delisting of 5E Singapore in March 2025.

As at the LPD, save for his role as our Executive Director, he does not hold any directorship in other public companies in Malaysia. Please refer to **Section 5.2.3** of this Prospectus for further details of his directorships and involvement in other companies outside our Group as at the LPD.

### (iii) **Shankar A/L Narasingam**

*Promoter, Executive Director and COO*

Shankar A/L Narasingam, a Malaysian male aged 59, is our Promoter, Executive Director and COO. He was appointed to our Board on 20 June 2025. He is mainly responsible for overseeing our Group's business operations including production, logistics, and safety and health functions.

Shankar A/L Narasingam graduated with a Bachelor of Science (Environment) from Universiti Pertanian Malaysia in 1992.

In 1992, he began his career in Hitachi Electronic Devices (M) Sdn Bhd and was subsequently promoted to Assistant Manager in 1997. He was the overall-in-charge person of, among others, the electrical system, firefighting system, building automation system, wastewater treatment plant, scheduled waste and total air pollution control.

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

In 2001, he left Hitachi Electronic Devices (M) Sdn Bhd and joined TS Heuls as Technical Director mainly responsible for the technical aspects of the business as well as the design of wastewater treatment plants.

Following his departure from TS Heuls in 2001, he focused on the day-to-day operations and development of CVision Trading Sdn Bhd, a company set up by him and principally involved in the trading of spare parts for air conditioner, until 2006, after which the company ceased operations and was subsequently dissolved in 2011.

In 2007, he joined 5ERSB as Technical Director where he was mainly responsible for overseeing all technical matters and business operations of 5ERSB. In 2020, he was promoted to his current position undertaking similar job roles.

In 2022, he was appointed as an Executive Director of 5E Singapore, which was then listed on the Catalist Board of Singapore Exchange Securities Trading Limited, and subsequently resigned from the board in June 2025 following the delisting of 5E Singapore in March 2025.

As at the LPD, save for his role as our Executive Director, he does not hold any directorship in other public companies in Malaysia. Please refer to **Section 5.2.3** of this Prospectus for further details of his directorships and involvement in other companies outside our Group as at the LPD.

### (iv) **Wong Kim Fatt** *Substantial shareholder*

Wong Kim Fatt, a Malaysian male aged 69, is our substantial shareholder.

Wong Kim Fatt attended secondary education at Dato Jaafar Secondary School, Johor up to 1975.

He began his career in 1976 as a trainee in a hardware trading business in Johor Bahru and left this employment in 1980. In the same year, he set up Syarikat Wanfy, a partnership business involved in the trading of hardware. In 1982, he set up Wanfy (M) Sdn Bhd to assume the business operations of Syarikat Wanfy and the company gradually grew into a dealer and distributor of general hardware and spare parts of equipment and machinery. He held the position of a director and shareholder of Wanfy (M) Sdn Bhd since the incorporation of the company until 2020.

In 1997, he became a shareholder of TS Heuls to invest in the business of chemical trading and provision of maintenance services for wastewater treatment plant following the invitation from his brother, Ban Kim Wah.

In 2008, he became a shareholder and director of 5ERSB and continued to hold the position of Director until 2010. In 2010, he was appointed as a marketing advisor in 5ERSB to provide strategic advice and guidance in sales and marketing matters. In 2022, he discontinued his role as a marketing advisor of 5ERSB.

He currently focuses on the day-to-day operations of Wencor, which is principally involved in supply chain management of vacuum cleaner spare parts and manufacturing of plastic injection moulding.

As at the LPD, save for his role as the director of Johore Bahru Foon Yew Associated Chinese Schools, he does not hold any directorship in any public companies in Malaysia.

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

**(v) Ban Kim Wah**  
*Substantial shareholder*

Ban Kim Wah, a Malaysian male aged 64, is our substantial shareholder.

Ban Kim Wah obtained his Malaysian Certificate of Education from Dato Jaafar Secondary School, Johor in 1980.

He began his career in 1981 as a sales personnel in Syarikat Wanfy mainly responsible for marketing and sourcing of materials. He subsequently joined Wanfy (M) Sdn Bhd in 1982 undertaking similar job roles. He remained in this role until his departure from the company in 1997.

In 1997, he co-founded TS Heuls to trade chemicals as well as to provide maintenance services for wastewater treatment plant. He has been a director of the company since then until 2021. He was mainly responsible for developing and executing strategic plans and marketing strategies to expand the company's footprint in the wastewater treatment industry.

In 2000, he co-founded Wentel Engineering as a shareholder and was appointed as a director in 2003 to oversee the overall development of the company. In 2023, he resigned as a director of Wentel Engineering and has since assumed the role of Non-Independent Non-Executive Chairman of Wentel Engineering Holdings, a company listed on the ACE Market.

In 2008, he became a director and shareholder of 5ERSB and continued to hold the position of a director of 5ERSB until 2010. In 2010, he was appointed as a marketing advisor in 5ERSB to provide strategic advice and guidance in sales and marketing matters. In 2022, he discontinued his role as a marketing advisor of 5ERSB.

He currently focuses on the day-to-day operations of BNx Delight Holding Sdn Bhd, which is principally involved in F&B businesses.

As at the LPD, save for his role as the Non-Independent Non-Executive Chairman of Wentel Engineering Holdings, he does not hold any directorship in other public companies in Malaysia.

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

### (vi) **GreenEdge** *Substantial shareholder*

GreenEdge was incorporated on 5 August 2024 in Malaysia under the Act as a private limited company. As at the LPD, the issued share capital of GreenEdge is RM1,000 comprising 1,000 ordinary shares. GreenEdge is principally involved in the activities of holding companies.

As at the LPD, the directors of GreenEdge are Loo Sok Ching and Lim Te Hua. The shareholders of GreenEdge and their respective shareholdings as at the LPD are as follows:

| Name                   | Direct        |               | Indirect           |       |
|------------------------|---------------|---------------|--------------------|-------|
|                        | No. of Shares | %             | No. of Shares      | %     |
| Wong Kim Fatt          | 278           | 27.80         | <sup>(1)</sup> 361 | 36.10 |
| Loo Sok Ching          | 361           | 36.10         | <sup>(1)</sup> 278 | 27.80 |
| Ban Kim Wah            | 155           | 15.50         | -                  | -     |
| Lim Te Hua             | 146           | 14.60         | -                  | -     |
| Shankar A/L Narasingam | 60            | 6.00          | -                  | -     |
| <b>Total</b>           | <b>1,000</b>  | <b>100.00</b> | -                  | -     |

Note:

(1) Deemed interested by virtue of the shares held by his / her spouse.

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

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

The changes in the shareholdings of our Promoters and substantial shareholders since our incorporation on 19 May 2025 up to the LPD are as follows:

| Name                                          | As at incorporation |       |               | Before our IPO / As at the LPD |                |          |
|-----------------------------------------------|---------------------|-------|---------------|--------------------------------|----------------|----------|
|                                               | Direct              |       | Indirect      | Direct                         |                | Indirect |
|                                               | No. of Shares       | (1)%  | No. of Shares | (1)%                           | No. of Shares  | (2)%     |
| <b>Promoters and substantial shareholders</b> |                     |       |               |                                |                |          |
| Loo Sok Ching                                 | 2,788               | 27.88 | (3)4,422      | 44.22                          | 344,457,400    | 27.88    |
| Lim Te Hua                                    | 1,126               | 11.26 | -             | -                              | 139,117,300    | 11.26    |
| <b>Promoter</b>                               |                     |       |               |                                |                |          |
| Shankar A/L Narasingam                        | 466                 | 4.66  | -             | -                              | 57,574,300     | 4.66     |
| <b>Substantial shareholders</b>               |                     |       |               |                                |                |          |
| Wong Kim Fatt                                 | 2,144               | 21.44 | (3)5,066      | 50.66                          | 264,891,200    | 21.44    |
| Ban Kim Wah                                   | 1,198               | 11.98 | -             | -                              | 148,012,900    | 11.98    |
| GreenEdge                                     | 2,278               | 22.78 | -             | -                              | 281,446,900    | 22.78    |
|                                               |                     |       |               |                                | (3)625,904,300 | 50.66    |
|                                               |                     |       |               |                                | -              | -        |
|                                               |                     |       |               |                                | -              | -        |

**Notes:**

- (1) Based on our total number of 10,000 Shares as at the date of incorporation.
- (2) Based on our total number of 1,235,500,000 Shares after the Acquisition of 5ERSB and before our IPO / as at the LPD.
- (3) Deemed interested by virtue of the Shares held by his / her spouse and his / her direct interests in GreenEdge pursuant to Section 8 of the Act.

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

### 5.1.4 Amounts / Benefits paid or intended to be paid to our Promoters and / or substantial shareholders

Save for the issuance of our Shares as disclosed in **Section 6.2.2** of this Prospectus, aggregate remuneration and benefits paid or proposed to be paid for services rendered to our Group in all capacities as disclosed in **Section 5.2.4** of this Prospectus, and dividends to be paid to our shareholders as disclosed in **Section 12.10** of this Prospectus<sup>(1)</sup>, there are no other amounts or benefits that have been paid or is intended to be paid to our Promoters and / or substantial shareholders within the 2 years preceding the date of this Prospectus.

Note:

- (1) We had on 11 March 2026 declared interim dividend of 0.43 sen per Share in respect of the FYE 2025, amounting to approximately RM6.62 million based on our enlarged total number of 1,540,000,000 Shares upon Listing.

The amount of dividend payable to our Promoters and / or substantial shareholders (based on their respective shareholdings in our Company after our IPO) are as follows:

| Name                                          | RM'000 |
|-----------------------------------------------|--------|
| <u>Promoters and substantial shareholders</u> |        |
| Loo Sok Ching                                 | 1,242  |
| Lim Te Hua                                    | 502    |
| <u>Promoter</u>                               |        |
| Shankar A/L Narasingam                        | 208    |
| <u>Substantial shareholders</u>               |        |
| Wong Kim Fatt                                 | 955    |
| Ban Kim Wah                                   | 534    |
| GreenEdge                                     | 1,210  |

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

**5.2 BOARD OF DIRECTORS**

Our Board comprises the following members (all of whom are Malaysian):

| Director                   | Designation                               | Age | Date of appointment |
|----------------------------|-------------------------------------------|-----|---------------------|
| Loo Sok Ching (F)          | Non-Independent Non-Executive Chairperson | 68  | 19 May 2025         |
| Lim Te Hua (M)             | Executive Director and CEO                | 53  | 19 May 2025         |
| Shankar A/L Narasingam (M) | Executive Director and COO                | 59  | 20 June 2025        |
| Wang Sze Min (F)           | Independent Non-Executive Director        | 53  | 21 August 2025      |
| Siow Chin How (M)          | Independent Non-Executive Director        | 47  | 21 August 2025      |
| Wang Han Lin (M)           | Independent Non-Executive Director        | 58  | 21 August 2025      |
| Tan Suan See (F)           | Independent Non-Executive Director        | 62  | 21 August 2025      |

Notes:

(M) refers to male.

(F) refers to female.

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

### 5.2.1 Directors' shareholdings

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

| Name                   | Before our IPO / As at the LPD |       |                | After our IPO  |       |                |
|------------------------|--------------------------------|-------|----------------|----------------|-------|----------------|
|                        | Direct                         |       | Indirect       | Direct         |       | Indirect       |
|                        | No. of Shares                  | (1)%  |                | No. of Shares  | (2)%  |                |
| Loo Sok Ching          | 344,457,400                    | 27.88 | (3)546,338,100 | (4)288,863,396 | 18.76 | (3)503,572,302 |
| Lim Te Hua             | 139,117,300                    | 11.26 | -              | (5)116,664,102 | 7.58  | -              |
| Shankar A/L Narasingam | 57,574,300                     | 4.66  | -              | (6)48,272,699  | 3.13  | -              |
| Wang Sze Min           | -                              | -     | -              | (7)1,000,000   | 0.06  | -              |
| Siow Chin How          | -                              | -     | -              | (7)1,000,000   | 0.06  | -              |
| Wang Han Lin           | -                              | -     | -              | (7)1,000,000   | 0.06  | -              |
| Tan Suan See           | -                              | -     | -              | (7)1,000,000   | 0.06  | -              |

Notes:

- (1) Based on our total number of 1,235,500,000 Shares after the Acquisition of 5ERSB and before our IPO / as at the LPD.
- (2) Based on our enlarged total number of 1,540,000,000 Shares after our IPO.
- (3) Deemed interested by virtue of the Shares held by her spouse and her direct interests in GreenEdge pursuant to Section 8 of the Act.
- (4) After the sale of 55,594,004 Shares pursuant to the Offer for Sale.
- (5) After the sale of 22,453,198 Shares pursuant to the Offer for Sale.
- (6) After the sale of 9,301,601 Shares pursuant to the Offer for Sale.
- (7) Assuming that he / she fully subscribes for the Pink Form Shares allocated to him / her.

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

### 5.2.2 Profiles of Directors

The profiles of Loo Sok Ching (Non-Independent Non-Executive Chairperson), Lim Te Hua and Shankar A/L Narasingam (both Executive Directors), who are also our Promoters and / or substantial shareholders, are disclosed in **Section 5.1.2** of this Prospectus.

The profiles of our Independent Non-Executive Directors are as follows:

**(i) Wang Sze Min**  
*Independent Non-Executive Director*

Wang Sze Min, a Malaysian female aged 53, is our Independent Non-Executive Director. She was appointed to our Board on 21 August 2025. She is the Chairperson of our ARMC and also a member of our Nomination Committee.

Wang Sze Min graduated with a Bachelor of Commerce from University of Adelaide, Australia in 1997. Since 2001, she is a Chartered Accountant of the Malaysian Institute of Accountant (MIA).

In 1997, she began her career as an Audit Assistant in H.L. Lim & Co and was subsequently promoted to Audit Senior and Audit Manager in 1999 and 2003 respectively. She was involved in both audit assignments as well as overseeing the operations of the firm's branch office. She left the firm in 2007.

Since 2007, she provides accounting services to small and medium businesses under Wang Accounting Services, a sole proprietorship. In 2017, she further assumed the role of Chief Operations Officer of T.J. Wang Accounting Management Sdn Bhd where she is mainly responsible for the operations of the company including resources planning and customer management.

Since 2021, she also provides management and consultancy services as a Partner of Wang & Partners PLT, a limited liability partnership.

As at the LPD, she is concurrently involved in her roles in Wang Accounting Services, T.J. Wang Accounting Management Sdn Bhd and Wang & Partners PLT.

As at the LPD, save for her role as an Independent Non-Executive Director of our Company and Wentel Engineering Holdings, as well as a director of Johore Bahru Foon Yew Associated Chinese Schools, she does not hold any directorship in other public companies in Malaysia. Please refer to **Section 5.2.3** of this Prospectus for further details of her directorships and involvement in other companies outside our Group as at the LPD.

**(ii) Siow Chin How**  
*Independent Non-Executive Director*

Siow Chin How, a Malaysian male aged 47, is our Independent Non-Executive Director. He was appointed to our Board on 21 August 2025. He is the Chairperson of our Remuneration Committee and also a member of our ARMC and Nomination Committee.

Siow Chin How graduated with a Bachelor of Arts (Hons) in Accountancy and Finance from University of Abertay Dundee, United Kingdom in 2002. He subsequently obtained a Master of Business Administration from Victoria University, Australia in 2006. He became a Chartered Member of The Institute of Internal Auditors Malaysia (CMIIA) in 2008. He has been a Chartered Accountant of Singapore of the Institute of Singapore Chartered Accountants, a Certified Practicing Accountant of CPA Australia, and a Chartered Accountant of the MIA since 2015.

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

In 2002, he began his career as an Internal Auditor in Persekutuan Tiong-Hua. He was then mainly involved in evaluating the adequacy of the system of internal controls of the company. He left this employment in 2003.

In 2003, he joined Maya Manufacturing & Trading Company (Malaysia) Sdn Bhd as an Internal Auditor where he was mainly responsible for evaluating the adequacy of and recommending improvements in internal controls of the company as well as assessing various departments' compliance with the company's policies and procedures. In 2010, he was promoted to Head of Corporate Division to oversee the overall corporate matters of the company. He left this employment in 2014.

Since 2014, he has been the Finance Director of Maya Asia Resources Sdn Bhd where he is mainly responsible for internal audit, internal control and finance functions as well as corporate matters of the company. He is also the Group Chief Financial Officer of Maya Asia Resources Pte Ltd, a subsidiary of Maya Asia Resources Sdn Bhd, since 2015 mainly responsible for the overall finance functions of the company.

In March 2017, he was concurrently appointed as the Group Financial Controller in JES International Holdings Limited, a company which was then principally involved in shipbuilding business and listed on the Main Board of Singapore Exchange Securities Trading Limited. His appointment was in connection with JES International Holdings Limited's proposed acquisition of the entire equity interest in Maya Asia Resources Sdn Bhd. This appointment ceased in October 2017 following the termination of the said proposed acquisition.

In 2022, he was appointed as an Independent Non-Executive Director of 5E Singapore, which was then listed on the Catalist Board of Singapore Exchange Securities Trading Limited. He subsequently resigned from the board in March 2025 following the delisting of 5E Singapore in the same month.

As at the LPD, save for his role as an Independent Non-Executive Director of our Company and Wentel Engineering Holdings, as well as a director of Johore Bahru Foon Yew Associated Chinese Schools, he does not hold any directorship in other public companies in Malaysia. Please refer to **Section 5.2.3** of this Prospectus for further details of his directorships and involvement in other companies outside our Group as at the LPD.

### (iii) **Wang Han Lin** *Independent Non-Executive Director*

Wang Han Lin, a Malaysian male aged 58, is our Independent Non-Executive Director. He was appointed to our Board on 21 August 2025. He is the Chairperson of our Nomination Committee and also a member of our Remuneration Committee.

Wang Han Lin graduated with a Bachelor of Economics from Monash University, Australia in 1992 and a Bachelor of Laws from the same university in 1994. He was subsequently called to the Malaysian Bar in May 1995.

In 1995, he joined S.K. Song as a Partner mainly responsible for overseeing the overall operations of the firm, providing legal services and advising on corporate matters. He left the firm in 1999.

In 2000, he established H. L. Wang & Co where he practiced as a sole proprietor and managed the overall operations of the firm until 2001. Following the merger of H. L. Wang & Co and S.B. Wong & Co in 2002, he co-established Wang & S.B. Wong and holds the position of Managing Partner since then where he oversees the operations of the firm and focuses on conveyancing and litigation matters.

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

In 2022, he was appointed as an Independent Non-Executive Director of 5E Singapore, which was then listed on the Catalist Board of Singapore Exchange Securities Trading Limited. He subsequently resigned from the board in March 2025 following the delisting of 5E Singapore in the same month.

As at the LPD, save for his role as an Independent Non-Executive Director of our Company, he does not hold any directorship in other public companies in Malaysia. Please refer to **Section 5.2.3** of this Prospectus for further details of his directorships and involvement in other companies outside our Group as at the LPD.

**(iv) Tan Suan See**  
*Independent Non-Executive Director*

Tan Suan See, a Malaysian female aged 62, is our Independent Non-Executive Director. She was appointed to our Board on 21 August 2025. She is a member of our ARMC and Remuneration Committee.

Tan Suan See graduated with a Bachelor of Economics from Universiti Kebangsaan Malaysia in 1989.

In 1989, she began her career when she joined Sony Electronics (M) Sdn Bhd as an Officer mainly involved in the procurement of electronics and mechanical components. She left this employment in 1995.

In 1995, she joined Siemens Semiconductors Sdn Bhd (now known as Osram Opto Semiconductors (Malaysia) Sdn Bhd) as a Warehouse Senior Executive and was subsequently promoted to Warehouse Manager in 1997. During her tenure with the company, she was mainly responsible for the procurement and logistics planning functions until her departure in 2000.

From 2001 to 2018, she continued her involvement in supply chain and logistics functions of various companies.

In 2001, she joined Knowles Electronics (M) Sdn Bhd as a Senior Supply Chain Manager and was subsequently promoted to Regional Supply Chain Director in 2004. She left the company in 2007.

In the same year, she joined B.Braun Medical Industries Sdn Bhd as General Manager in Supply Chain Management. During her tenure with B.Braun Medical Industries Sdn Bhd, she was mainly responsible for overseeing procurement strategies and managing end-to-end supply chain operations across the Asia Pacific region. She left the company in 2012.

In 2012, she joined Ansell Services (Asia) Sdn Bhd as Vice President in Supply Chain & Logistics Division where she mainly led the implementation of supply chain transformation strategies such as digitalization of logistics and warehouse management processes. She left the company in 2014.

In 2014, she joined Dexion Asia Sdn Bhd as a Group General Manager in Supply Chain Division and was subsequently promoted to Group Senior General Manager in the same year. During her employment with Dexion Asia Sdn Bhd, she was mainly responsible for the end-to-end supply chain management across different regions such as Australia, New Zealand, People's Republic of China, Malaysia and Singapore. She left the company in 2016.

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

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In 2017, she joined Dyson Manufacturing Sdn Bhd as Head of Supply Chain Strategy where she was mainly responsible for formulating global supply chain strategies and integrating end-to-end supply chain network. She held this position until 2018.

In 2018, she founded Eagle Horizon Sdn Bhd and has since assumed the role of director. Through the company, she provides business management consultancy services focusing on business and supply chain transformation, digitalisation and organisation effectiveness as well as corporate training and coaching.

Since 2022, she also serves as Adjunct Professor of Supply Chain Management in UNITAR International University where she leverages her extensive industry experience to enhance the academic syllabus by providing practical insights.

As at the LPD, save for her role as an Independent Non-Executive Director of our Company, she does not hold any directorship in other public companies in Malaysia. Please refer to **Section 5.2.3** of this Prospectus for further details of her directorships and involvement in other companies outside our Group as at the LPD.

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

### 5.2.3 Principal directorships and principal business activities performed outside our Group

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

(i) **Loo Sok Ching**

| Company                                                 | Involvement              | Date appointed as director / partner | Date resigned / ceased as director / partner | Equity interest as at the LPD (%) |                       | Principal activities                                                                                                               |
|---------------------------------------------------------|--------------------------|--------------------------------------|----------------------------------------------|-----------------------------------|-----------------------|------------------------------------------------------------------------------------------------------------------------------------|
|                                                         |                          |                                      |                                              | Direct                            | Indirect              |                                                                                                                                    |
| Present involvement                                     |                          |                                      |                                              |                                   |                       |                                                                                                                                    |
| Ocean Megaview Sdn Bhd                                  | Director and shareholder | 8 November 2012                      | -                                            | 58.92                             | 41.08 <sup>(1)</sup>  | General trading, investments, properties                                                                                           |
| Wencor                                                  | Director and shareholder | 2 August 2002                        | -                                            | 58.92                             | 41.08 <sup>(1)</sup>  | Engaged in supply chain management of vacuum cleaner spare parts and manufacturing of plastic injection moulding                   |
| Golden Oriental Realty Sdn Bhd                          | Director and shareholder | 1 April 2010                         | -                                            | 50.00                             | 50.00 <sup>(1)</sup>  | Property developer                                                                                                                 |
| Sutera Potensi Sdn Bhd                                  | Director and shareholder | 30 December 2011                     | -                                            | 53.13                             | 46.87 <sup>(1)</sup>  | Property investment                                                                                                                |
| Wei Wei Property Sdn Bhd                                | Director and shareholder | 6 December 2011                      | -                                            | 50.00                             | 50.00 <sup>(1)</sup>  | To carry on the business as hotel and mini-mart operators and also involve in the realty business and investment landed properties |
| Grandhill Property Sdn Bhd                              | Director and shareholder | 18 April 2012                        | -                                            | 99.90                             | 0.10 <sup>(1)</sup>   | To acquire property for investment and realty management purposes                                                                  |
| Maya Manufacturing & Trading Company (Malaysia) Sdn Bhd | Director and shareholder | 26 December 2024                     | -                                            | -                                 | 100.00 <sup>(2)</sup> | Supplies and trading of food and sundries items                                                                                    |



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

| Company                         | Involvement              | Date appointed as director / partner | Date resigned / ceased as director / partner | Equity interest as at the LPD (%) |                       | Principal activities                                                                                                                                                                                                                                                                    |
|---------------------------------|--------------------------|--------------------------------------|----------------------------------------------|-----------------------------------|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                 |                          |                                      |                                              | Direct                            | Indirect              |                                                                                                                                                                                                                                                                                         |
| Wencor Holdings Sdn Bhd         | Director and shareholder | 19 March 2021                        | -                                            | 30.00                             | 70.00 <sup>(1)</sup>  | Activities of an investment and property holding companies; property development and assets management; planters, cultivators, sellers, purchasers, distributors, importers, exporters and stokist of durians, tropical fruits and other agriculture crops within domestic and overseas |
| Kersani Food (M) Sdn Bhd        | Director and shareholder | 12 September 2023                    | -                                            | 63.00                             | -                     | Manufacture of other food products N.E.C                                                                                                                                                                                                                                                |
| GreenEdge                       | Director and shareholder | 5 August 2024                        | -                                            | 36.10                             | 27.80 <sup>(1)</sup>  | Activities of holding companies and currently our substantial shareholder                                                                                                                                                                                                               |
| Twin Galaxy Development Sdn Bhd | Director and shareholder | 23 September 2024                    | -                                            | -                                 | 100.00 <sup>(2)</sup> | Construction of buildings N.E.C.; buying, selling, renting and operating of self-owned or leased real estate – residential buildings; real estate activities with own or leased property N.E.C.                                                                                         |
| Wentel Engineering Holdings     | Shareholder              | -                                    | -                                            | 0.60                              | 53.18 <sup>(3)</sup>  | A company listed on the ACE Market with subsidiaries involved in the fabrication of semifinished metal products, fabrication of metal parts and assembly of finished products                                                                                                           |
| Wentel Engineering              | Shareholder              | 10 March 2005                        | 17 November 2022                             | -                                 | 100.00 <sup>(4)</sup> | Fabrication of semifinished metal products, fabrication of metal parts and assembly of finished products                                                                                                                                                                                |

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

| <b>Company</b>                                                             | <b>Involvement</b>       | <b>Date appointed as director / partner</b> | <b>Date resigned / ceased as director / partner</b> | <b>Equity interest as at the LPD (%)</b> |                       | <b>Principal activities</b>                                                           |
|----------------------------------------------------------------------------|--------------------------|---------------------------------------------|-----------------------------------------------------|------------------------------------------|-----------------------|---------------------------------------------------------------------------------------|
|                                                                            |                          |                                             |                                                     | <b>Direct</b>                            | <b>Indirect</b>       |                                                                                       |
| Wentel Engineering Pte Ltd (Incorporated in Singapore)                     | Shareholder              | 6 May 2008                                  | 30 December 2022                                    | -                                        | 100.00 <sup>(4)</sup> | Provision of sales, marketing and after sales support for metal product services      |
| 5E Singapore (Incorporated in Singapore)                                   | Director and shareholder | 18 October 2021                             | -                                                   | 27.88                                    | 44.22 <sup>(5)</sup>  | Activities of holding companies and previously the ultimate holding company of 5ERSB  |
| 5E Holdings                                                                | Shareholder              | 23 November 2020                            | 5 May 2025                                          | -                                        | 100.00 <sup>(6)</sup> | Activities of holding companies and previously the immediate holding company of 5ERSB |
| <b>Past involvement</b>                                                    |                          |                                             |                                                     |                                          |                       |                                                                                       |
| Wentel Enterprise Corporation (Incorporated in British Virgin Islands)     | Director and shareholder | 9 November 2011                             | 21 November 2023 <sup>(7)</sup>                     | -                                        | -                     | Investment holding in purchasing bonds and equities                                   |
| Aurum Holding Overseas Ltd (Incorporated in British Virgin Islands)        | Director and shareholder | 16 August 2002                              | 8 May 2024 <sup>(8)</sup>                           | -                                        | -                     | Investment holding                                                                    |
| Laurus Investment Development Ltd (Incorporated in British Virgin Islands) | Shareholder              | -                                           | -                                                   | -                                        | -                     | Investment holding                                                                    |
| Diamante Development Sdn Bhd                                               | Director and shareholder | 27 August 2010                              | 26 August 2024 <sup>(9)</sup>                       | -                                        | -                     | Investment holding company in property                                                |
| Grandhill Realty Sdn Bhd                                                   | Director                 | 19 April 2018                               | 29 July 2024                                        | -                                        | -                     | Construction of building not elsewhere classified                                     |

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

| Company                 | Involvement | Date appointed as director / partner | Date resigned / ceased as director / partner | Equity interest as at the LPD (%) |          | Principal activities               |
|-------------------------|-------------|--------------------------------------|----------------------------------------------|-----------------------------------|----------|------------------------------------|
|                         |             |                                      |                                              | Direct                            | Indirect |                                    |
| Reitozo Pacific Sdn Bhd | Director    | 16 December 2020                     | 3 October 2022                               | -                                 | -        | Trading, logistics and warehousing |

Notes:

- (1) Deemed interested by virtue of the shares held by her spouse and / or children pursuant to Section 8 of the Act. As at the LPD:
- (i) the remaining equity interests in Ocean Megaview Sdn Bhd (41.08%), Wencor (41.08%), Golden Oriental Realty Sdn Bhd (50.00%), Sutera Potensi Sdn Bhd (46.87%) and Wei Wei Property Sdn Bhd (50.00%) are held by her spouse, Wong Kim Fatt;
  - (ii) the remaining equity interests in Grandhill Property Sdn Bhd are held by her children, namely Wong Chun Wei (0.05%), Wong Ying Wei (0.04%) and Wong Ying Tung (0.01%);
  - (iii) the remaining equity interests in Wencor Holdings Sdn Bhd are held by her spouse, namely Wong Kim Fatt (30.00%) and her children, namely Wong Chun Wei (8.00%), Wong Ying Wei (8.00%), Wong Ying Jia (8.00%), Wong Ying Tung (8.00%) and Wong Ze Wei (8.00%); and
  - (iv) her spouse, Wong Kim Fatt holds 27.80% equity interests in GreenEdge.
- (2) Deemed interested by virtue of the shares held by Wencor pursuant to Section 8 of the Act. As at the LPD, Maya Manufacturing & Trading Company (Malaysia) Sdn Bhd and Twin Galaxy Development are wholly-owned by Wencor.
- (3) Deemed interested by virtue of the shares held by her spouse and Wencor pursuant to Section 8 of the Act. As at the LPD, her spouse, Wong Kim Fatt, and Wencor hold 36.79% and 16.38% equity interests in Wentel Engineering Holdings respectively.
- (4) Deemed interested by virtue of the shares held by Wentel Engineering Holdings pursuant to Section 8 of the Act. As at the LPD, Wentel Engineering and Wentel Engineering Pte Ltd are wholly-owned by Wentel Engineering Holdings.
- (5) Deemed interested by virtue of the shares held by her spouse and GreenEdge pursuant to Section 8 of the Act. As at the LPD, her spouse, Wong Kim Fatt, and GreenEdge hold 21.44% and 22.78% equity interests in 5E Singapore respectively.
- (6) Deemed interested by virtue of the shares held by 5E Singapore pursuant to Section 8 of the Act. As at the LPD, 5E Holdings is wholly-owned by 5E Singapore.

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

- (7) Wentel Enterprise Corporation has been struck off on 21 November 2023.
- (8) Aurum Holding Overseas Ltd was dissolved on 8 May 2024.
- (9) Diamante Development Sdn Bhd was dissolved on 26 August 2024.

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

(ii) Lim Te Hua

| Company                                  | Involvement              | Date appointed as director / partner | Date resigned / ceased as director / partner | Equity interest as at the LPD (%) |          | Principal activities                                                                                                                  |
|------------------------------------------|--------------------------|--------------------------------------|----------------------------------------------|-----------------------------------|----------|---------------------------------------------------------------------------------------------------------------------------------------|
|                                          |                          |                                      |                                              | Direct                            | Indirect |                                                                                                                                       |
| <b>Present involvement</b>               |                          |                                      |                                              |                                   |          |                                                                                                                                       |
| GreenEdge                                | Director and shareholder | 5 August 2024                        | -                                            | 14.60                             | -        | Activities of holding companies and currently our substantial shareholder                                                             |
| 5E Singapore (Incorporated in Singapore) | Shareholder              | 25 March 2022                        | 17 June 2025                                 | 11.26                             | -        | Activities of holding companies and previously the ultimate holding company of 5ERSB                                                  |
| <b>Past involvement</b>                  |                          |                                      |                                              |                                   |          |                                                                                                                                       |
| 5E Holdings                              | Director and shareholder | 23 November 2020                     | 20 June 2025                                 | -                                 | -        | Activities of holding companies and previously the immediate holding company of 5ERSB                                                 |
| Colorful Genesis Sdn Bhd                 | Director                 | 1 March 2019                         | 20 February 2025                             | -                                 | -        | Retail sale of articles for lighting; electrical installation not elsewhere classified; wholesale of electrical and electronics goods |

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

(iii) Shankar A/L Narasingam

| Company                                  | Involvement              | Date appointed as director / partner | Date resigned / ceased as director / partner | Equity interest as at the LPD (%) |          | Principal activities                                                                  |
|------------------------------------------|--------------------------|--------------------------------------|----------------------------------------------|-----------------------------------|----------|---------------------------------------------------------------------------------------|
|                                          |                          |                                      |                                              | Direct                            | Indirect |                                                                                       |
| <b>Present involvement</b>               |                          |                                      |                                              |                                   |          |                                                                                       |
| GreenEdge                                | Shareholder              | -                                    | -                                            | 6.00                              | -        | Activities of holding companies and currently our substantial shareholder             |
| 5E Singapore (Incorporated in Singapore) | Shareholder              | 25 March 2022                        | 17 June 2025                                 | 4.66                              | -        | Activities of holding companies and previously the ultimate holding company of 5ERSB  |
| <b>Past Involvement</b>                  |                          |                                      |                                              |                                   |          |                                                                                       |
| 5E Holdings                              | Director and shareholder | 23 November 2020                     | 20 June 2025                                 | -                                 | -        | Activities of holding companies and previously the immediate holding company of 5ERSB |
| Premier H2O Marketing Sdn Bhd            | Director                 | 20 November 2011                     | 25 February 2025                             | -                                 | -        | Distributing of various brand and type of bottled drinking water                      |

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

**(iv) Wang Sze Min**

| Company / Firm                                   | Involvement                    | Date appointed as director / partner | Date resigned / ceased as director / partner | Equity interest as at the LPD (%) |          | Principal activities                                                                                                                                                          |
|--------------------------------------------------|--------------------------------|--------------------------------------|----------------------------------------------|-----------------------------------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                  |                                |                                      |                                              | Direct                            | Indirect |                                                                                                                                                                               |
| Present involvement                              |                                |                                      |                                              |                                   |          |                                                                                                                                                                               |
| Wentel Engineering Holdings                      | Director and shareholder       | 1 June 2023                          | -                                            | 0.03                              | -        | A company listed on the ACE Market with subsidiaries involved in the fabrication of semifinished metal products, fabrication of metal parts and assembly of finished products |
| Johore Bahru Foon Yew Associated Chinese Schools | Director                       | 1 January 2020                       | -                                            | -                                 | -        | To provide, promote and support the education of the students of their schools                                                                                                |
| TJ Wang Accounting Management Sdn Bhd            | Director and shareholder       | 3 September 1997                     | -                                            | 16.08                             | -        | The principal activities of the company are the provision of management and consultancy services                                                                              |
| Wang & Partners PLT <sup>(1)</sup>               | Partner and compliance officer | 11 November 2021                     | -                                            | 50.00                             | -        | To carry on the business of providing consultancy and management services                                                                                                     |
| Wang Accounting Services                         | Sole proprietor                | -(2)                                 | -                                            | 100.00                            | -        | Commercial management and accounting services                                                                                                                                 |
| TJW Group Advisory Sdn Bhd                       | Director and shareholder       | 9 January 2026                       | -                                            | 50.00                             | -        | Providing general consultancy and business support services, including administrative, reporting and related support services                                                 |

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

| Company / Firm                     | Involvement                    | Date appointed as director / partner | Date resigned / ceased as director / partner | Equity interest as at the LPD (%) |          | Principal activities                                                 |
|------------------------------------|--------------------------------|--------------------------------------|----------------------------------------------|-----------------------------------|----------|----------------------------------------------------------------------|
|                                    |                                |                                      |                                              | Direct                            | Indirect |                                                                      |
| <b>Past Involvement</b>            |                                |                                      |                                              |                                   |          |                                                                      |
| Wang & Partners PLT <sup>(3)</sup> | Partner and compliance officer | 22 June 2021                         | 29 July 2022 <sup>(3)</sup>                  | -                                 | -        | Accounting, bookkeeping and auditing activities, and tax consultancy |

## Notes:

- (1) Refers to Wang & Partners PLT (Registration No.: 202106000027 (LLP0029631-LCA)).
- (2) Wang Sze Min became the sole proprietor on 1 January 1998.
- (3) Refers to Wang & Partners PLT (Registration No.: 202104001899 (LLP0028530-LGN)). This partnership was dissolved on 29 July 2022.

## (v) Siow Chin How

| Company                                          | Involvement              | Date appointed as director / partner | Date resigned / ceased as director / partner | Equity interest as at the LPD (%) |          | Principal activities                                                                                                                                                          |
|--------------------------------------------------|--------------------------|--------------------------------------|----------------------------------------------|-----------------------------------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                  |                          |                                      |                                              | Direct                            | Indirect |                                                                                                                                                                               |
| Present involvement                              |                          |                                      |                                              |                                   |          |                                                                                                                                                                               |
| Wentel Engineering Holdings                      | Director and shareholder | 1 June 2023                          | -                                            | 0.15                              | -        | A company listed on the ACE Market with subsidiaries involved in the fabrication of semifinished metal products, fabrication of metal parts and assembly of finished products |
| Johore Bahru Foon Yew Chinese Associated Schools | Director                 | 1 January 2018                       | -                                            | -                                 | -        | To provide, promote and support the education of the students of their schools                                                                                                |
| Maya Asia Resources Sdn Bhd                      | Director                 | 25 August 2014                       | -                                            | -                                 | -        | Investments holding in plastic manufacturing <sup>(1)</sup>                                                                                                                   |



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

| Company                                                                | Involvement | Date appointed as director / partner | Date resigned / ceased as director / partner | Equity interest as at the LPD (%) |          | Principal activities                                                                                                                             |
|------------------------------------------------------------------------|-------------|--------------------------------------|----------------------------------------------|-----------------------------------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                        |             |                                      |                                              | Direct                            | Indirect |                                                                                                                                                  |
| Maya Asia Holdings Sdn Bhd                                             | Director    | 15 December 2014                     | -                                            | -                                 | -        | Investment of properties                                                                                                                         |
| Maya Packaging Industries Sdn Bhd                                      | Director    | 15 December 2014                     | -                                            | -                                 | -        | Manufacturer of "IRO" reverse osmosis drinking water and "pet" plastic bottle                                                                    |
| Maya Plastic Sendirian Berhad                                          | Director    | 15 December 2014                     | -                                            | -                                 | -        | Manufacturing and trading of plastic products and providing moulding services on plastic products                                                |
| Maju Jaya Holdings Sdn Bhd                                             | Director    | 16 March 2015                        | -                                            | -                                 | -        | Property Investment and rental collection services                                                                                               |
| Vision Peak Sdn Bhd                                                    | Shareholder | -                                    | -                                            | 51.00                             | -        | Dormant                                                                                                                                          |
| <b>Past Involvement</b>                                                |             |                                      |                                              |                                   |          |                                                                                                                                                  |
| Bebe Malaysia Sdn Bhd                                                  | Director    | 1 January 2020                       | 22 August 2024                               | -                                 | -        | To carry on the business of pharmaceutical, health, cosmetic and baby products, trading of manufactured goods, materials and general merchandise |
| Maya Manufacturing & Trading Company (Malaysia) Sdn Bhd <sup>(2)</sup> | Director    | 8 December 2014                      | 10 July 2024                                 | -                                 | -        | Supplies and trading of food and sundries items                                                                                                  |
| Sanbury Capital Sdn Bhd                                                | Director    | 7 April 2022                         | 21 September 2022                            | -                                 | -        | Activities of holding companies                                                                                                                  |
| 5E Singapore (Incorporated in Singapore)                               | Director    | 18 October 2021                      | 14 March 2025                                | -                                 | -        | Activities of holding companies and previously the ultimate holding company of 5ERSB                                                             |

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

| Company                                                   | Involvement | Date appointed as director / partner | Date resigned / ceased as director / partner | Equity interest as at the LPD (%) |          | Principal activities                                                             |
|-----------------------------------------------------------|-------------|--------------------------------------|----------------------------------------------|-----------------------------------|----------|----------------------------------------------------------------------------------|
|                                                           |             |                                      |                                              | Direct                            | Indirect |                                                                                  |
| Wentel Engineering Pte Ltd<br>(Incorporated in Singapore) | Director    | 22 April 2022                        | 28 April 2022                                | -                                 | -        | Provision of sales, marketing and after sales support for metal product services |

Notes:

(1) As at the LPD, Maya Asia Resources Sdn Bhd holds shares in the following companies:

- (i) Maya Asia Holdings Sdn Bhd, Maya Packaging Industries Sdn Bhd, Maya Plastic Sendirian Berhad and Majujaya Holdings Sdn Bhd, principal activities of whom are set out in the table above;
  - (ii) Maya Asia Resources Pte Ltd, which is incorporated in Singapore and involved in providing management services and trading of general merchandise;
  - (iii) Maya Plastic China Co Ltd, which is incorporated in the People's Republic of China and engaged in manufacturing and trading of plastic products and providing moulding services on plastic products; and
  - (iv) Hangzhou Msf Plastic Co Ltd, which is incorporated in the People's Republic of China and engaged in manufacturing and trading of plastic products.
- (2) Maya Manufacturing & Trading Company (Malaysia) Sdn Bhd was a wholly-owned subsidiary of Maya Asia Resources Sdn Bhd. Following the acquisition of the entire equity interest in Maya Manufacturing & Trading Company (Malaysia) Sdn Bhd by Wencor in December 2024, it became a wholly-owned subsidiary of Wencor.

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

(vi) Wang Han Lin

| Company / Firm                 | Involvement              | Date appointed as director / partner | Date resigned / ceased as director / partner | Equity interest as at the LPD (%) |          | Principal activities                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------|--------------------------|--------------------------------------|----------------------------------------------|-----------------------------------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                |                          |                                      |                                              | Direct                            | Indirect |                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Present involvement            |                          |                                      |                                              |                                   |          |                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Messrs Wang & SB Wong          | Partner                  | 1 January 2002                       | -                                            | 50.00                             | -        | Law firm                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Aasis Sdn Bhd                  | Director and shareholder | 1 November 2023                      | -                                            | 10.00                             | -        | To carry on the business of civil engineering, construction and development. To carry on any other business (whether similar to any abovementioned business or not) which may seem to the company capable of being conveniently carried or in connection with the abovementioned business or any of them or calculated directly or indirectly to enhance the value of or render profitably any or right. Property developer. |
| Impian Optimis Sdn Bhd         | Director and shareholder | 20 July 2009                         | -                                            | 50.00                             | -        | Property Investment                                                                                                                                                                                                                                                                                                                                                                                                          |
| Teras Dayabumi Sdn Bhd         | Director and shareholder | 10 August 2010                       | -                                            | 50.00                             | -        | Buying, selling, renting and operating of self-owned or leased real estate – non-residential buildings                                                                                                                                                                                                                                                                                                                       |
| Wang and Wang Holdings Sdn Bhd | Director and shareholder | 14 September 2009                    | -                                            | 50.00                             | -        | Investment in properties                                                                                                                                                                                                                                                                                                                                                                                                     |

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

| Company / Firm                | Involvement              | Date appointed as director / partner | Date resigned / ceased as director / partner | Equity interest as at the LPD (%) |                      | Principal activities                                                                                                                                                                          |
|-------------------------------|--------------------------|--------------------------------------|----------------------------------------------|-----------------------------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                               |                          |                                      |                                              | Direct                            | Indirect             |                                                                                                                                                                                               |
| WHL Capital Holdings Sdn Bhd  | Director and shareholder | 14 May 2010                          | -                                            | 50.00                             | 50.00 <sup>(1)</sup> | To carry on the business of investment holdings in property                                                                                                                                   |
| Exotic Fiesta Sdn Bhd         | Director and shareholder | 13 December 2013                     | -                                            | 25.00                             | -                    | Property Investment holdings                                                                                                                                                                  |
| Bright Aim Capital Sdn Bhd    | Director and shareholder | 13 September 2012                    | -                                            | 70.00                             | -                    | Investment property                                                                                                                                                                           |
| OKB Venture Sdn Bhd           | Director and shareholder | 6 July 2012                          | -                                            | 10.00                             | -                    | General trading, investment holdings, property investment                                                                                                                                     |
| Berlian Harmoni Sdn Bhd       | Director and shareholder | 10 October 2012                      | -                                            | 10.00                             | -                    | Investment holding in property                                                                                                                                                                |
| SWWT Holdings Sdn Bhd         | Director and shareholder | 19 March 2015                        | -                                            | 25.00                             | -                    | Real estate activities with own or leased property not elsewhere classified                                                                                                                   |
| 3W Realty Sdn Bhd             | Director and shareholder | 31 May 2017                          | -                                            | 50.00                             | -                    | Property investment, general trading, investment holding                                                                                                                                      |
| Industri Taman Yaacob Sdn Bhd | Director and shareholder | 10 November 2022                     | -                                            | 10.00                             | -                    | Property development. Investment holding                                                                                                                                                      |
| KK Wang Capital Sdn Bhd       | Director and shareholder | 26 November 2018                     | -                                            | 33.33                             | -                    | Activities of holding companies; export and import of a variety of goods without any particular specialization not elsewhere classified; management of real estate on a fee or contract basis |

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

| Company / Firm                | Involvement              | Date appointed as director / partner | Date resigned / ceased as director / partner | Equity interest as at the LPD (%) |          | Principal activities                                                                                                                                              |
|-------------------------------|--------------------------|--------------------------------------|----------------------------------------------|-----------------------------------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                               |                          |                                      |                                              | Direct                            | Indirect |                                                                                                                                                                   |
| Itsy Sdn Bhd                  | Shareholder              | -                                    | -                                            | 7.00                              | -        | Land subdivision with land improvement, construction of other engineering projects not elsewhere classified, installation of non-electric solar energy collectors |
| LPY Vision Sdn Bhd            | Director and shareholder | 15 July 2025                         | -                                            | 37.50                             | -        | Activities of holding companies with its subsidiary involving in property development                                                                             |
| <b>Past Involvement</b>       |                          |                                      |                                              |                                   |          |                                                                                                                                                                   |
| Global Tone Worldwide Sdn Bhd | Director                 | 3 July 2014                          | 15 November 2022                             | -                                 | -        | Telecommunication, network system communication services                                                                                                          |
| Global Tone Marketing Sdn Bhd | Director                 | 3 July 2014                          | 15 November 2022                             | -                                 | -        | Telecommunication, network system communication services                                                                                                          |

Note:  
(1) Deemed interested by virtue of the shares held by his spouse and / or children pursuant to Section 8 of the Act.

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

(vii) **Tan Suan See**

| Company                    | Involvement              | Date appointed as director / partner | Date resigned / ceased as director / partner | Equity interest as at the LPD (%) |          | Principal activities                     |
|----------------------------|--------------------------|--------------------------------------|----------------------------------------------|-----------------------------------|----------|------------------------------------------|
|                            |                          |                                      |                                              | Direct                            | Indirect |                                          |
| <b>Present involvement</b> |                          |                                      |                                              |                                   |          |                                          |
| Eagle Horizon Sdn Bhd      | Director and shareholder | 18 January 2018                      | -                                            | 50.00                             | -        | Business management consultancy services |

The involvement of our Directors as disclosed above excludes shares held by them as minority shareholders (less than 5.00% shareholding) in public listed companies in which they do not hold any directorship. These shares are only held for trading and personal investment purposes.

Save as disclosed above, our Executive Directors are not involved in other businesses or corporations. Their involvement in corporations as shown above is not expected to affect the operations of our Group as those corporations are investment holding companies with minimal day-to-day activities.

The involvement of our Non-Executive Directors in other businesses or corporations will not affect their commitment and responsibilities to our Group as they are not involved in our day-to-day operations.

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

### 5.2.4 Directors' remuneration and material benefits-in-kind

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

#### FYE 2025 (Actual)

| Name                                  | Directors' fees<br>RM'000 | Salaries<br>RM'000 | Bonuses<br>RM'000 | Statutory<br>contributions <sup>(1)</sup><br>RM'000 | Benefits-in-kind<br>and allowances<br>RM'000 | Total<br>RM'000 |
|---------------------------------------|---------------------------|--------------------|-------------------|-----------------------------------------------------|----------------------------------------------|-----------------|
| <b><u>Executive Directors</u></b>     |                           |                    |                   |                                                     |                                              |                 |
| Lim Te Hua                            | -                         | 333                | 277               | 254                                                 | 37                                           | 901             |
| Shankar A/L Narasingam                | -                         | 206                | 188               | 166                                                 | 9                                            | 569             |
| <b><u>Non-Executive Directors</u></b> |                           |                    |                   |                                                     |                                              |                 |
| Loo Sok Ching                         | (2)-                      | 86                 | (3)289            | 172                                                 | (2)-                                         | (2)547          |
| Wang Sze Min                          | (4)-                      | -                  | -                 | -                                                   | (4)-                                         | (4)-            |
| Siow Chin How                         | (4)-                      | -                  | -                 | -                                                   | (4)-                                         | (4)-            |
| Wang Han Lin                          | (4)-                      | -                  | -                 | -                                                   | (4)-                                         | (4)-            |
| Tan Suan See                          | (4)-                      | -                  | -                 | -                                                   | (4)-                                         | (4)-            |

#### Notes:

- (1) Include employer's contribution to Employees Provident Fund (EPF), Social Security Organisation (SOCSO) and Employment Insurance System (EIS). The statutory contributions in FYE 2025 are mainly attributable to bonuses for FYE 2024 but paid in FYE 2025.
- (2) Our Non-Independent Non-Executive Chairperson was appointed to our Board on 19 May 2025. The Directors' fees and meeting allowances to our Non-Independent Non-Executive Chairperson will only be payable upon Listing.
- (3) Being bonus paid to her in recognition of her contribution to our Group from January 2025 to May 2025 when she relinquished her executive role and was appointed as our Non-Independent Non-Executive Chairperson.
- (4) Our Independent Non-Executive Directors were appointed to our Board on 21 August 2025. The Directors' fees and meeting allowances to our Independent Non-Executive Directors will only be payable upon Listing.

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

**FYE 2026 (Proposed)**

| Name                                  | Directors' fees<br>RM'000 | Salaries<br>RM'000 | Bonuses<br>RM'000 | Statutory<br>contributions <sup>(1)</sup><br>RM'000 | Benefits-in-kind<br>and allowances<br>RM'000 | Total<br>RM'000 |
|---------------------------------------|---------------------------|--------------------|-------------------|-----------------------------------------------------|----------------------------------------------|-----------------|
| <b><u>Executive Directors</u></b>     |                           |                    |                   |                                                     |                                              |                 |
| Lim Te Hua                            | -                         | 333                | (2)-              | 89                                                  | 24                                           | 446             |
| Shankar A/L Narasingam                | -                         | 206                | (2)-              | 57                                                  | 9                                            | 272             |
| <b><u>Non-Executive Directors</u></b> |                           |                    |                   |                                                     |                                              |                 |
| Loo Sok Ching                         | (3)90                     | -                  | -                 | -                                                   | (3)3                                         | (3)93           |
| Wang Sze Min                          | (4)45                     | -                  | -                 | -                                                   | (4)3                                         | (4)48           |
| Siow Chin How                         | (4)45                     | -                  | -                 | -                                                   | (4)3                                         | (4)48           |
| Wang Han Lin                          | (4)45                     | -                  | -                 | -                                                   | (4)3                                         | (4)48           |
| Tan Suan See                          | (4)45                     | -                  | -                 | -                                                   | (4)3                                         | (4)48           |

**Notes:**

- (1) Include employer's contribution to Employees Provident Fund (EPF), Social Security Organisation (SOCSO) and Employment Insurance System (EIS). The statutory contributions in FYE 2026 are mainly attributable to bonuses for FYE 2025 but paid in FYE 2026. The lower statutory contributions in FYE 2026 are mainly due to lower bonuses for FYE 2025 as compared to FYE 2024.
  - (2) The provision for bonuses is not included. Such bonuses, if any, will be determined at a later date depending on the individual performance and the performance of our Group, subject to the recommendation of our Remuneration Committee and approval by our Board.
  - (3) Our Non-Independent Non-Executive Chairperson was appointed to our Board on 19 May 2025. The Directors' fees and meeting allowances to our Non-Independent Non-Executive Chairperson will only be payable upon Listing.
  - (4) Our Independent Non-Executive Directors were appointed to our Board on 21 August 2025. The Directors' fees and meeting allowances to our Independent Non-Executive Directors will only be payable upon Listing.
- The remuneration of our Directors, which comprises directors' fees, salaries, bonuses, allowances and benefits-in-kind, must be considered and recommended by our Remuneration Committee and subsequently be approved by our Board, subject to the provisions of our Constitution. Our Directors' fees and / or benefits must be further approved by our shareholders at a general meeting.



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

### **5.3 BOARD PRACTICES**

In accordance with our Constitution, all the Directors shall retire from office at the first AGM of our Company and an election of Directors shall take place every year. At every subsequent AGM, one-third (1/3) of the Directors for the time being or, if their number is not 3 or a multiple of 3, then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election provided always that all Directors shall retire from office at least once every 3 years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

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

Our Board acknowledges and takes cognisance of the recommendations under the MCCG. As at the LPD, our Board has adopted all relevant recommendations of the MCCG in terms of the composition of our Board and the relevant committees.

Our Board has adopted the following responsibilities for effective discharge of its functions:

- (i) Overseeing and evaluating the conduct and sustainability of the businesses of our Group.
- (ii) Reviewing and adopting the overall strategic direction, business plans, and annual budgets of our Group, including major capital commitments.
- (iii) Ensuring that the strategic plan of our Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability.
- (iv) Establishing key performance indicators.
- (v) Reviewing and approving new ventures, major acquisitions and disposals of undertakings and properties.
- (vi) Reviewing, challenging and deciding on management's proposals for our Company and monitoring their implementation by management.
- (vii) Supervising and assessing management performance to determine whether the business is being properly managed.
- (viii) Identifying and understanding the principal risks of our Company's business and ensuring the implementation of appropriate internal control systems and mitigation measures to manage these risks.
- (ix) Reviewing the adequacy and integrity of our Group's internal control systems, risk management, and management information systems.
- (x) Ensuring that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks.
- (xi) Ensuring that key senior management has the necessary skills and experience and there are measures in place to provide for the orderly succession of our Board and key senior management.

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

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- (xii) Ensuring that our Group has in place procedures to enable effective communication with stakeholders.
- (xiii) Supervising the creation and execution of the investor relations program or shareholders' communication policy for our Group to facilitate productive communication.
- (xiv) Ensuring our Group's core values, vision and mission and shareholders' interests are met.
- (xv) Ensuring all significant systems and procedures are in place for our Group to run effectively and efficiently, and to meet all legal and contractual requirements.
- (xvi) Collaborating with key senior management to establish and maintain effective corporate governance practices, which include ethical, prudent and professional conduct standards, and fostering a corporate responsibility culture throughout our Group.
- (xvii) Ensuring the integrity of our Group's financial and non-financial reporting.

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

**5.3.1 Directors' term of office**

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

| <b>Name</b>            | <b>Designation</b>                           | <b>Date of appointment</b> | <b>No. of years in office</b> | <b>Date of expiration of the current term in office</b> |
|------------------------|----------------------------------------------|----------------------------|-------------------------------|---------------------------------------------------------|
| Loo Sok Ching          | Non-Independent<br>Non-Executive Chairperson | 19 May 2025                | Less than 1 year              | At our first AGM                                        |
| Lim Te Hua             | Executive Director / CEO                     | 19 May 2025                | Less than 1 year              | At our first AGM                                        |
| Shankar A/L Narasingam | Executive Director / COO                     | 20 June 2025               | Less than 1 year              | At our first AGM                                        |
| Wang Sze Min           | Independent Non-Executive<br>Director        | 21 August 2025             | Less than 1 year              | At our first AGM                                        |
| Siow Chin How          | Independent Non-Executive<br>Director        | 21 August 2025             | Less than 1 year              | At our first AGM                                        |
| Wang Han Lin           | Independent Non-Executive<br>Director        | 21 August 2025             | Less than 1 year              | At our first AGM                                        |
| Tan Suan See           | Independent Non-Executive<br>Director        | 21 August 2025             | Less than 1 year              | At our first AGM                                        |

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

### 5.3.2 Audit and Risk Management Committee

The members of our ARMC are as follows:

| Name          | Designation | Directorship                       |
|---------------|-------------|------------------------------------|
| Wang Sze Min  | Chairperson | Independent Non-Executive Director |
| Siow Chin How | Member      | Independent Non-Executive Director |
| Tan Suan See  | Member      | Independent Non-Executive Director |

The main functions of our ARMC as stated in its terms of reference include, among others, the following:

- (i) to consider any matters concerning the appointment and re-appointment, the audit and non-audit fees and any questions of resignation or dismissal of external auditors, and further ensure the suitability, objectivity and independence of external auditors;
- (ii) to review with the external auditors:
  - (a) their audit plan, process, scope and nature of the audit of our Group;
  - (b) their evaluation and findings of the system of risk management and internal controls;
  - (c) their audit reports on financial statements;
  - (d) the management letter and management's response with regard to problems and reservations arising from their audits;
  - (e) the coordination of audits where more than one audit firm is involved; and
  - (f) any other matters that the external auditors may wish to discuss (in the absence of management where necessary);
- (iii) to ensure coordination between the external auditors and the internal auditors;
- (iv) to review and assess the adequacy of the scope, functions, competency, experience and resources of the internal audit functions of which the internal auditors should report directly to the ARMC;
- (v) to ensure the internal auditors are independent and objective, and have the relevant qualifications and be responsible for assuring the ARMC that the internal controls are operating effectively;
- (vi) to review the internal audit plan, processes, the results of internal audit assessments, investigations undertaken and whether or not appropriate action is taken on the recommendations made;
- (vii) to review the adequacy and effectiveness of our Group's internal control systems, anti-bribery and corruption and whistle-blowing as evaluated, identified and reported by the management, internal or external auditors as well as to review whether actions taken to ratify the same are appropriate or timely;

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

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- (viii) to review the quarterly results and year-end financial statements of our Group before the approval by our Board;
- (ix) to ensure that the ARMC Report is prepared at the end of each financial year for inclusion in the annual report of our Company;
- (x) to ensure that our Board establishes a comprehensive framework / policy to identify, evaluate, approve and report related party transactions and conflict of interest situation;
- (xi) to assess the financial risk and matters in relation to related party transactions and conflict of interest situations that may arise within our Company or Group, including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate or mitigate such conflicts;
- (xii) to assess all the disclosed conflicts by our Directors and key senior management, to evaluate their nature, significance and potential impact on our Group;
- (xiii) to assist our Board to effectively discharge its risk oversight responsibilities by monitoring and overseeing our Group's risk management and processes in identifying, evaluating, monitoring and managing significant risks within our Group;
- (xiv) to review our Group's risk management policy and implementation of the risk management framework;
- (xv) to report promptly to Bursa Securities on any matter which has not been satisfactorily resolved resulting in a breach of the Listing Requirements;
- (xvi) to verify the allocation of options under a share issuance scheme or the allocation of shares according to any incentive plan for employees of our Group, if any;
- (xvii) to review and conduct an annual performance evaluation of the internal and external auditors in respect of each financial year under review; and
- (xviii) to carry out such other functions or assignments as may be delegated by our Board from time to time.

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

### 5.3.3 Remuneration Committee

The members of our Remuneration Committee are as follows:

| Name          | Designation | Directorship                       |
|---------------|-------------|------------------------------------|
| Siow Chin How | Chairperson | Independent Non-Executive Director |
| Wang Han Lin  | Member      | Independent Non-Executive Director |
| Tan Suan See  | Member      | Independent Non-Executive Director |

The main functions of our Remuneration Committee as stated in its terms of reference include, among others, the following:

- (i) to review and recommend to our Board the appropriate remuneration packages for our Directors, with or without professional advice;
- (ii) to review and recommend fees and benefits payable to our Directors;
- (iii) to assist our Board in formulating policies and guidelines for the composition of various components of remuneration such as basic salary, bonus, and other benefits for our Directors and key senior management;
- (iv) to ensure that remuneration packages and benefits for our Directors align with our Group's business strategies, long-term objectives, and remuneration policy, as well as comply with all laws, rules, regulations, and guidelines set by relevant authorities and our Board;
- (v) to develop and administer a fair and transparent procedure for setting policy on the remuneration of our Directors and key senior management, which considers the demands, complexities, and performance of our Company, as well as the skills and experience required;
- (vi) to implement our Board's remuneration policy and procedures in a transparent process, including reviewing and recommending matters related to the remuneration of our Board;
- (vii) to ensure that the level of remuneration packages is fair and appropriate according to the industry, general market sentiments, or conditions, and our Company's operating results, as well as our Directors' merit, qualification, competence, and individual performance;
- (viii) to ensure that appropriate rewards, benefits, compensation, and remuneration are offered to retain our Directors, and structuring remuneration packages to link rewards to individual performance; and
- (ix) to carry out any other functions delegated by our Board that would benefit our Group and ensure the effective discharge of the Remuneration Committee's duties and responsibilities.

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

### 5.3.4 Nomination Committee

The members of our Nomination Committee are as follows:

| Name          | Designation | Directorship                        |
|---------------|-------------|-------------------------------------|
| Wang Han Lin  | Chairperson | Independent Non- Executive Director |
| Siow Chin How | Member      | Independent Non- Executive Director |
| Wang Sze Min  | Member      | Independent Non- Executive Director |

The main functions of our Nomination Committee as stated in its terms of reference include, among others, the following:

- (i) to review, assess, and recommend suitable candidates for appointment as Directors of our Company, as well as Directors who are due to retire and seeking re-election at the AGM. When making recommendations to our Board regarding directorship or re-appointment, the Nomination Committee must consider the "Fit and Proper Criteria" outlined in our Company's Directors' Fit and Proper Policy. These criteria include, but are not limited to:
  - (a) diversity in skills, knowledge, expertise, experience, age, cultural background and gender;
  - (b) competence and professionalism;
  - (c) character and integrity;
  - (d) time and commitment;
  - (e) any business interest or relationship that may result in a conflict of interest that could affect the execution of the role; and
  - (f) in the case of candidates for the position of Independent Director, the committee shall also evaluate the candidates' ability to discharge such responsibilities / functions as expected from Independent Director.
- (ii) to ensure there is a gender-diverse Board and the Nomination Committee may seek independent sources to identify qualified candidates for our Board;
- (iii) to evaluate the necessary mix of skills, experience, core competencies, and diversity (including age, cultural background, and gender) of our Board and our Board Committees. The Nomination Committee will assess the contribution and performance of each Director to ensure our Board and our Board Committees operate effectively and efficiently;
- (iv) to review the size, structure, balance, and composition of our Board and our Board Committees to ensure optimal performance;
- (v) to identify and review the core competencies, skills and other qualities including but not limited to the skills, knowledge, experience and diversity required by each of the Non-Executive Directors, that are essential to contribute towards the effectiveness and balance of our Board;

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

- (vi) to assess each Director's ability to contribute to our Board's decision-making process and ensure that our Board operates efficiently, and effectively in all its decision-making;
- (vii) to conduct an annual review of the term of office and performance of the ARMC and each of its members. The review will assess whether the ARMC and its members have fulfilled their duties in accordance with their terms of reference;
- (viii) to evaluate annually the effectiveness of our Board and our Board Committees as a whole for assessing the contribution to the effectiveness of the decision-making process of our Board;
- (ix) to review and assess annually the independence of the Independent Non-Executive Directors of our Company;
- (x) to review, consider and make recommendations regarding the continuation in office of Independent Non-Executive Directors who have served for more than 9 years. The assessment will take into account their performance and ability to contribute to the Board, in light of the necessary knowledge, skills and experience;
- (xi) to oversee the development of succession planning of our Board and key senior management;
- (xii) to remain up-to-date and fully informed about strategic issues and commercial changes that impact our Group and the market in which it operates;
- (xiii) to act in line with the directions of our Board; and
- (xiv) to carry out such other functions or assignments as may be delegated by our Board from time to time.

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

**5.4 KEY SENIOR MANAGEMENT**

Our Key Senior Management comprises the following (all of whom are Malaysian):

| Name                       | Designation                | Age |
|----------------------------|----------------------------|-----|
| Lim Te Hua (M)             | Executive Director and CEO | 53  |
| Shankar A/L Narasingam (M) | Executive Director and COO | 59  |
| Sim Ting Ling (F)          | Group Financial Controller | 31  |
| Ang Khoon Poh (M)          | Head of R&D                | 40  |
| Lee Wah Kian (M)           | Production Manager         | 47  |
| Boo Chin Hwee (M)          | Head of Marketing          | 41  |

Notes:

(M) refers to male.

(F) refers to female.

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

### 5.4.1 Key Senior Management's shareholdings in our Company

The shareholdings of our Key Senior Management (other than those of Lim Te Hua and Shankar A/L Narasingam, which are disclosed in **Section 5.2.1** of this Prospectus) before and after our IPO are as follows:

| Name          | Before our IPO / As at the LPD |      |          | After our IPO |      |          |
|---------------|--------------------------------|------|----------|---------------|------|----------|
|               | Direct                         |      | Indirect | Direct        |      | Indirect |
|               | No. of Shares                  | (1)% |          | No. of Shares | (2)% |          |
| Sim Ting Ling | -                              | -    | -        | (3)6,798,000  | 0.44 | -        |
| Ang Khoon Poh | -                              | -    | -        | (3)4,285,000  | 0.28 | -        |
| Lee Wah Kian  | -                              | -    | -        | (3)115,000    | 0.01 | -        |
| Boo Chin Hwee | -                              | -    | -        | (3)800,000    | 0.05 | -        |

**Notes:**

- (1) Based on our total number of 1,235,500,000 Shares after the Acquisition of 5ERSB and before our IPO / as at the LPD.
- (2) Based on our enlarged total number of 1,540,000,000 Shares after our IPO
- (3) Assuming that he / she fully subscribes for the Pink Form Shares allocated to him / her.

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

### 5.4.2 Profiles of Key Senior Management

The profiles of Lim Te Hua (our Executive Director, CEO, Promoter and substantial shareholder) and Shankar A/L Narasingam (our Executive Director, COO and Promoter) have been set out in **Section 5.1.2** of this Prospectus.

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

**(i) Sim Ting Ling**  
*Group Financial Controller*

Sim Ting Ling, a Malaysian female aged 31, is our Group Financial Controller. She is mainly responsible for our Group's accounting and finance functions as well as administrative matters.

Sim Ting Ling graduated with a Bachelor of Commerce with double major in Accounting and Finance from University of Melbourne, Australia in 2016. She has been a Certified Practising Accountant of CPA Australia since 2021 and a Chartered Accountant of the MIA since 2022.

After completing her studies in Australia, she took a break before commencing her career as an Associate in PricewaterhouseCoopers Malaysia in 2017. She was subsequently promoted to Senior Associate and Assistant Manager in 2019 and 2021 respectively. During her tenure there, she was involved in assurance, audit and business advisory assignments. She then left the firm in 2021. In the same year, she joined KPMG Services Pte Ltd in Singapore as an Assistant Manager where she continued to be involved in assurance assignments and audit planning.

In August 2022, she returned to Malaysia and joined 5ERSB as an Assistant Corporate Finance Manager where she was mainly involved in financial planning and review, cash flow management and financial reporting functions. She was subsequently promoted to her current position in November 2022.

**(ii) Ang Khoon Poh**  
*Head of R&D*

Ang Khoon Poh, a Malaysian male aged 40, is our Head of R&D. He is mainly responsible for overseeing and managing our Group's R&D activities.

Ang Khoon Poh graduated with a Bachelor of Science majoring in Applied Chemistry from the University of Malaya in 2009. He subsequently obtained a Master of Science from University of Malaya and a Master of Business Administration from INTI International University in 2014 and 2025 respectively.

He is a Certified Environmental Professional recognised by the DOE in the Operation of Industrial Effluent Treatment Systems - Physical Chemical Processes (CePIETSO-PCP) since 2018, and in Scrubber Operation (CePSO) and Bag Filter Operation (CePBFO) since 2019. He is also a member of Malaysian Institute of Chemistry since 2022 and a member of the Environmental Management and Research Association of Malaysia (ENSEARCH) since 2025.

Upon graduation in 2009, he served as a Research Assistant in the Department of Chemistry of University of Malaya where he was involved in the research on palm oil chemistry. He subsequently enrolled in the Master of Science program of the same university in 2010 and graduated in 2014.

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

Upon completion of the coursework for his Master of Science program in 2012, he joined 5ERSB as a R&D Engineer and was subsequently promoted to R&D Manager in 2017 where he was mainly responsible for overseeing and managing our Group's R&D activities. In 2020, he was promoted to his current position undertaking similar job roles.

**(iii) Lee Wah Kian**  
*Production Manager*

Lee Wah Kian, a Malaysian male aged 47, is our Production Manager. He is mainly responsible for our Group's production functions including executing daily operational plans and monitoring scheduled waste recovery processes to ensure compliance with environmental regulations.

Lee Wah Kian graduated with a Bachelor of Science in Chemical Engineering from National Cheng Kung University, Taiwan, Republic of China in 2005. He is a Certified Environmental Professional recognised by the DOE in the Operation of Industrial Effluent Treatment Systems - Physical Chemical Processes (CePIETSO-PCP) since 2019 and in Scheduled Waste Management (CePSWam) since 2022.

In 2005, he began his career when he joined Episil Technologies Inc., a Taiwan-based company involved in the semiconductor industry, as an Integrated Process Engineer where he was mainly responsible for performing equipment calibration and testing as well as supporting process optimisation for semiconductor packaging systems. He left the company in 2010 and returned to Malaysia.

In 2010, he joined CFTC Precision Sdn Bhd where he was mainly responsible for conducting lab analyses, implementing daily production plans and carrying out preventive maintenance activities. He left the company in 2013.

In the same year, he joined 5ERSB as a Process Engineer where he was mainly responsible for the daily operations of the rotary dryer system including monitoring rotary process, carrying out preventive maintenance, troubleshooting and compiling monthly operational cost. He was subsequently promoted to his current position in 2018.

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

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**(iv) Boo Chin Hwee**  
*Head of Marketing*

Boo Chin Hwee, a Malaysian male aged 41, is our Head of Marketing. He is mainly responsible for overseeing our Group's sales and marketing activities as well as developing and executing marketing strategies, including conducting market analyses, identifying business opportunities, and supporting our sales team to drive revenue growth.

Boo Chin Hwee graduated with a Bachelor of Business Administration (Honours) from Universiti Utara Malaysia in 2010.

Upon completion of his studies in 2009, he began his career when he joined Universal Environmental Resources Sdn Bhd (now known as UER Resources Sdn Bhd) as a Sales Executive and was subsequently promoted to Senior Sales Executive and Acting Assistant Manager in 2012 and 2013 respectively. As an Acting Assistant Manager, he was mainly responsible for planning and executing sales strategies, building and maintaining relationship with stakeholders as well as coordinating with operations team to ensure smooth delivery of services. He left the company in 2014.

In the same year, he joined 5ERSB as a Sales and Marketing Manager where he was mainly responsible for strengthening the company's market presence, fostering customer relationships and expanding client base. In 2020, he was promoted to his current position.

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

**5.4.3 Involvement of Key Senior Management in other businesses / corporations**

Save as disclosed in **Section 5.2.3** of this Prospectus and below, none of our Key Senior Management has any involvement in business activities and directorship in any other businesses or corporations outside of our Group for the past 5 years preceding the LPD:

**(i) Sim Ting Ling**

| Firm                    | Involvement | Date appointed as partner | Date resigned / ceased as partner | Equity interest as at the LPD (%) |          | Principal activities |
|-------------------------|-------------|---------------------------|-----------------------------------|-----------------------------------|----------|----------------------|
|                         |             |                           |                                   | Direct                            | Indirect |                      |
| <b>Past involvement</b> |             |                           |                                   |                                   |          |                      |
| Chun Xi F&B PLT         | Partner     | 10 October 2019           | 26 January 2025 <sup>(1)</sup>    | -                                 | -        | Restaurants          |

Note:

(1) Chun Xi F&B PLT was dissolved on 26 January 2025.

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**5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT****(ii) Boo Chin Hwee**

| Company / Firm                          | Involvement              | Date appointed as director / partner | Date resigned / ceased as director / partner | Equity interest as at the LPD (%) |                      | Principal activities                                                                                                                              |
|-----------------------------------------|--------------------------|--------------------------------------|----------------------------------------------|-----------------------------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
|                                         |                          |                                      |                                              | Direct                            | Indirect             |                                                                                                                                                   |
| Present involvement                     |                          |                                      |                                              |                                   |                      |                                                                                                                                                   |
| GW Noodles Sdn Bhd                      | Shareholder              | -                                    | -                                            | 23.00                             | -                    | Manufacture of wanton noodle and wanton skin, manufacture of any kinds of bakery products, warehousing and storage services                       |
| Unigreen Resources Enterprise           | Sole proprietor          | -( <sup>(1)</sup> )                  | -                                            | 100.00                            | -                    | Insurance agent                                                                                                                                   |
| FuFootea Holding Sdn Bhd                | Shareholder              | 19 March 2024                        | 3 February 2025                              | 23.00                             | 26.00 <sup>(2)</sup> | Restaurants                                                                                                                                       |
| JD Autopartner Group Sdn Bhd            | Shareholder              | 20 August 2024                       | 27 January 2025                              | 25.00                             | 25.00 <sup>(2)</sup> | Wholesale and retail sale of all kinds of parts, components, supplies, tools and accessories for motor vehicles                                   |
| Past involvement                        |                          |                                      |                                              |                                   |                      |                                                                                                                                                   |
| DCS Marketing Management <sup>(3)</sup> | Sole proprietor          | -                                    | -                                            | -                                 | -                    | Providing sales and marketing consultancy, marketing strategy planning, business development and management services, trading and agency services |
| Nosh Group Sdn Bhd <sup>(4)</sup>       | Director and shareholder | 28 May 2021                          | 1 October 2024 <sup>(4)</sup>                | -                                 | -                    | Restaurants                                                                                                                                       |
| Shaka Food Trading <sup>(5)</sup>       | Partner                  | 1 April 2021                         | 5 August 2022 <sup>(5)</sup>                 | -                                 | -                    | Restaurant                                                                                                                                        |
| Nosh Group PLT <sup>(6)</sup>           | Partner                  | 10 September 2020                    | 8 June 2023 <sup>(6)</sup>                   | -                                 | -                    | Restaurants                                                                                                                                       |

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

| Company / Firm          | Involvement              | Date appointed as director / partner | Date resigned / ceased as director / partner | Equity interest as at the LPD (%) |          | Principal activities |
|-------------------------|--------------------------|--------------------------------------|----------------------------------------------|-----------------------------------|----------|----------------------|
|                         |                          |                                      |                                              | Direct                            | Indirect |                      |
| Poketwins Group Sdn Bhd | Director and shareholder | 10 January 2022                      | 24 January 2025                              | -                                 | -        | Restaurants          |
| Dona Group Sdn Bhd      | Director and shareholder | 10 January 2022                      | 24 January 2025                              | -                                 | -        | Cafe                 |

**Notes:**

- (1) Boo Chin Hwee became the sole proprietor of Unigreen Resources Enterprise on 22 March 2015.
- (2) Deemed interested by virtue of the shares held by his spouse and / or children pursuant to Section 8 of the Act.
- (3) DCS Marketing Management was terminated on 22 April 2025. Boo Chin Hwee was the sole proprietor from 27 February 2020 up to its termination.
- (4) Nosh Group Sdn Bhd was dissolved on 1 October 2024.
- (5) The business registration of Shaka Food Trading has expired on 5 August 2022.
- (6) Nosh Group PLT was dissolved on 8 June 2023.

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

### 5.4.4 Key Senior Management's remuneration and material benefits-in-kind

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Key Senior Management (other than those for Lim Te Hua and Shankar A/L Narasingam, which are disclosed in **Section 5.2.4** of this Prospectus) for services rendered / to be rendered to our Group in all capacities for the FYE 2025 and FYE 2026 are as follows:

| Name          | Remuneration band                             |                                                 |
|---------------|-----------------------------------------------|-------------------------------------------------|
|               | FYE 2025 <sup>(1)</sup><br>(Actual)<br>RM'000 | FYE 2026 <sup>(2)</sup><br>(Proposed)<br>RM'000 |
| Sim Ting Ling | 250 - 300                                     | 250 - 300                                       |
| Ang Khoon Poh | 250 - 300                                     | 250 - 300                                       |
| Lee Wah Kian  | 150 - 200                                     | 150 - 200                                       |
| Boo Chin Hwee | 650 - 700                                     | 650 - 700 <sup>(3)</sup>                        |

Notes:

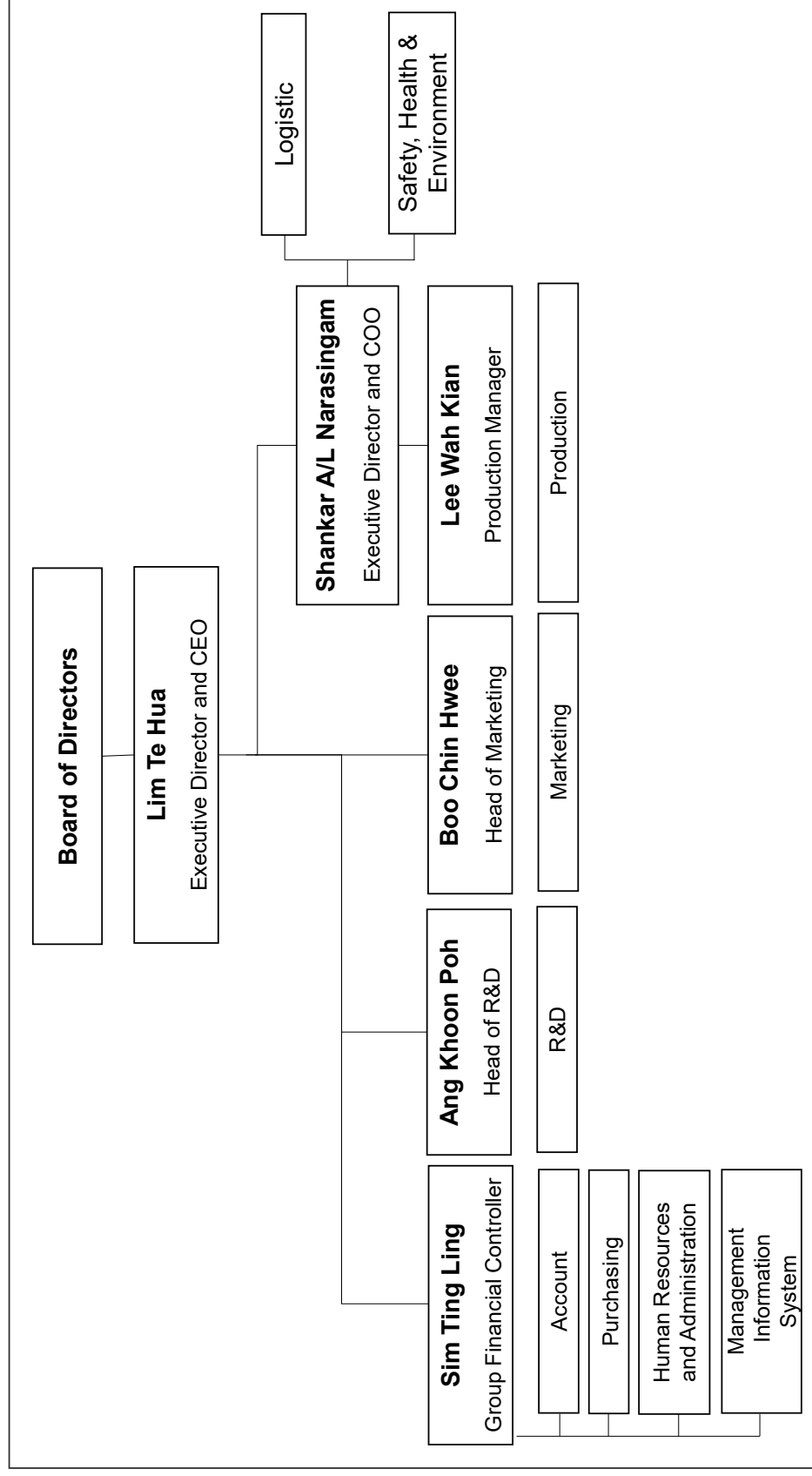
- (1) Comprises salaries, bonuses, and allowances, except that for Boo Chin Hwee, which also comprises commission.
- (2) The provision for bonuses is not included. Such bonuses, if any, will be determined at a later date depending on individual performance and the performance of our Group, subject to the recommendation of our Remuneration Committee and approval by our Board.
- (3) Includes estimated commission to be paid.

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

**5.4.5 Management reporting structure**

The management reporting structure of our Group is as follows:



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

### 5.5 SERVICE CONTRACTS

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

### 5.6 DECLARATION BY OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

Save as disclosed below, none of our Promoters, Directors and Key Senior Management is or was involved in any of the following events (whether in or outside Malaysia):

- (i) in the last 10 years, a petition under any bankruptcy or insolvency laws was filed (and not struck out) against him / her or any partnership in which he / she was a partner or any corporation of which he / she was a director or member of key senior management;
- (ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (iii) in the last 10 years, charged or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding, save as disclosed below;

On 5 January 2021, 5ERSB, Lim Te Hua and Shankar A/L Narasingam were individually charged for the following further to an inspection conducted by DOE at PLO 738 Facility on 22 April 2019:

- (a) accepting and processing scheduled waste under SW 309 in excess of the permitted capacity which was in breach of Section 16(1) of the EQA 1974 ("**Capacity Non-Compliance**"); and
- (b) discharging industrial effluent with parameter levels exceeding the permitted limits under the EQIER 2009 as set out below which was in breach of Regulations 11(1)(b) and 12(b) of the EQIER 2009 ("**Effluent Non-Compliance**");

| Parameter                                | Permitted limits under the EQIER 2009 (mg/L) | Actual unit discharged by 5ERSB (mg/L) |
|------------------------------------------|----------------------------------------------|----------------------------------------|
| Biochemical oxygen demand (BOD5) at 20°C | 50                                           | 3,100                                  |
| Suspended Solids                         | 100                                          | 150                                    |
| Ammoniacal Nitrogen                      | 20                                           | 33                                     |
| Copper                                   | 1.0                                          | 1.2                                    |
| Nickel                                   | 1.0                                          | 2.8                                    |
| Iron                                     | 5.0                                          | 6.3                                    |

On 3 February 2021, the solicitors representing 5ERSB and the accused individuals had submitted a written representation to the DOE which outlined the factual circumstances of the incidents and sought reconsideration of the charges in light of mitigating factors and the remedial steps taken by 5ERSB to address the issues identified. Among others, it was submitted that the permitted capacity was not exceeded after taking into consideration the special approval given by DOE for the increase in capacity on 6 November 2018 as well as the existing quotas in 5ERSB's licences issued by DOE.

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

Further to a case management on 31 March 2021 at the Johor Bahru Sessions Court (Criminal), the prosecution withdrew the Capacity Non-Compliance charge against 5ERSB, Shankar A/L Narasingam and Lim Te Hua, and the Effluent Non-Compliance charge against Lim Te Hua. Consequently, the Court granted a discharge not amounting to an acquittal in respect of both charges against Lim Te Hua, and in respect of the Capacity Non-Compliance charge against 5ERSB and Shankar A/L Narasingam.

However, 5ERSB and Shankar A/L Narasingam individually pleaded guilty to the Effluent Non-Compliance charge and were each fined RM35,000 at the Johor Bahru Sessions Court (Criminal).

As at the LPD, the total fines of RM70,000 for the Effluent Non-Compliance charge have been fully settled and no further fines were imposed or other actions taken by the Johor Bahru Sessions Court (Criminal) and / or the DOE against 5ERSB and / or its directors in relation to this matter.

- (iv) in the last 10 years, any judgement was entered against him / her, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his / her part, involving a breach of any law or regulatory requirement that relates to the capital market;
- (v) in the last 10 years, he / she was the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his / her part that relates to the capital market;
- (vi) being the subject of any order, judgement or ruling of any court, government, or regulatory authority or body temporarily enjoining him / her from engaging in any type of business practice or activity;
- (vii) in the last 10 years, he / she has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; and
- (viii) has any unsatisfied judgment against him / her.

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

### 5.7 FAMILY RELATIONSHIPS AND / OR ASSOCIATIONS

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

| Name                   | Position in our Company                                                         | Relationship                                                                                                                                          |
|------------------------|---------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| Loo Sok Ching          | Non-Independent Non-Executive Chairperson, Promoter and substantial shareholder | <ul style="list-style-type: none"> <li>Spouse of Wong Kim Fatt</li> <li>Sister-in-law of Ban Kim Wah</li> <li>Shareholder of GreenEdge</li> </ul>     |
| Wong Kim Fatt          | Substantial shareholder                                                         | <ul style="list-style-type: none"> <li>Spouse of Loo Sok Ching</li> <li>Brother of Ban Kim Wah</li> <li>Shareholder of GreenEdge</li> </ul>           |
| Ban Kim Wah            | Substantial shareholder                                                         | <ul style="list-style-type: none"> <li>Brother of Wong Kim Fatt</li> <li>Brother-in-law of Loo Sok Ching</li> <li>Shareholder of GreenEdge</li> </ul> |
| Lim Te Hua             | Executive Director, CEO, Promoter and substantial shareholder                   | Shareholder of GreenEdge                                                                                                                              |
| Shankar A/L Narasingam | Executive Director, COO and Promoter                                            | Shareholder of GreenEdge                                                                                                                              |
| GreenEdge              | Substantial shareholder                                                         | A company owned by Loo Sok Ching, Wong Kim Fatt, Ban Kim Wah, Lim Te Hua and Shankar A/L Narasingam                                                   |

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

### 5.8 EMPLOYEES

As at the LPD, our Group has a total workforce of 165 employees, of which 164 are permanent employees and 1 is contract employee. Out of all our employees, 108 are local and the remaining 57 are foreign employees.

A breakdown of our Group's employees by department as at 31 December 2025 and the LPD is as follows:

| Department                                    | No. of employees as at 31 December 2025 |           |          |          |            |
|-----------------------------------------------|-----------------------------------------|-----------|----------|----------|------------|
|                                               | Permanent                               |           | Contract |          | Total      |
|                                               | Local                                   | Foreign   | Local    | Foreign  |            |
| Executive Directors and Key Senior Management | 6                                       | -         | -        | -        | 6          |
| Accounts                                      | 6                                       | -         | -        | -        | 6          |
| Human Resources and Administration            | 8                                       | 1         | -        | -        | 9          |
| Production                                    | 35                                      | 56        | 1        | -        | 92         |
| Logistics                                     | 24                                      | 2         | -        | -        | 26         |
| Purchasing                                    | 3                                       | -         | -        | -        | 3          |
| R&D                                           | 7                                       | -         | -        | -        | 7          |
| Marketing                                     | 6                                       | -         | -        | -        | 6          |
| Safety, Health & Environment                  | 4                                       | -         | -        | -        | 4          |
| Management Information System                 | 1                                       | -         | -        | -        | 1          |
| <b>Total</b>                                  | <b>100</b>                              | <b>59</b> | <b>1</b> | <b>-</b> | <b>160</b> |

| Department                                    | No. of employees as at the LPD |           |          |          |            |
|-----------------------------------------------|--------------------------------|-----------|----------|----------|------------|
|                                               | Permanent                      |           | Contract |          | Total      |
|                                               | Local                          | Foreign   | Local    | Foreign  |            |
| Executive Directors and Key Senior Management | 6                              | -         | -        | -        | 6          |
| Accounts                                      | 6                              | -         | -        | -        | 6          |
| Human Resources and Administration            | 8                              | 1         | -        | -        | 9          |
| Production                                    | 39                             | 55        | 1        | -        | 95         |
| Logistics                                     | 25                             | 1         | -        | -        | 26         |
| Purchasing                                    | 4                              | -         | -        | -        | 4          |
| R&D                                           | 7                              | -         | -        | -        | 7          |
| Marketing                                     | 7                              | -         | -        | -        | 7          |
| Safety, Health & Environment                  | 4                              | -         | -        | -        | 4          |
| Management Information System                 | 1                              | -         | -        | -        | 1          |
| <b>Total</b>                                  | <b>107</b>                     | <b>57</b> | <b>1</b> | <b>-</b> | <b>165</b> |

As at the LPD, all of our foreign workers hold the relevant visa and valid working permits.

The contractual term of our contract employee is 1 year. Upon expiry of the contractual term, the contract employee may be offered a permanent position at the discretion of our Group.

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

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As at the LPD, 15 employees of our Group are recognised as a competent person by having achieved DOE's certification as, among others, Certified Environmental Professional in Scheduled Waste Management (CePSWaM), Certified Environmental Professional in Scrubber Operation (CePSO), Certified Environmental Professional in the Operation of Industrial Effluent Treatment Systems – Physical Chemical Processes (CePIETSO-PCP), Certified Environmental Professional in the Operation of Industrial Effluent Treatment Systems – Biological Processes (BP) and Certified Environmental Professional in Bag Filter Operation (CePBFO).

As at the LPD, certain licences of our Group are issued in the names of our employees as follows:

- (a) Wholesaler's Poisons Licence (Type B Licence) issued to Lim Te Hua and Ang Khoon Poh on behalf of TS Heuls and 5ERSB respectively;
- (b) Permit to Purchase, Store and Use of Sodium Hydroxide issued to Lee Wah Kian on behalf of 5ERSB; and
- (c) Licence for the Operation of Scrap Business issued to Lim Te Hua on behalf of 5ERSB.

Please refer to **Appendix I** of this Prospectus for further details of the abovementioned licences.

None of our employees, whether permanent or contractual, belong to any trade unions or have any labour relationship with any union, and there have been no industrial disputes since we commenced operations.

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## 6. INFORMATION ON OUR GROUP

### 6.1 OUR COMPANY

Our Company was incorporated in Malaysia under the Act on 19 May 2025 as a private limited company under the name of 5E Resources Holdings Sdn Bhd. Subsequently, on 18 August 2025, our Company was converted to a public limited company and assumed its present name of 5E Resources Holdings Berhad. Our Company is an investment holding company and was incorporated to facilitate our Listing.

Through our subsidiaries, we are predominantly involved in the business of scheduled waste management services, supply of recovered and recycled products, and trading of chemicals and other products.

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

### 6.2 PRE-LISTING INTERNAL RESTRUCTURING EXERCISE

#### 6.2.1 Capitalisation and Demerger from 5E Singapore

##### Capitalisation of amount owing to 5E Singapore

On 13 March 2025, 5ERSB capitalised an amount of RM25,836,371 owing to 5E Singapore via the issuance and allotment of 25,836,371 new ordinary shares in 5ERSB at an issue price of RM1 per share.

Following the capitalisation, 5E Singapore became a direct shareholder of 5ERSB with 95.99% equity interests (25,836,371 shares) while the remaining 4.01% equity interests (1,080,370 shares) were held by 5E Holdings, which is a wholly-owned subsidiary of 5E Singapore. At the relevant time, the shareholders of 5E Singapore were GreenEdge (22.78%), Loo Sok Ching (27.88%), Wong Kim Fatt (21.44%), Ban Kim Wah (11.98%), Lim Te Hua (11.26%) and Shankar A/L Narasingam (4.66%).

The settlement of amount owing to 5E Singapore via the issuance and allotment of new ordinary shares in 5ERSB to 5E Singapore allows 5ERSB to preserve its cash flows whereupon its cash and bank balances can be used for other operational needs. The nominal value of RM1 per share was mutually agreed between 5ERSB and 5E Singapore on the basis that the capitalisation and the issue price of the shares will not result in any change in the ultimate shareholders' effective shareholdings in 5ERSB.

##### Acquisition of 5ERSB by Wong Kim Fatt, Loo Sok Ching, Lim Te Hua, Shankar A/L Narasingam, Ban Kim Wah and GreenEdge (collectively, the "Purchasers") from 5E Singapore and 5E Holdings

The Purchasers had on 30 April 2025 entered into a share sale agreement to acquire the entire issued share capital of 5ERSB of RM26,916,741 comprising 26,916,741 ordinary shares from 5E Singapore and 5E Holdings for a total consideration of RM123,870,753. This acquisition was undertaken to streamline our Group's shareholding structure and was completed on 23 May 2025.

The purchase consideration for this acquisition was arrived at on a willing-buyer willing-seller basis after taking into consideration the pro forma consolidated NA of 5ERSB as at 31 December 2024 of RM123,542,783 derived based on the following:

- (a) audited consolidated NA of 5ERSB as at 31 December 2024 of RM98,691,602;
- (b) dividends paid by 5ERSB in January and March 2025 totalling RM985,190; and



**6. INFORMATION ON OUR GROUP**

- (c) increase of RM25,836,371 in 5ERSB's issued share capital on 13 March 2025 pursuant to the capitalisation of an equivalent amount owing to 5E Singapore, further details of which are set out above.

**6.2.2 Acquisition of 5ERSB**

Our Company had on 15 August 2025 entered into a conditional share sale agreement with the vendors of 5ERSB (i.e., Wong Kim Fatt, Loo Sok Ching, Lim Te Hua, Shankar A/L Narasingam, Ban Kim Wah and GreenEdge) to acquire the entire issued share capital of 5ERSB ("**5E Resources SSA**") comprising 26,916,741 ordinary shares ("**5ERSB Shares**") for a purchase consideration of RM123,549,000. The purchase consideration was fully satisfied by the issuance and allotment of 1,235,490,000 new Shares at an issue price of RM0.10 per Share to the vendors of 5ERSB as follows:

| <b>Name</b>            | <b>No. of 5ERSB shares acquired</b> | <b>Shareholdings in 5ERSB (%)</b> | <b>Purchase consideration (RM)</b> | <b>No. of Shares issued and allotted</b> |
|------------------------|-------------------------------------|-----------------------------------|------------------------------------|------------------------------------------|
| Wong Kim Fatt          | 5,770,949                           | 21.44                             | 26,488,906                         | 264,889,056                              |
| Loo Sok Ching          | 7,504,387                           | 27.88                             | 34,445,461                         | 344,454,612                              |
| Lim Te Hua             | 3,030,825                           | 11.26                             | 13,911,618                         | 139,116,174                              |
| Shankar A/L Narasingam | 1,254,320                           | 4.66                              | 5,757,383                          | 57,573,834                               |
| Ban Kim Wah            | 3,224,626                           | 11.98                             | 14,801,170                         | 148,011,702                              |
| GreenEdge              | 6,131,634                           | 22.78                             | 28,144,462                         | 281,444,622                              |
| <b>Total</b>           | <b>26,916,741</b>                   | <b>100.00</b>                     | <b>123,549,000</b>                 | <b>1,235,490,000</b>                     |

The purchase consideration of RM123,549,000 for the Acquisition of 5ERSB was arrived at on a "willing-buyer willing-seller" basis after taking into consideration the pro forma consolidated NA of 5ERSB as at 31 December 2024 of RM123,542,783 derived based on the following:

- (a) audited consolidated NA of 5ERSB as at 31 December 2024 of RM98,691,602;
- (b) dividends paid by 5ERSB in January and March 2025 totalling RM985,190; and
- (c) increase of RM25,836,371 in 5ERSB's issued share capital on 13 March 2025 pursuant to the capitalisation of an equivalent amount owing to 5ERSB's then ultimate holding company, namely 5E Singapore.

The Acquisition of 5ERSB was completed on 8 December 2025. Thereafter, 5ERSB became our wholly-owned subsidiary.

The Shares issued and allotted under the Acquisition of 5ERSB rank equally in all respects with our existing Shares including voting rights, and will be entitled to all rights and dividends and / or other distributions, the entitlement date of which is subsequent to the date of issuance and allotment of the Shares.

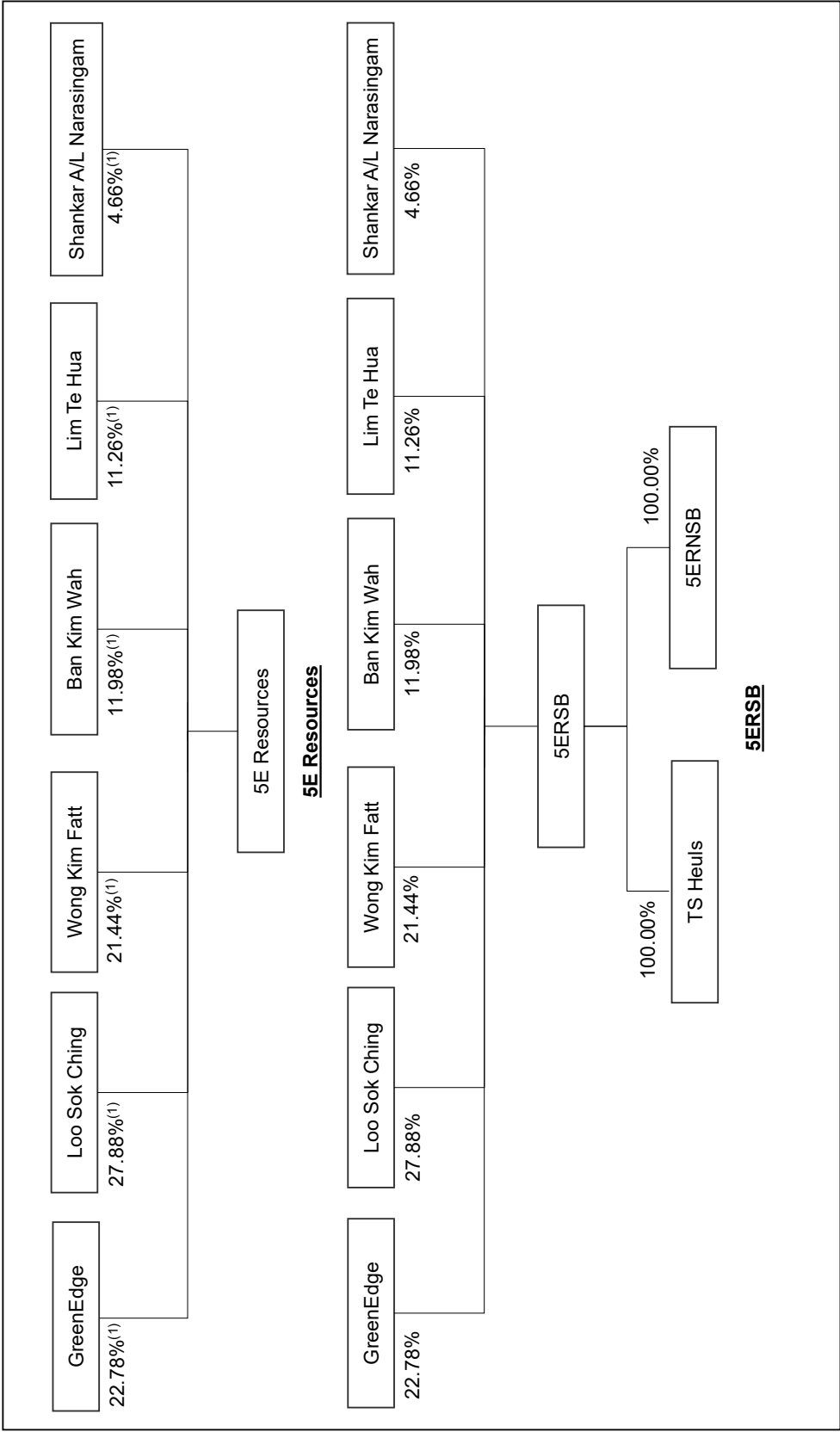
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6. INFORMATION ON OUR GROUP

6.3 OUR GROUP STRUCTURE

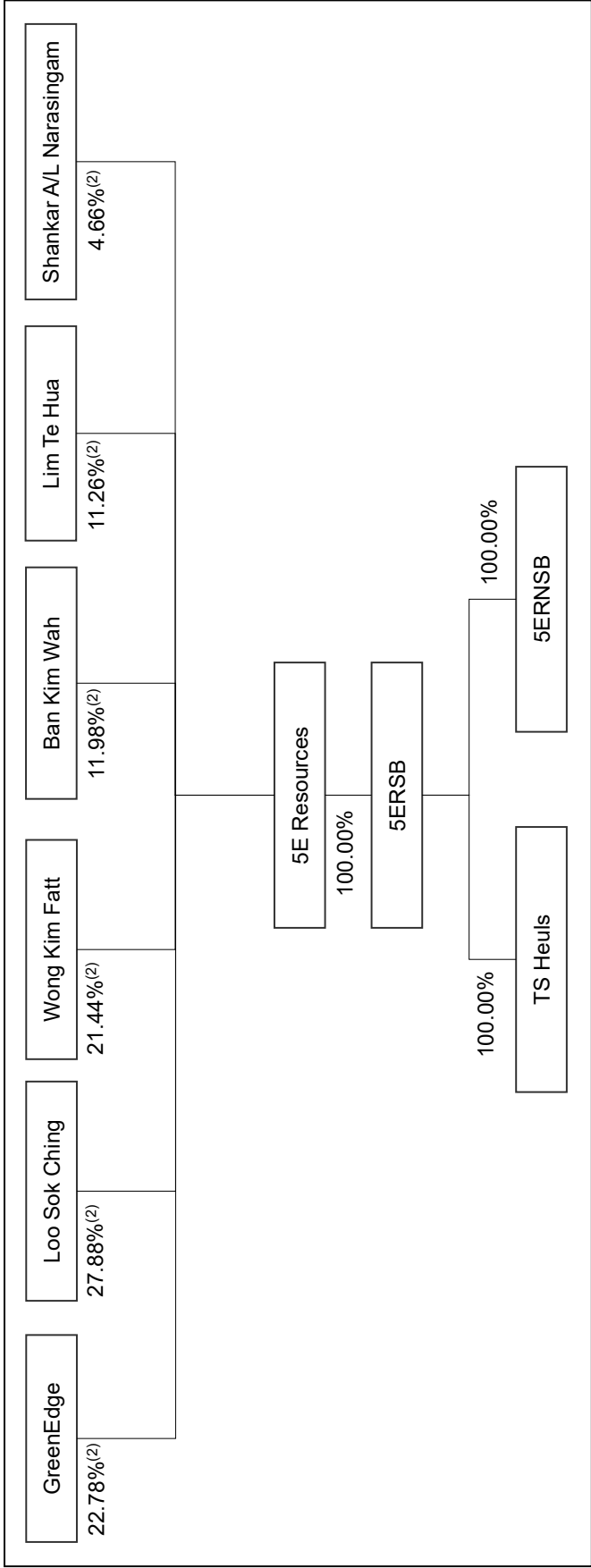
Our Group’s corporate structure before the Acquisition of 5ERSB, after the Acquisition of 5ERSB and before our IPO, and after our IPO is as follows:

Before the Acquisition of 5ERSB



6. INFORMATION ON OUR GROUP

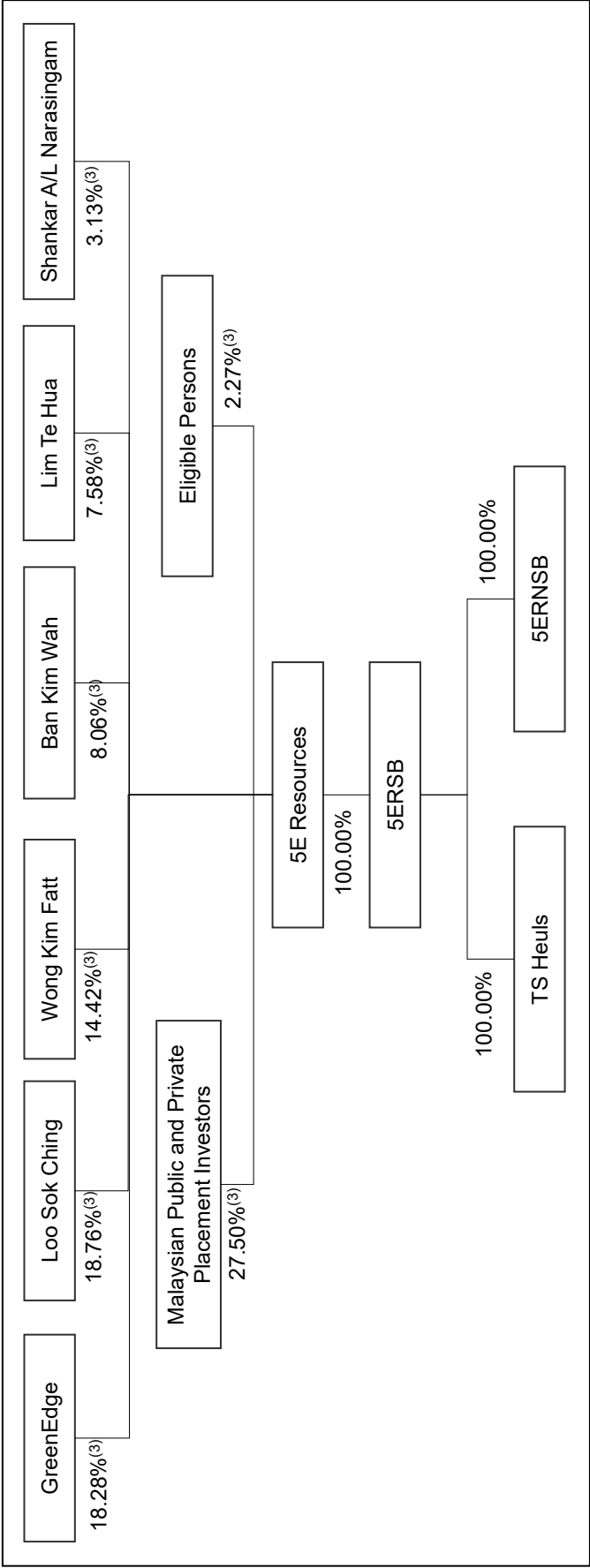
After the Acquisition of 5ERSB and before our IPO



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6. INFORMATION ON OUR GROUP

After our IPO



Notes:

- (1) Based on our total number of 10,000 Shares before the Acquisition of 5ERSB.
- (2) Based on our enlarged total number of 1,235,500,000 Shares after the Acquisition of 5ERSB and before our IPO.
- (3) Based on our enlarged total number of 1,540,000,000 Shares after our IPO.

As at the LPD, our Company does not have any associate companies or joint ventures. Further details of our subsidiaries are set out in **Section 6.5** of this Prospectus.

**6. INFORMATION ON OUR GROUP****6.4 OUR SHARE CAPITAL**

As at the date of this Prospectus, our issued share capital is RM123,550,000 comprising 1,235,500,000 Shares. The changes in the issued share capital of our Company since incorporation are as follows:

| <b>Date of allotment</b> | <b>No. of Shares issued and allotted</b> | <b>Type of issue</b>               | <b>Consideration (RM)</b> | <b>Cumulative issued share capital (RM)</b> |
|--------------------------|------------------------------------------|------------------------------------|---------------------------|---------------------------------------------|
| 19 May 2025              | 10,000                                   | Cash                               | 1,000                     | 1,000                                       |
| 8 December 2025          | 1,235,490,000                            | Otherwise than cash <sup>(1)</sup> | 123,549,000               | 123,550,000                                 |

Note:

(1) Acquisition of 5ERSB.

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

Upon completion of our IPO, our issued share capital will increase to RM202,720,000 comprising 1,540,000,000 Shares.

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

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## 6. INFORMATION ON OUR GROUP

### 6.5 OUR SUBSIDIARIES

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

| Subsidiaries                                           | Date / Country of incorporation | Issued share capital (RM) | Effective interest (%) | Principal place of business | Principal activities                                                                            |
|--------------------------------------------------------|---------------------------------|---------------------------|------------------------|-----------------------------|-------------------------------------------------------------------------------------------------|
| 5ERSB<br>(Registration No. 200601022459 (742213-K))    | 26 July 2006 / Malaysia         | 26,916,741                | 100                    | Malaysia                    | Provision of scheduled waste management services, and supply of recovered and recycled products |
| TS Heuls<br>(Registration No. 199701023344 (438841-P)) | 10 July 1997 / Malaysia         | 50,000                    | 100                    | Malaysia                    | Trading of chemicals and other products                                                         |
| 5ERNBS<br>(Registration No. 202501009199 (1610613-K))  | 7 March 2025 / Malaysia         | 1                         | 100                    | Malaysia                    | Provision of scheduled waste management services, and supply of recovered and recycled products |

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**6. INFORMATION ON OUR GROUP****6.5.1 5ERSB****(a) Background and principal activities**

5ERSB was incorporated in Malaysia under the Companies Act 1965 on 26 July 2006 as a private limited company and is deemed registered under the Act.

The principal place of business of 5ERSB is at PLO 738, Jalan Platinum Utama, Zon 12B, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang, Johor.

5ERSB is principally involved in the provision of scheduled waste management services, and supply of recovered and recycled products.

**(b) Share capital**

As at the LPD, the issued share capital of 5ERSB is RM26,916,741 comprising 26,916,741 ordinary shares.

Save as disclosed below, there has been no change in the issued share capital of 5ERSB for the past 3 years preceding the LPD:

| Date of allotment | No. of ordinary shares issued and allotted | Consideration (RM) | Cumulative issued share capital |            |
|-------------------|--------------------------------------------|--------------------|---------------------------------|------------|
|                   |                                            |                    | No. of ordinary shares          | RM         |
| 13 March 2025     | (1)25,836,371                              | 25,836,371         | 26,916,741                      | 26,916,741 |

Note:

(1) These shares were issued and allotted by way of capitalising against the amount owing by 5ERSB to 5E Singapore.

There were no discounts, special terms or instalment payment terms given in consideration of the above allotment.

As at the LPD, 5ERSB does not have any outstanding warrants, options, convertible securities or uncalled capital.

**(c) Shareholder and directors**

As at the LPD, 5ERSB is wholly-owned by 5E Resources.

As at the LPD, the directors of 5ERSB are Lim Te Hua and Shankar A/L Narasingam.

**(d) Subsidiaries, associate and joint venture**

As at the LPD, 5ERSB has 2 wholly-owned subsidiaries, namely TS Heuls and 5ERNBS. 5ERSB does not have any joint venture or associate company as at the LPD.

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**6. INFORMATION ON OUR GROUP**

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**6.5.2 TS Heuls****(a) Background and principal activities**

TS Heuls was incorporated in Malaysia under the Companies Act 1965 on 10 July 1997 as a private limited company and is deemed registered under the Act.

The principal place of business of TS Heuls is at No. 26, Jalan Permas 9/13, Bandar Baru Permas Jaya, 81750 Masai, Johor.

TS Heuls is principally involved in the trading of chemicals and other products.

**(b) Share capital**

As at the LPD, the issued share capital of TS Heuls is RM50,000 comprising 50,000 ordinary shares.

There has been no change in the issued share capital of TS Heuls for the past 3 years preceding the LPD.

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

**(c) Shareholder and directors**

As at the LPD, TS Heuls is wholly-owned by 5ERSB.

As at the LPD, the directors of TS Heuls are Lim Te Hua and Shankar A/L Narasingam.

**(d) Subsidiary, associate and joint venture**

As at the LPD, TS Heuls does not have any subsidiary, joint venture or associate company.

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**6. INFORMATION ON OUR GROUP****6.5.3 5ERNSB****(a) Background and principal activities**

5ERNSB was incorporated in Malaysia under the Act on 7 March 2025 as a private limited company.

As at the LPD, 5ERNSB has yet to commence operations. It intends to be principally involved in the provision of scheduled waste management services, and supply of recovered and recycled products.

**(b) Share capital**

As at the LPD, the issued share capital of 5ERNSB is RM1 comprising 1 ordinary share.

Save as disclosed below, there has been no change in the issued share capital of 5ERNSB for the past 3 years preceding the LPD:

| Date of allotment | No. of ordinary shares issued and allotted | Consideration (RM) | Cumulative issued share capital |    |
|-------------------|--------------------------------------------|--------------------|---------------------------------|----|
|                   |                                            |                    | No. of ordinary shares          | RM |
| 7 March 2025      | 1                                          | 1                  | 1                               | 1  |

There were no discounts, special terms or instalment payment terms given in consideration of the above allotment.

As at the LPD, 5ERNSB does not have any outstanding warrants, options, convertible securities or uncalled capital.

**(c) Shareholder and directors**

As at the LPD, 5ERNSB is wholly-owned by 5ERSB.

As at the LPD, the directors of 5ERNSB are Lim Te Hua and Shankar A/L Narasingam.

**(d) Subsidiary, associate and joint venture**

As at the LPD, 5ERNSB does not have any subsidiary, joint venture or associate company.

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## 7. BUSINESS OVERVIEW

### 7.1 INCORPORATION AND HISTORY

Our Company was incorporated in Malaysia on 19 May 2025 under the Act as a private limited company under the name of 5E Resources Holdings Sdn Bhd. On 18 August 2025, our Company was converted into a public limited company and adopted our present name.

Our Company is an investment holding company and it owns 5ERSB, TS Heuls and 5ERNSB as wholly-owned subsidiaries. The principal activities of our subsidiaries are as follows:

| Subsidiaries | Principal activities                                                                                                 |
|--------------|----------------------------------------------------------------------------------------------------------------------|
| 5ERSB        | Provision of scheduled waste management services as well as supply of recovered and recycled products                |
| TS Heuls     | Trading of chemicals and other products <sup>(1)</sup>                                                               |
| 5ERNSB       | Provision of scheduled waste management services as well as supply of recovered and recycled products <sup>(2)</sup> |

Notes:

- (1) TS Heuls commenced operations in the trading of chemicals and providing wastewater treatment plant maintenance services in 1997. As at the LPD, TS Heuls is only involved in the trading of chemicals.
- (2) 5ERNSB was incorporated on 7 March 2025 mainly to facilitate the establishment of the New Perak Facility and the expansion of our operations in other regions of Peninsular Malaysia. While both 5ERNSB and 5ERSB are principally involved in the provision of scheduled waste management services as well as supply of recovered and recycled products, 5ERNSB will serve as our Group's additional operational base in Perak as opposed to 5ERSB's existing operations in Johor. As at the LPD, 5ERNSB has yet to commence commercial operations.

The history of our Group can be traced back to the incorporation of TS Heuls in July 1997 by Ban Kim Wah and 3 other third-party shareholders, namely Chong Ah Lai, Chan Yee Kam, and Pathmanathan A/L Siva Subramaniam, where each of them held 25.00% equity interests in TS Heuls. In the same year, TS Heuls commenced operations in the trading of chemicals and providing wastewater treatment plant maintenance services. Its operations then were mainly led by Loo Sok Ching as General Manager and supported by Lim Te Hua as Chemist. Also in 1997, Wong Kim Fatt became a shareholder with 5.00% equity interests to contribute capital for the company's operations.

Between 1998 and 2008, the third-party shareholders sold their shares and ceased their involvement in TS Heuls, leading to Ban Kim Wah and Wong Kim Fatt holding 47.40% and 52.60% equity interests respectively in TS Heuls by November 2008.

Through Loo Sok Ching's direct engagement with customers while managing the operations of TS Heuls, she identified a demand for scheduled waste management services and this led to the incorporation of 5ERSB in July 2006.

5ERSB subsequently commenced commercial operations at PLO 83 & 317 Facility with 12 SW Codes in June 2008. In the same year, Loo Sok Ching invited Wong Kim Fatt, Ban Kim Wah, Lim Te Hua and Shankar A/L Narasingam to invest in 5ERSB. By November 2008, the shareholders of 5ERSB were Loo Sok Ching (39.00% equity interest), Wong Kim Fatt (30.00% equity interest), Ban Kim Wah (15.00% equity interest), Lim Te Hua (14.00% equity interest) and Shankar A/L Narasingam (2.00% equity interest).

## 7. BUSINESS OVERVIEW

In 2020, TS Heuls became a wholly-owned subsidiary of 5ERSB, and 5ERSB in turn became a wholly-owned subsidiary of 5E Holdings. They subsequently became wholly-owned subsidiaries of 5E Singapore in 2022.

On 12 May 2022, 5E Singapore was listed on Catalist Board of Singapore Exchange Securities Trading Limited ("**SGX Listing**"). The SGX Listing was undertaken with the objectives of, among others, enhancing our Group's corporate image and raising the requisite funds for our expansion plans. Based on the IPO price of S\$0.26 per share<sup>(1)</sup> (equivalent to approximately RM0.82 per share converted based on the exchange rate of S\$1:RM3.1471 as at 12 May 2022), 5E Singapore raised total proceeds of approximately S\$10.01 million (equivalent to approximately RM31.50 million converted based on the exchange rate of S\$1:RM3.1471 as at 12 May 2022). The proceeds raised were mainly utilised to fund our establishment of PLO 321 Facility, further details of which are set out in **Section 7.18.2** of this Prospectus.

On 5 March 2025, 5E Singapore was voluntarily delisted from Catalist Board of Singapore Exchange Securities Trading Limited following the completion of a scheme of arrangement under Section 210 of the Companies Act 1967 of Singapore which involved the acquisition of all shares in 5E Singapore ("**5E Singapore Shares**") (excluding shares held by Loo Sok Ching, Wong Kim Fatt, Ban Kim Wah, Lim Te Hua and Shankar A/L Narasingam (collectively, the "**5E Singapore Controlling Shareholders**")) by GreenEdge at a consideration of S\$0.38 per 5E Singapore Share<sup>(2)</sup> ("**Scheme Consideration**") ("**Scheme**"). Based on the Scheme Consideration and the remaining 32,147,300 5E Singapore Shares not held by the 5E Singapore Controlling Shareholders at the relevant time, the total privatisation cost amounted to approximately S\$12.22 million (equivalent to approximately RM40.44 million converted based on the exchange rate of S\$1:RM3.3093 as at 3 March 2025, being the payment date of Scheme Consideration).

### Notes:

- (1) Based on 147,474,784 5E Singapore Shares upon the SGX Listing, the IPO price of S\$0.26 per share translated to a market capitalisation of S\$38.34 million (equivalent to approximately RM120.66 million converted based on the exchange rate of S\$1:RM3.1471 as at 12 May 2022) which represented the following:
  - (i) PE Multiple of approximately 11.77 times based on the audited consolidated net profit of 5E Singapore for the FYE 2020 (being the latest audited full-year financial information as disclosed in the offer document dated 29 April 2022) i.e. RM10.25 million (after excluding one-off listing expenses of RM2.20 million); and
  - (ii) PE Multiple of approximately 10.25 times based on the annualised consolidated net profit of 5E Singapore for the 9-month financial period ended 30 September 2021 (being the latest audited financial information as disclosed in the offer document dated 29 April 2022) i.e. RM11.77 million (after excluding one-off listing expenses of RM4.60 million);
- (2) Based on 141,122,084 5E Singapore Shares (excluding treasury shares) in issue at the relevant time, the Scheme Consideration of S\$0.38 per 5E Singapore Share translated to a market capitalisation of approximately S\$53.63 million (equivalent to approximately RM176.37 million converted based on the exchange rate of S\$1.00:RM3.2886 as at the date of announcement of the Scheme on 25 October 2024).

As disclosed in the scheme document to shareholders of 5E Singapore dated 7 January 2025, the Scheme Consideration represented a PE Multiple of approximately 9.1 times based on the unaudited consolidated net earnings per 5E Singapore Share for the trailing 12 months financial period ended 30 June 2024 (being the latest publicly available financial information upon the despatch of the scheme document) of approximately S\$0.04 (equivalent to approximately RM0.15 converted based on the exchange rate of S\$1:RM3.4783 as at 30 June 2024).

## 7. BUSINESS OVERVIEW

The difference between the privatisation value i.e. RM176.37 million and the market capitalisation of our Company upon Listing i.e. RM400.40 million is mainly attributable to the higher PE Multiple for our Listing i.e. 16.46 times as compared to the PE Multiple for the Scheme i.e. 9.1 times. Our basis of arriving at the IPO Price is detailed in **Section 4.6** of this Prospectus and also takes into consideration the PE Multiple of comparable companies listed in Malaysia.

In March 2025, 5ERNSB was incorporated as a wholly-owned subsidiary of 5ERSB. 5ERSB further undertook the Capitalisation and Demerger from 5E Singapore in March and April 2025 in preparation for our Listing. Kindly refer to **Section 6.2.1** of this Prospectus for further details.

On 8 December 2025, 5ERSB, TS Heuls and 5ERNSB became wholly-owned subsidiaries of our Company upon completion of the Acquisition of 5ERSB.

The key events and milestones of our Group are summarised in the following table:

| Year | Key events and milestones                                                                                                                                                                                                                                                                                                                                                         |
|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1997 | <ul style="list-style-type: none"> <li>TS Heuls was incorporated and commenced business operations in the trading of chemicals and providing wastewater treatment plant maintenance services, operating out of rented premises in Masai, Johor, namely the Property No. 26.</li> </ul>                                                                                            |
| 2006 | <ul style="list-style-type: none"> <li>5ERSB was incorporated and commenced the process of setting up PLO 83 &amp; 317 Facility (both were rented premises at that time) and obtaining all the regulatory approvals for providing scheduled waste management services.</li> </ul>                                                                                                 |
| 2007 | <ul style="list-style-type: none"> <li>5ERSB obtained the EIA approvals for PLO 83 &amp; 317 Facility and then obtained its first approvals for scheduled waste management comprising 12 SW Codes.</li> </ul>                                                                                                                                                                     |
| 2008 | <ul style="list-style-type: none"> <li>5ERSB completed the setting up of PLO 83 &amp; 317 Facility and commenced commercial operations in providing scheduled waste management services (mainly serving customers in the electronics manufacturing industry in Johor at that time) and supplying recovered and recycled products.</li> </ul>                                      |
| 2009 | <ul style="list-style-type: none"> <li>5ERSB secured its first scheduled waste management services customer outside of Johor, comprising an automotive manufacturer in Melaka.</li> </ul>                                                                                                                                                                                         |
| 2011 | <ul style="list-style-type: none"> <li>5ERSB received ISO 14001:2004 environmental management system certification and OHSAS 18001:2007 occupational health and safety management system certification for PLO 317 Facility.</li> <li>5ERSB acquired a parcel of industrial land in Pasir Gudang and commenced the process of setting up PLO 738 Facility on the land.</li> </ul> |
| 2012 | <ul style="list-style-type: none"> <li>We obtained the EIA approval and approvals for scheduled waste management comprising 19 SW Codes for PLO 738 Facility.</li> </ul>                                                                                                                                                                                                          |

**7. BUSINESS OVERVIEW**

| <b>Year</b> | <b>Key events and milestones</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2014        | <ul style="list-style-type: none"> <li>• 5ERSB commenced the construction of PLO 738 Facility.</li> <li>• 5ERSB set up a marketing office and team based at a rented office in Shah Alam, Selangor to expand our coverage to serve and secure new customers in the central, northern and eastern regions of Peninsular Malaysia. We subsequently closed the marketing office in 2019 and the marketing team is currently working from home and continues to serve our customers in these regions.</li> </ul>                                       |
| 2015        | <ul style="list-style-type: none"> <li>• PLO 738 Facility commenced commercial operations in providing scheduled waste management services. At that time, we had 19 SW Codes for this facility, including 10 additional SW Codes which were not covered by PLO 83 &amp; 317 Facility.</li> </ul>                                                                                                                                                                                                                                                   |
| 2018        | <ul style="list-style-type: none"> <li>• We had 2 significant scheduled waste management service projects as follows: <ul style="list-style-type: none"> <li>- engagement by a maritime and logistics services company to provide salvage, decontamination, and cleaning of shipping containers from one of its vessels contaminated by fuel oil leakage in Johor; and</li> <li>- engagement by a port operator to collect and manage scheduled wastes that resulted from a maritime accident in Johor.</li> </ul> </li> </ul>                     |
| 2019        | <ul style="list-style-type: none"> <li>• Following the illegal dumping of toxic chemical waste into the Kim Kim River in Pasir Gudang, Johor, we were engaged to advise and provide solutions to the Jabatan Pengairan dan Saliran Negeri Johor, and to collect and manage the scheduled waste.</li> <li>• We completed the acquisition of the land and building of PLO 317 Facility.</li> </ul>                                                                                                                                                   |
| 2020        | <ul style="list-style-type: none"> <li>• 5ERSB received ISO 45001:2018 occupational health and safety management system certification for PLO 317 Facility and PLO 738 Facility in the scope of provision of recycling and recovery services for scheduled waste items. This certificate replaced the OHSAS 18001:2007 certification previously obtained in 2011.</li> <li>• 5ERSB and TS Heuls became wholly-owned subsidiaries of 5E Holdings.</li> </ul>                                                                                        |
| 2021        | <ul style="list-style-type: none"> <li>• We completed the acquisition of the land and building of PLO 83 Facility.</li> <li>• Via 5E Resources Limited (a company incorporated in the Cayman Islands on 24 November 2020 and subsequently dissolved on 14 March 2023), we submitted an application to the Hong Kong Stock Exchange for a proposed listing on the Growth Enterprise Market in March 2021. This application was voluntarily withdrawn in July 2021 in view of the prevailing unfavourable market conditions in Hong Kong.</li> </ul> |
| 2022        | <ul style="list-style-type: none"> <li>• 5E Holdings, 5ERSB and TS Heuls became wholly-owned subsidiaries of 5E Singapore, which subsequently secured a successful listing on the Catalist Board of Singapore Exchange Securities Trading Limited on 12 May 2022.</li> <li>• 5ERSB entered into a 24-year lease for the parcel of land on which PLO 321 Facility is located and commenced construction work for Phase 1 comprising a warehouse and a logistics office.</li> </ul>                                                                  |

**7. BUSINESS OVERVIEW**

| <b>Year</b> | <b>Key events and milestones</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2023        | <ul style="list-style-type: none"> <li>We completed the construction work for Phase 1 of PLO 321 Facility, and the warehouse and logistics office at this facility are currently operational.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 2024        | <ul style="list-style-type: none"> <li>5ERSB received ISO/IEC 17025:2017 accreditation that our laboratory at PLO 738 Facility fulfils the technical competence and management system requirements necessary to consistently deliver technically valid test results and calibrations. This was in relation to specified scopes of chemical testing of solid and liquid wastes in relation to environmental monitoring.</li> <li>We completed the acquisition of the parcel of land on which PLO 321 Facility is located and the lease entered into in 2022 was terminated accordingly.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 2025        | <ul style="list-style-type: none"> <li>5E Singapore was voluntarily delisted from the Catalist Board of Singapore Exchange Securities Trading Limited on 5 March 2025.</li> <li>5ERNBSB was incorporated and entered into a sale and purchase agreement to acquire 2 parcels of adjoining land with total land area of approximately 607,784 sq ft in Batang Padang, Perak, namely Lot 13416 &amp; 13417. The acquisition of Lot 13416 &amp; 13417 has been completed as at the LPD. The intended business activity of 5ERNBSB is to set up a scheduled waste management facility on the land and provide scheduled waste management services. Please refer to <b>Section 7.18.3</b> of this Prospectus for information on this business strategy.</li> <li>TS Heuls entered into a sale and purchase agreement to acquire a terrace factory in Masai, Johor, namely Property No. 31 in preparation for the relocation of its operations from Property No. 26. The acquisition of Property No. 31 has been completed as at the LPD.</li> <li>5E Resources was incorporated and entered into a share sale agreement for the Acquisition of 5ERSB. Please refer to <b>Section 6.2.2</b> of this Prospectus for information on this restructuring.</li> </ul> |
| 2026        | <ul style="list-style-type: none"> <li>We obtained EIA approval to set up the New Perak Facility and provide scheduled waste management services covering 44 SW Codes (including 6 that have not been licensed to us to manage at our existing licensed facilities and PLO 321 Facility). Please refer to <b>Section 7.18.3</b> of this Prospectus for further details.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

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**7. BUSINESS OVERVIEW**

The awards and recognitions that we have received since 2016 and up to the LPD include the following:

| <b>Year</b> | <b>Awarding organisation</b>        | <b>Awards and recognitions</b>                                                                                                                                   |
|-------------|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2016        | CHWMEG, Inc.                        | Certificate of Appreciation for supporting a facility review program                                                                                             |
| 2017        | ATT Tanjung Bin Sdn Bhd             | Certificate of Appreciation in Recognition for the Efforts and Contributions towards Achieving 5 <sup>th</sup> Lost-time Incident (LTI) Free Operation Year 2017 |
| 2017        | DOE Johor                           | Letter of appreciation for cleaning up the oil pollution near Kampung Teluk Jawa, Masai, Johor in April 2017                                                     |
| 2019        | DOE Johor                           | Certificate of Appreciation – Pasir Gudang Industrial School Adoption Programme (PROSPAG) 2019                                                                   |
| 2020        | CHWMEG, Inc.                        | Certificate of Appreciation for supporting a facility review program                                                                                             |
| 2020        | Lotte Chemical Titan Holding Berhad | Vendor Safety Certificate for successfully completing HSE pre-evaluation                                                                                         |
| 2023        | Junior Chamber International (JCI)  | Top Finalist of the JCI Sustainable Development Award under the Responsible Consumption and Production category                                                  |
| 2025        | Pasir Gudang City Council (PGCC)    | Appreciation for hosting scheduled waste management facility site visit for Universiti Malaysia Sarawak organised by PGCC                                        |

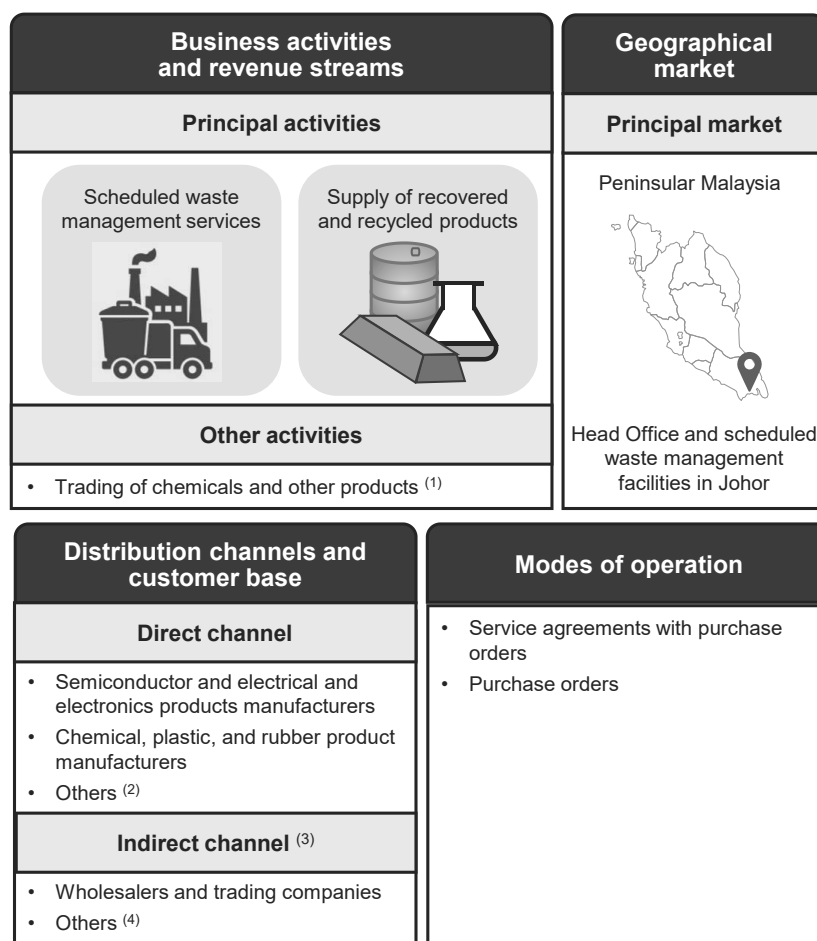
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## 7. BUSINESS OVERVIEW

### 7.2 OVERVIEW OF OUR BUSINESS

#### 7.2.1 Our business model

Our business model is depicted in the following diagram:



Notes:

- (1) Trading of chemicals including acids, ammonia, urea and industrial alcohol, and other products including laboratory consumables (glass flasks and pipettes) and containers.
- (2) Other direct channel customers include metal and other metal products, F&B products, and other manufacturers, as well as waste management and other service providers.
- (3) Our indirect distribution channel customers mainly purchase recovered and recycled products from us and then sell them to third parties.
- (4) Other indirect channel customers include waste management and other service providers, and chemical, plastic, and rubber product manufacturers.

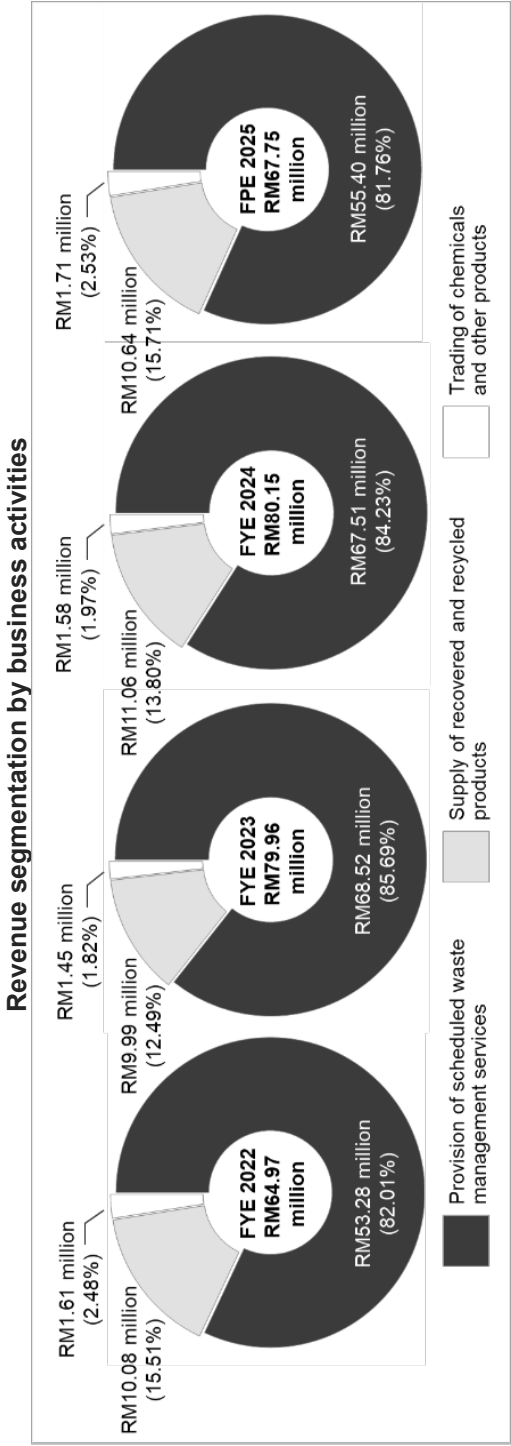


7. BUSINESS OVERVIEW

7.2.2 Business activities and revenue streams

Our principal business activity is the provision of scheduled waste management services complemented by the supply of recovered and recycled products. We also trade chemicals and other products.

Our revenue segmentation for the Period Under Review is as depicted in the diagram below:



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7. BUSINESS OVERVIEW

| Business activities                                                                                                                                                                                                                                                                                  | Audited  |        |          |        |          |        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------|----------|--------|----------|--------|
|                                                                                                                                                                                                                                                                                                      | FYE 2022 |        | FYE 2023 |        | FYE 2024 |        |
|                                                                                                                                                                                                                                                                                                      | RM'000   | %      | RM'000   | %      | RM'000   | %      |
| <b>Provision of scheduled waste management services</b><br>Wastes containing primarily inorganic constituents (SW 2)<br>Wastes which may contain either inorganic or organic constituents (SW 4)<br>Wastes containing primarily organic constituents (SW 3)<br>Metal and metal-bearing wastes (SW 1) | 22,775   | 35.05  | 30,357   | 37.97  | 23,115   | 28.84  |
|                                                                                                                                                                                                                                                                                                      | 19,557   | 30.10  | 22,595   | 28.26  | 22,445   | 28.01  |
|                                                                                                                                                                                                                                                                                                      | 9,874    | 15.20  | 14,269   | 17.84  | 18,811   | 23.47  |
|                                                                                                                                                                                                                                                                                                      | 1,076    | 1.66   | 1,298    | 1.62   | 3,136    | 3.91   |
|                                                                                                                                                                                                                                                                                                      | 53,282   | 82.01  | 68,519   | 85.69  | 67,507   | 84.23  |
| <b>Supply of recovered and recycled products</b>                                                                                                                                                                                                                                                     | 10,077   | 15.51  | 9,990    | 12.49  | 11,059   | 13.80  |
| <b>Trading of chemicals and other products</b>                                                                                                                                                                                                                                                       | 1,610    | 2.48   | 1,452    | 1.82   | 1,583    | 1.97   |
| <b>Total revenue</b>                                                                                                                                                                                                                                                                                 | 64,969   | 100.00 | 79,961   | 100.00 | 80,149   | 100.00 |
|                                                                                                                                                                                                                                                                                                      |          |        |          |        | 67,754   | 100.00 |
|                                                                                                                                                                                                                                                                                                      |          |        |          |        | 55,395   | 81.76  |
|                                                                                                                                                                                                                                                                                                      |          |        |          |        | 10,647   | 15.71  |
|                                                                                                                                                                                                                                                                                                      |          |        |          |        | 1,712    | 2.53   |

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## 7. BUSINESS OVERVIEW

### (i) Provision of scheduled waste management services

Our main business activity is providing scheduled waste management services which accounted for more than 80.00% of our revenue during the Period Under Review.

Generally, scheduled waste refers to any waste possessing hazardous characteristics with the potential to adversely affect public health and / or the environment. These wastes are considered hazardous due to their toxicity, flammability, corrosiveness, reactivity, infectivity, or environmentally damaging properties, posing significant risks to human health and the environment if not properly managed.

In Malaysia, the management of scheduled waste is regulated under the EQSWR 2005. Schedule wastes are listed in the First Schedule of the EQSWR 2005. As at the LPD, there were 77 categories of scheduled waste, of which we are licensed to provide management services for 34 categories. Scheduled waste management facilities are also required to be licensed, and as at the LPD, we own and operate 2 licensed scheduled waste management facilities, namely PLO 83 & 317 Facility and PLO 738 Facility in Pasir Gudang, Johor.

In addition, we are currently constructing Phase 2 of PLO 321 Facility, which comprises a new scheduled waste management facility adjacent to PLO 83 & 317 Facility. Upon completion, PLO 321 Facility will be licenced to manage 27 scheduled waste categories, out of which 4 are additional categories to us. We expect this facility to become operational by the 2<sup>nd</sup> half of 2026.

Further, we have also obtained the EIA approval from DOE Perak for the establishment of the New Perak Facility and to manage scheduled waste covering 44 SW Codes, out of which 6 are new SW Codes which have not been licensed to us to manage at our existing licensed facilities or PLO 321 Facility.

Please refer to **Sections 7.18.2** and **7.18.3** of this Prospectus for additional information on PLO 321 Facility and New Perak Facility respectively.

Our scheduled waste management services cover the following categories:

- SW 1: Metal and metal-bearing wastes;
- SW 2: Wastes containing primarily inorganic constituents;
- SW 3: Wastes containing primarily organic constituents; and
- SW 4: Wastes which may contain either inorganic or organic constituents.

Kindly refer to **Section 7.5.1** of this Prospectus for further details of the respective scheduled waste categories.

Our scheduled waste management services involve the following:

- **Testing:** We conduct testing on samples of scheduled waste from customers to ascertain the type, components, proportion and concentration of the scheduled waste.
- **Collection:** We arrange for the collection of scheduled wastes from our customers' premises and transport them to our licensed facilities for recovery and / or recycling processes.
- **Recovery and recycling:** We carry out recovery and / or recycling processes to obtain valuable and / or useful materials from the scheduled wastes.

## 7. BUSINESS OVERVIEW

Any valuable or useful materials that are recovered and / or recycled will either be sold to our customers, used as input materials for our in-house processes, or collected by third-party companies for further use.

Gases and wastewater generated by our processes will first be treated before they are responsibly discharged. Meanwhile, we engage third-party licensed contractors to collect solid residue that is still classified as scheduled waste for further use, treatment, or disposal.

Our scheduled waste management services are mainly provided to customers who generate scheduled wastes as part of their regular business operations. Occasionally, our services are project-based where we are engaged in response to a specific event such as an environmental incident. For instance, we had a project-based engagement to clean up an illegal dumping site in Tanjung Kupang, Johor which contributed approximately RM0.33 million in revenue in FYE 2024.

In addition, we also generate revenue under our scheduled waste management services segment through the provision of chemical analysis services. This service, which constituted less than 1.00% of our revenue during the Period Under Review, is conducted at our laboratory in PLO 738 Facility that holds an ISO/IEC 17025:2017 accreditation.

### (ii) Supply of recovered and recycled products

Our supply of recovered and recycled products business complements our main scheduled waste management services business through an additional revenue stream from the sale of useful and / or valuable products to customers. These products are those that we recover and recycle during the course of providing scheduled waste management services, as well as from carrying out recovery and recycling processes on scheduled wastes that we purchased from third parties.

The types of recovered and recycled products that we supply to our customers include the following:

Recovered products:

- precious metals (mainly silver and palladium);
- other metals (mainly zinc, aluminium, copper, and nickel);
- coolants, solvents and oils; and
- other scrap materials.

Recycled products:

- acids and alkali;
- detergents and other chemicals;
- gloves, cleaning cloths, rags and other fabrics; and
- containers comprising drums, plastic containers, jerrycans, jumbo bags, and IBC.

### (iii) Trading of chemicals and other products

We are also involved in the trading of chemicals such as acids, ammonia, urea, and industrial alcohol, alongside other products such as laboratory consumables (such as glass flasks and pipettes) and containers.

## 7. BUSINESS OVERVIEW

### 7.2.3 Geographical markets

Our principal market is in Peninsular Malaysia, as more than 90.00% of our revenue was generated from customers in Peninsular Malaysia during the Period Under Review. It is also where our head office and scheduled waste management facilities are located.

Our revenue segmentation by geographical markets based on our customers' invoice addresses are as follows:

| Geographical market <sup>(1)</sup>   | Audited       |               |               |               |               |               |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                      | FYE 2022      |               | FYE 2023      |               | FYE 2024      |               |
|                                      | RM'000        | %             | RM'000        | %             | RM'000        | %             |
| <b>Peninsular Malaysia</b>           | 42,038        | 64.71         | 52,453        | 65.60         | 49,524        | 61.79         |
|                                      | 6,667         | 10.26         | 10,447        | 13.06         | 11,661        | 14.55         |
|                                      | 8,993         | 13.84         | 8,554         | 10.70         | 7,572         | 9.45          |
|                                      | 450           | 0.69          | 778           | 0.97          | 3,295         | 4.11          |
|                                      | 4,688         | 7.22          | 5,610         | 7.02          | 6,560         | 8.18          |
|                                      | <b>62,836</b> | <b>96.72</b>  | <b>77,842</b> | <b>97.35</b>  | <b>78,612</b> | <b>98.08</b>  |
| <b>Other countries<sup>(3)</sup></b> | <b>2,133</b>  | <b>3.28</b>   | <b>2,119</b>  | <b>2.65</b>   | <b>1,537</b>  | <b>1.92</b>   |
| <b>Total revenue</b>                 | <b>64,969</b> | <b>100.00</b> | <b>79,961</b> | <b>100.00</b> | <b>80,149</b> | <b>100.00</b> |
|                                      |               |               |               |               | <b>66,306</b> | <b>97.86</b>  |
|                                      |               |               |               |               | <b>1,448</b>  | <b>2.14</b>   |
|                                      |               |               |               |               | <b>67,754</b> | <b>100.00</b> |

Notes:

(1) Based on customers' invoice addresses.

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

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

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## 7. BUSINESS OVERVIEW

### 7.2.4 Distribution channels and customer base

Our direct distribution channel customers mainly engage us to manage their scheduled wastes or purchase recovered and recycled products as well as chemicals and other products from us for their own use. Meanwhile, our indirect distribution channel customers mainly purchase recovered and recycled products from us and then sell them to third parties.

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

| Distribution channel                                | Audited       |               |               |               |               |               |
|-----------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                                     | FYE 2022      |               | FYE 2023      |               | FYE 2024      |               |
|                                                     | RM'000        | %             | RM'000        | %             | RM'000        | %             |
| <b>Direct</b>                                       |               |               |               |               |               |               |
| Semiconductor and E&E product manufacturers         | 13,515        | 20.80         | 30,857        | 38.59         | 24,926        | 31.10         |
| Chemical, plastic, and rubber product manufacturers | 14,656        | 22.56         | 10,824        | 13.54         | 14,349        | 17.90         |
| Waste management service providers                  | 3,714         | 5.72          | 6,412         | 8.02          | 10,488        | 13.09         |
| Metal and metal product manufacturers               | 7,965         | 12.26         | 11,578        | 14.48         | 10,211        | 12.74         |
| Car and other motor vehicle manufacturers           | 4,373         | 6.73          | 4,671         | 5.84          | 5,133         | 6.40          |
| F&B product manufacturers                           | 9,048         | 13.93         | 5,977         | 7.47          | 4,238         | 5.29          |
| Other manufacturers <sup>(1)</sup>                  | 4,578         | 7.05          | 3,954         | 4.94          | 4,555         | 5.68          |
| Other service providers <sup>(2)</sup>              | 1,245         | 1.91          | 2,459         | 3.08          | 2,675         | 3.34          |
|                                                     | <b>59,094</b> | <b>90.96</b>  | <b>76,732</b> | <b>95.96</b>  | <b>76,575</b> | <b>95.54</b>  |
| <b>Indirect</b>                                     |               |               |               |               |               |               |
| Wholesalers and trading companies <sup>(3)</sup>    | 2,633         | 4.05          | 1,408         | 1.76          | 1,161         | 1.45          |
| Waste management service providers                  | 1,693         | 2.61          | 680           | 0.85          | 577           | 0.72          |
| Chemical, plastic, and rubber product manufacturers | 377           | 0.58          | 166           | 0.21          | 269           | 0.34          |
| Other service providers <sup>(4)</sup>              | 1,172         | 1.80          | 975           | 1.22          | 1,567         | 1.95          |
|                                                     | <b>5,875</b>  | <b>9.04</b>   | <b>3,229</b>  | <b>4.04</b>   | <b>3,574</b>  | <b>4.46</b>   |
| <b>Total revenue</b>                                | <b>64,969</b> | <b>100.00</b> | <b>79,961</b> | <b>100.00</b> | <b>80,149</b> | <b>100.00</b> |
|                                                     |               |               |               |               | <b>67,754</b> | <b>100.00</b> |

**7. BUSINESS OVERVIEW**

Notes:

\* Less than 0.01%.

- (1) Under the direct channel, other manufacturers include those of textiles, machinery, paper products and packaging, furniture, building materials, and printed products.
- (2) Under the direct channel, other service providers include those of logistics, construction, mining, hostel and hospitality, and vehicle and machinery maintenance services.
- (3) Revenue from wholesalers and trading companies was mainly from the supply of recovered and recycled products.
- (4) Under the indirect channel, other service providers include those of logistics, construction, mining, hostel and hospitality, and vehicle and machinery maintenance services.

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## 7. BUSINESS OVERVIEW

### 7.2.5 User industries

Most of our revenue during the Period Under Review was from manufacturers. Our revenue segmentation by user industries are as follows:

| User industries                               | Audited       |               |               |               |               |               |
|-----------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                               | FYE 2022      |               | FYE 2023      |               | FYE 2024      |               |
|                                               | RM'000        | %             | RM'000        | %             | RM'000        | %             |
| <b>Manufacturing industries</b>               |               |               |               |               |               |               |
| Semiconductors and E&E products               | 13,515        | 20.80         | 30,857        | 38.59         | 24,926        | 31.10         |
| Chemical, plastic, and rubber products        | 15,033        | 23.14         | 10,989        | 13.74         | 14,618        | 18.24         |
| Metal and metal products                      | 7,965         | 12.26         | 11,578        | 14.48         | 10,211        | 12.74         |
| Cars and other motor vehicles                 | 4,373         | 6.73          | 4,671         | 5.84          | 5,133         | 6.40          |
| F&B                                           | 9,048         | 13.93         | 5,977         | 7.47          | 4,238         | 5.29          |
| Other manufacturing industries <sup>(1)</sup> | 4,578         | 7.04          | 3,954         | 4.95          | 4,555         | 5.68          |
|                                               | <b>54,512</b> | <b>83.90</b>  | <b>68,026</b> | <b>85.07</b>  | <b>63,681</b> | <b>79.45</b>  |
| <b>Service industries</b>                     |               |               |               |               |               |               |
| Waste management services                     | 5,407         | 8.32          | 7,092         | 8.87          | 11,065        | 13.81         |
| Other service industries <sup>(2)</sup>       | 5,050         | 7.78          | 4,843         | 6.06          | 5,403         | 6.74          |
|                                               | <b>10,457</b> | <b>16.10</b>  | <b>11,935</b> | <b>14.93</b>  | <b>16,468</b> | <b>20.55</b>  |
| <b>Total revenue</b>                          | <b>64,969</b> | <b>100.00</b> | <b>79,961</b> | <b>100.00</b> | <b>80,149</b> | <b>100.00</b> |
|                                               |               |               |               |               | <b>67,754</b> | <b>100.00</b> |

**Notes:**

- (1) Other manufacturing industries include textiles, machinery, paper products and packaging, furniture, building materials, and printed products.
- (2) Other service industries include logistics, construction, trading, mining, hostel and hospitality, and vehicle and machinery maintenance services as well as wholesalers and trading companies.



## **7. BUSINESS OVERVIEW**

### **7.3 MODE OF OPERATIONS**

Our mode of operations includes service agreements with purchase orders, and purchase orders.

#### **7.3.1 Provision of scheduled waste management services**

Our mode of operations for the provision of scheduled waste management services are based on one of the following:

- Service agreement with purchase orders; or
- Purchase orders.

##### **Service agreement with purchase orders**

We have service agreements with some of our scheduled waste management customers that generate scheduled waste as part of their normal course of business. These agreements outline the general terms and conditions of our business relationship, including the types of scheduled waste they have engaged us to collect and manage. Our service agreements typically last between 1 and 3 years, with an option for an additional 1-year extension in some cases.

These service agreements provide unit pricing (which is subject to change) for each type of scheduled waste that we are engaged to manage.

We will propose unit pricing after analysing a sample of the scheduled waste to determine its composition, specifically the components classified as scheduled waste, their proportions and concentrations, and the estimated monthly volume. This analysis will enable us to determine the recovery and / or recycling costs and identify any recoverable or recyclable materials. The resulting information will form the basis for pricing our scheduled waste management services.

Once the customer accepts our proposed unit pricing, it will apply to all subsequent scheduled waste management services, unless the composition of future scheduled waste differs significantly. We test each consignment of scheduled waste that customers ask us to manage, and if the composition materially differs from the original sample, we reserve the right to adjust our pricing accordingly.

Customers requiring our scheduled waste management services will issue a purchase order that specifies the type and estimated volume of scheduled waste to be collected. The actual volume will be measured at the time of collection, with confirmation from the customer. The purchase order will also outline the payment terms based on the agreed unit pricing, as well as the proposed collection schedule.

These service arrangements do not obligate customers to engage our services, nor do they obligate us to accept any purchase orders.

Transportation and related collection costs are included in our service pricing.

##### **Purchase orders**

Some of our customers do not have service agreements with us, but will issue purchase orders as and when they require our services. Thereafter, the processes are similar to the above service agreements with purchase orders.

## **7. BUSINESS OVERVIEW**

### **7.3.2 Supply of recovered and recycled products**

All customers who want to purchase recovered or recycled products will contact us to obtain a quotation. Once our quotation is accepted, our customers will issue us with purchase orders with the following details:

- product specifications;
- quantity and agreed pricing of the products;
- payment terms; and
- delivery schedule and location.

Transportation costs are included in the pricing of our products.

### **7.3.3 Trading of chemicals and other products**

Trading of chemicals and other products are based on purchase orders that our customers will issue as and when they require our products.

We will provide a quotation, and if accepted, our customers will issue us with purchase orders with the following details:

- product specifications;
- quantity and agreed pricing of the products;
- payment terms; and
- delivery schedule and location.

Transportation costs are included in the pricing of our products.

### **7.3.4 Payment terms**

Typically, we do not require a down payment from our customers. We begin providing services or fulfilling orders once a customer issues a confirmed purchase order. The full value of the purchase order will be invoiced after we have completed the recovery and recycling process for the scheduled waste or fulfilled the order (for the supply of recovered and recycled products and trading of chemicals and other products).

For some customers (selected based on factors such as credit risk assessment, the length of our business relationship, and the types of products or services ordered) a down payment of up to 50.00% is required after we accept their confirmed purchase order. We will commence providing our services or fulfilling the order upon receipt of this down payment. The remaining value of the purchase order will be invoiced after we have completed the recovery and recycling process for the scheduled waste or fulfilled the order (for the supply of recovered and recycled products and trading of chemicals and other products).

Customers are required to pay the invoiced amount based on the agreed terms stipulated on their invoices. Our trade terms with customers during the Period Under Review were either cash terms or credit terms of between 30 days and 120 days.

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**7. BUSINESS OVERVIEW**

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**7.3.5 Warranty and rejected products**

**Provision of scheduled waste management services:** Warranty and product rejection policies do not apply to our scheduled waste management services, as these are service-based. Once the scheduled waste is collected and outside of the customers' premises, all risks associated with the transportation and subsequent storage, processing and / or disposal are within our responsibility.

**Supply of recovered and recycled products:** Due to the nature of recovered and recycled products, we do not offer product warranties for recovered and recycled products. Customers may inspect the products and have to make any claims regarding the quality and / or quantity of products delivered within 7 days of receipt of the delivery. We will not address any claims made after 7 days. We did not receive any customer claims regarding the quality and / or quantity of products delivered during the Period Under Review.

**Trading of chemicals and other products:** We do not provide product warranties for chemicals and other products that we trade. Customers may inspect products upon delivery. By signing the delivery order, customers confirm receipt of the correct order and satisfactory product condition. If products are found to be non-compliant with the order, customers may reject them, and we will work to rectify the issue or provide replacements. For the Period Under Review, we did not receive any customer claims in relation to our trading of chemicals and other products.

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## 7. BUSINESS OVERVIEW

### 7.4 OUR COMPETITIVE ADVANTAGES AND KEY STRENGTHS

#### 7.4.1 With a proven track record of 18 years in scheduled waste management services, we have built strong customer confidence in our services which provides a solid platform for securing new business

We commenced our business in 1997 which provides us with a track record of approximately 29 years. Our initial focus was in chemical trading and the maintenance of wastewater treatment plants. Since the commencement of operations of PLO 83 & 317 Facility in 2008, we have been providing scheduled waste management services and supplying recovered and recycled products for approximately 18 years.

Our track record has provided us with the following key advantages to sustain and grow our business:

- Proven operational reliability, technical expertise, and an extensive understanding of the scheduled waste industry backed by an operating history of 18 years.
- Enhanced customer confidence and increased loyalty for our services and products and this is demonstrated by the long-term business relationship with our customers. For the FPE 2025, 80.00% of our top 5 major customers have been dealing with our Group for between 6 years and 16 years.
- Greater visibility and awareness of our services within the scheduled waste industry which helps us to attract potential customers. For the FYE 2024 and FPE 2025, we served a large pool of 459 customers and 502 customers respectively.

Our proven track record as an established provider of scheduled waste management services will provide us with the platform for future business growth.

#### 7.4.2 Our licences to manage a wide range of scheduled wastes give us access to a large addressable market, enabling business growth

During the Period Under Review, we managed scheduled wastes from waste generators operating in diverse industries, including, among others, semiconductor and E&E products, chemical, plastic, and rubber products, metal and metal products, cars and other motor vehicles, F&B, and other manufacturing industries as well as waste management and other service industries.

As at the LPD, we are licensed to manage scheduled wastes under 34 out of the 77 SW Codes listed in the First Schedule of the EQSWR 2005 and this provides our business with the following benefits:

- Access to a larger addressable market: The ability to handle a wide range of scheduled waste categories allows us to serve a broader customer base across various industries, significantly increasing our total addressable market.
- Providing greater business opportunities and revenue streams: Licensed to serve more scheduled waste categories would mean the potential to increase our service offerings, enabling greater diversification of revenue streams and reducing dependency on any single waste category or customer sectors.

## 7. BUSINESS OVERVIEW

- Comprehensive solution: Leveraging our licenses to handle a wide range of scheduled waste categories at our in-house facilities, we provide our customers with the convenience of a comprehensive solution for scheduled waste management. This convenience enhances our value proposition which will help to strengthen customer relationships and promote customer loyalty.
- Stronger competitive position: Our broader licensing capabilities provide us with a distinct edge in securing orders from customers.
- Improved operational flexibility: With the ability to manage diverse types of scheduled waste, we are in a stronger position to adapt to changes in market demand or regulatory requirements.

### 7.4.3 Our accredited in-house laboratory and R&D department work to optimise recovery and recycling methods and facilitate accurate costing, ensuring cost-effective operations while maximising the recovery and recycling of products

Our accredited in-house laboratory and dedicated R&D department play a crucial role in optimising recovery and recycling methods, improving operational efficiency, and supporting cost-effective operations. These capabilities also enhance our ability to maximise the amount of materials that we recover and recycle.

Our laboratory, which is located at PLO 738 Facility, is accredited with ISO/IEC 17025:2017. This demonstrates our technical competency with the quality management system in place to consistently deliver accurate and reliable test results and calibrations. With this accreditation, our test results are recognised by third parties, including regulatory authorities such as the DOE.

Having an in-house laboratory allows us to conduct precise analysis of the customer's scheduled waste samples without relying on third-party laboratories. This is critical in promptly determining the acceptability and pricing of consignments. It also supports continuous environmental monitoring, ensuring our wastewater discharge and gaseous emissions comply with regulatory standards. By managing these analyses internally, we reduce costs and improve turnaround time for test results.

Overall, our in-house laboratory and R&D capabilities support our business growth by reducing operational costs, facilitating regulatory compliance, and optimising recovery and recycling operations.

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## 7. BUSINESS OVERVIEW

### 7.4.4 Our recovery and recycling capabilities enable us to convert waste into valuable resources, thereby generating additional revenue, advancing our customers' environmental sustainability goals, and reinforcing our role as a participant in the circular economy

Our recovery and recycling capabilities enable us to convert waste into valuable resources, driving business growth mainly through additional revenue streams, while also advancing both our own and our customers' environmental sustainability goals. These efforts also reinforce our role in the circular economy.

In addition, we utilise some of the recovered and recycled products in-house to support our operations which helps to reduce our costs. These products include fuel oil, alkali, wastewater treatment chemicals, and cotton gloves.

For the Period Under Review, the supply of recovered and recycled products accounted for 15.51% (RM10.08 million), 12.49% (RM9.99 million), 13.80% (RM11.06 million) and 15.71% (RM10.64 million) of our total revenue for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively. The cost savings achieved through the use of recovered and recycled products (such as fuel oil, alkali, wastewater treatment chemicals, and cotton gloves) in our operations amounted to approximately RM3.60 million, RM3.16 million, RM3.93 million and RM2.28 million for FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

Our recovery and recycling practices align with the principles of the circular economy, a model of production and consumption that prioritises reduction in waste and reusing materials for as long as possible. By recovering and recycling scheduled waste, we reduce the need for virgin raw materials, both for our own operations as well as for our customers who would also use our recovered or recycled products in their respective operations.

The circular economy is a focus of the Malaysian government, as highlighted in the 13th Malaysia Plan, which promotes the adoption of circular economy practices through several initiatives, including:

- Reinforce the investment ecosystem by integrating the circular economy and artificial intelligence-based digitalisation in the local supply chain as part of the strategy to reform the local semiconductor manufacturing industry;
- Enactment of circular economy legislation across various sectors to regulate activities along the value chain, from production to disposal;
- Improve mechanisms for circular economy adoption, including plastic conservation, scheduled waste and biomass management, and extended producer responsibility (which makes manufacturers responsible for end-of-life management, for example as e-waste disposal); and
- Implementing the policy of banning the establishment of new landfills to promote the circular economy.

Our participation in the circular economy not only supports national environmental goals but also strengthens our business model. By generating additional revenue and reducing material costs, our recovery and recycling capabilities contribute directly to the sustainability and long-term growth of our business.

## 7. BUSINESS OVERVIEW

### 7.4.5 We have experience handling major environmental pollution incidents which differentiates our service portfolio and also opens up additional opportunities for growth

Our proven experience in handling major environmental pollution incidents sets us apart from other operators in the market and presents additional opportunities for business growth.

We have been engaged by government authorities to manage large scale pollution events, such as the Kim Kim River incident in 2019. In this case, Jabatan Pengairan dan Saliran Negeri Johor appointed us to clean up pollution caused by the illegal dumping of toxic chemical waste into the Kim Kim River in Pasir Gudang, Johor. As part of the project, we collected and processed contaminated water, mud, and other materials classified under SW 309, SW 408, and SW 410 at our licensed facilities.

Our involvement in such high-profile projects demonstrates the government's trust in our expertise and reflects our capabilities in:

- accurately identifying and managing various types of scheduled waste;
- mobilising quickly during environmental emergencies; and
- processing large volumes of waste at scale through our licensed facilities.

This track record reinforces our technical credibility, enhances our reputation in the industry, and positions us to secure similar projects in the future, supporting the continued growth and sustainability of our business.

### 7.4.6 We have experienced Directors and Key Senior Management team to drive our growth

We have an experienced management team headed by our Executive Director and CEO, Lim Te Hua and complemented by our Executive Director and COO, Shankar A/L Narasingam who bring with them approximately 18 years of experience in the scheduled waste management industry. Lim Te Hua has been instrumental in driving the business growth and is responsible for developing the strategic direction of our Group. Meanwhile, Shankar A/L Narasingam is responsible for the day-to-day management of our operations and implementation of our business strategies.

Our Executive Directors are supported by our Key Senior Management team which comprises the following:

- Sim Ting Ling, our Group Financial Controller has approximately 9 years of experience in finance and accounting related matters;
- Ang Khoon Poh, our Head of R&D has approximately 14 years of experience in scheduled waste management;
- Lee Wah Kian, our Production Manager has approximately 17 years of experience in scheduled waste management; and
- Boo Chin Hwee, our Head of Marketing has approximately 17 years of experience in marketing.

Please refer to **Sections 5.1.2 and 5.4.2** of this Prospectus for the profiles of our Directors and Key Senior Management team.

## 7. BUSINESS OVERVIEW

### 7.5 BUSINESS ACTIVITIES, PRODUCTS, AND SERVICES

#### 7.5.1 Scheduled waste management services

##### (a) Scheduled wastes and regulations

We provide scheduled waste management services, which is our principal business activity and this accounted for 82.01% (RM53.28 million), 85.69% (RM68.52 million), 84.23% (RM67.51 million) and 81.76% (RM55.40 million) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FPE 2025, respectively.

Scheduled waste and its management are regulated under the EQSWR 2005 of the EQA 1974. Scheduled waste refers to any waste that are listed in the First Schedule of the EQSWR 2005, whether hazardous or not. It comprises 77 specific categories that require handling, recovery, recycling, treatment, or disposal in accordance with DOE regulations. Schedule waste includes industrial by-products, chemicals, clinical waste, and toxic substances. Out of the 77 categories, we are licensed to provide scheduled waste management services for 34 categories as at the LPD.

As at the LPD, we have 26 trucks owned by us, 15 trucks owned by third parties, 17 drivers employed by us, and 24 drivers employed by third parties, all of which are registered under our DOE licenses to transport scheduled wastes. We also own and operate 2 licensed scheduled waste management facilities in Pasir Gudang, Johor, namely PLO 83 & 317 Facility and PLO 738 Facility. As a licensed scheduled waste management service provider, we are authorised to perform the following activities:

- Collect, transport, store, recover, and recycle scheduled wastes; and
- Operate scheduled waste recovery and recycling facilities.

In addition, we are currently constructing Phase 2 of PLO 321 Facility, a new scheduled waste management facility adjacent to PLO 83 & 317 Facility. Upon completion, PLO 321 Facility will be licenced to manage 27 scheduled waste categories, out of which 4 are additional categories comprising waste batteries, waste gypsum, clinker, slag and ashes, and discarded chemicals. We expect this facility to become operational by the 2<sup>nd</sup> half of 2026.

Further, we have also obtained the EIA approval from DOE Perak for the establishment of the New Perak Facility and for the provision of scheduled waste management services covering 44 SW Codes, out of which 6 are new SW Codes which have not been licensed to us to manage at our existing licensed facilities or PLO 321 Facility.

Please refer to **Sections 7.18.2** and **7.18.3** of this Prospectus for additional information on PLO 321 Facility and New Perak Facility respectively.

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## 7. BUSINESS OVERVIEW

During the Period Under Review and as at the LPD, our scheduled waste management services cover the following scheduled waste categories:

| Scheduled waste category                                                       | SW Codes <sup>(1)</sup>                                                                                                                    |
|--------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SW 1:</b> Metal and metal-bearing wastes                                    | SW 104 and SW 110                                                                                                                          |
| <b>SW 2:</b> Wastes containing principally inorganic constituents              | SW 202, SW 204, SW 206, and SW 207                                                                                                         |
| <b>SW 3:</b> Wastes containing principally organic constituents                | SW 301, SW 303, SW 305, SW 306, SW 307, SW 308, SW 309, SW 310, SW 311, SW 312, SW 313, SW 314, SW 321, SW 322, SW 323, SW 325, and SW 327 |
| <b>SW 4:</b> Wastes which may contain either organic or inorganic constituents | SW 401, SW 402, SW 408, SW 409, SW 410, SW 411, SW 416, SW 417, SW 418, SW 422, and SW 427                                                 |

Note:

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

In general, organic compounds are substances that contain carbon together with carbon-hydrogen (C-H) bonds and may also contain other elements such as oxygen, nitrogen, and sulphur. They may be derived from living organisms or are man-made (synthetic). Examples of organic compounds derived from living organisms include crude oil, natural gas, and coal, while synthetic ones include plastics, pharmaceuticals, and pesticides.

Inorganic compounds do not contain carbon-hydrogen bonds, which distinguishes them from organic compounds. Some simple carbon-containing compounds (such as carbonates) are classified as inorganic due to their mineral-like properties. Inorganic compounds are often (but not exclusively) derived from non-living matter such as minerals, metal, water, ammonia, sodium chloride, hydrochloric acid and sulphuric acid.

### (b) Types of scheduled wastes management services

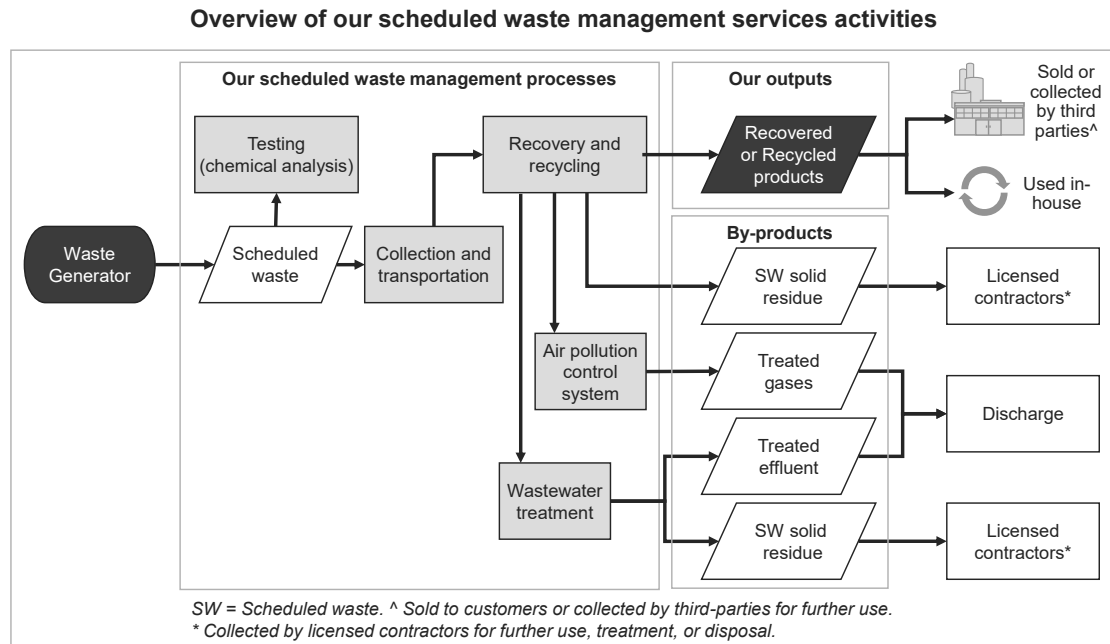
Our scheduled waste management services are mainly provided to customers who generate scheduled wastes as part of their regular business operations. For this type of services, we collect and manage scheduled waste from our customers as and when required by them.

Occasionally, our services are provided on a project basis where we are engaged in response to a specific event such as an environmental incident. For instance, we had a project-based engagement to clean-up an illegal dumping site in Tanjung Kupang, Johor in FYE 2024. As part of this project, we collected contaminated water, mud, and other materials (classified as SW 204 and SW 322) from the affected area and processed them at our licensed facilities. Our revenue from this project amounted to approximately RM0.33 million in FYE 2024.

## 7. BUSINESS OVERVIEW

### (c) Our scheduled waste management activities

The following diagram summarises the overall activities that we carry out in providing our scheduled waste management services:



#### 1) Testing - chemical analysis

We test a sample of the scheduled waste by conducting chemical analysis under two main circumstances:

- **Initial assessment:** We perform testing whenever a request for our services comes in, whether for ordinary or project-based services. This testing is carried out before we provide our proposal and begin work; and
- **Ongoing monitoring for existing customers:** We test a sample from each consignment of scheduled waste from our existing customers to determine its characteristics. If we find any significant changes from an existing customer's previous consignments, we may adjust our pricing in agreement with the respective customer.

We collect samples of scheduled waste and transport them to our laboratory in PLO 738 Facility for in-house chemical analysis conducted by our R&D department. As at the LPD, our R&D department is led by Ang Khoon Poh, our Head of R&D, who oversees a team of 7 personnel.

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## 7. BUSINESS OVERVIEW

The primary purpose of this analysis is to determine the waste's physical properties and chemical composition, specifically in identifying the types, relative proportions, and concentrations of chemicals or materials classified as scheduled wastes. This information is crucial for the following reasons:

- **Confirming manageable waste:** This analysis allows us to confirm that the scheduled waste offered contains only the types of waste we are approved to manage. We will reject any request if it includes scheduled waste(s) we are not licensed to manage. As at the LPD, we are approved to manage scheduled wastes covered by 34 SW Codes. For further details, please refer to **Section 7.5.1(e)** of this Prospectus.

If the request involves any scheduled waste(s) absent from our previous dealings with a customer, the customer must submit a TWG application to the DOE through the eSWIS system for approval before we can accept their scheduled waste for management.

- **Determining recovery and recycling methods:** The analysis helps us determine the appropriate recovery and recycling method(s) for the scheduled waste. We will reject any request that necessitates methods that we do not possess or find uneconomical.

- **Estimating potential recoverable or recyclable products:** We estimate the types and quantities of saleable or usable products that can be recovered and / or recycled from the waste. We also estimate the economic values of the products that we can sell or use in-house.

- **Determining the cost of collection, processing, and disposal:** From the analysis, we will calculate the cost of providing our scheduled waste management services, including, where relevant, third-party disposal or collection costs.

- **Determining the pricing of our services:** Once the cost of providing services and economic value of recoverable and / or recyclable materials is estimated, we will formulate our price quotation for discussion and agreement with customers. In setting the price we will consider factors such as the collection, recovery, recycling, and disposal costs, estimated volume to be processed, economic value of recoverable and / or recyclable materials, our target profit margin, and competitors' pricing.

One of our air quality monitoring stations



## 7. BUSINESS OVERVIEW

### 2) Collection and transportation

After we have completed our analysis of the scheduled waste and the customer has accepted our quotation, we will then collect and transport the scheduled waste from their location to one of our scheduled waste management facilities, namely PLO 83 & 317 Facility or PLO 738 Facility. During the Period Under Review, we mainly utilised our in-house logistics team to collect and transport scheduled wastes. We also utilised third-party service providers that are licensed by the DOE to collect and transport scheduled waste when we had scheduling conflicts.

### 3) Recovery and recycling

Scheduled waste recovery and recycling are carried out at our licensed facilities.

The main scheduled waste recovery and recycling methods that we utilise comprise one or more of the following, depending on the type of waste:

- Waste acid and alkali recycling;
- Waste coolant recycling;
- Waste oil recycling;
- Waste solvent recycling;
- Carbonisation;
- LVDH;
- E-waste recovery;
- Decontamination of containers and rags; and
- Thermal oxidation.

In addition, wastewater generated by these processes are treated at our wastewater treatment plants.

For more details of these processes, refer to **Section 7.5.1(d)** of this Prospectus.

The main valuable or useful materials that are recovered and recycled include precious and other metals, coolants, solvents, oils, acids, alkalis, detergents and other chemicals, cotton gloves, cleaning cloths, rags, and other fabrics, rubber, and containers such as drums, plastic containers, jerrycans, jumbo bags and IBC.

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## 7. BUSINESS OVERVIEW

### 4) Utilisation of useful recovered and recycled products

We recover and recycle useful products during our scheduled waste recovery and recycling processes. These products are then utilised in the following ways, depending on their type:

- **Sold to customers:** The sales of recovered and recycled products to customers are through our supply of recovered and recycled products business segment. Some examples include precious and other metals, recycled containers, recycled solvents and oil, and other recycled materials. For further details, please refer to **Section 7.5.2** of this Prospectus.
- **Used in-house:** Some recovered and recycled materials are used internally as input materials for our recovery and recycling processes or as packaging and storage. During the Period Under Review, these include fuel oil, gloves, containers, acids and alkali.
- **Collected by third parties:** Some types of recovered and recycled materials have low economic value while being bulky and / or difficult to store, making it economically non-viable for us to store them long-term while looking for buyers. These materials are not scheduled wastes and examples include rubber, acid, and alkali. We engage third-party companies to collect these materials from us, and we pay them for this service as it involves labour, packaging, and transportation costs. These companies will use these materials in their business operations.

### 5) Disposal of by-products

In addition to recovering and recycling useful products, our scheduled waste recovery and recycling processes also generate by-products that require proper disposal. These include:

- **Wastewater** from the processes are treated in our wastewater treatment plants, and the treated effluent is discharged into the public drainage system.
- **Flue gases** from our carbonisation and thermal oxidation processes are further treated by our air pollution control systems and the treated gases are emitted from our chimneys.
- **Solid residues.** Solid residues are mainly generated by **our** thermal oxidation and carbonisation processes, and they are classified as scheduled wastes. We engage third party licensed contractors who will collect them from us for further use, further treatment, or disposal at our cost.

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## 7. BUSINESS OVERVIEW

As at the LPD, the measures that we are implementing to ensure that the treated gases and treated effluent are responsibly discharged include the following:

- Our R&D department conducts environmental monitoring to ensure that the treated effluent from our wastewater treatment plants and treated gases from our air pollution control systems are in compliance with the relevant DOE regulations.
- The quantity and quality of treated effluent are monitored on a regular basis, and we must submit a monthly discharge report to the DOE.
- We have assigned 5 and 4 certified competent persons to supervise the operations of our wastewater treatment plants and air pollution control systems respectively.
- The wastewater treatment plants and air pollution control systems are maintained regularly and their performances are monitored to ensure that they are in good working condition.
- We have installed additional monitoring devices to monitor the quality of treated effluent, such as chemical oxygen demand meter integrated with alarm system to ensure any deviations are identified and rectified promptly. We have also installed additional equipment such as automatic chemical dosing system, and upgraded laboratory equipment to enhance the effectiveness of operational monitoring and compliance tracking.
- We have engaged external parties to carry out periodic environmental monitoring and assessments, including ambient air quality monitoring (real-time), boundary noise monitoring (annually), stack emission monitoring (annually) and effluent discharge analysis (weekly). We also carry out odour sampling and determination tests on an as and when required basis.

### (d) Main scheduled waste recovery and recycling methods

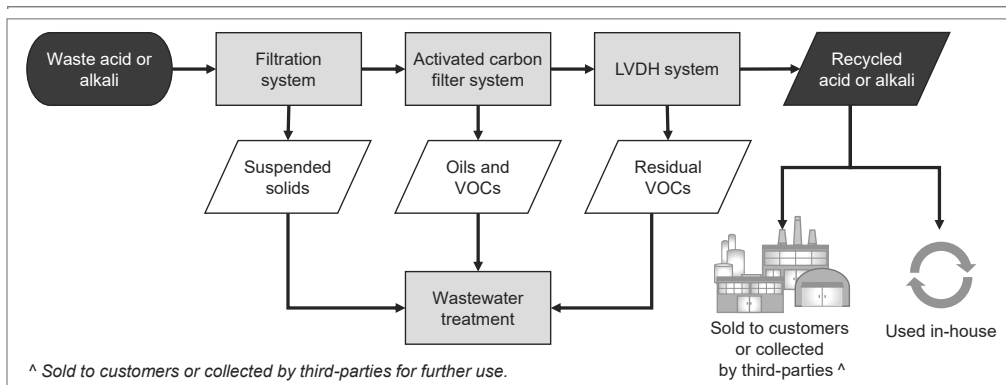
#### 1) Waste acid and alkali recycling

The purpose of this process is to recycle waste acid and alkali by removing unwanted materials. The main steps are as follows:

- The waste acid or alkali first undergoes filtration to remove suspended solids. This is followed by activated carbon filters to eliminate oils and VOCs.
- Next stage involves processing the waste acid or alkali in our LVDH system, where any remaining VOCs not captured by the activated carbon filters are removed via evaporation.
- The resulting acid or alkali is collected as a recycled product for sale, in-house use or collection.
- All of these steps generate solid material and / or backwash water which is collected and transferred to our wastewater treatment plant for further processing.

## 7. BUSINESS OVERVIEW

**Our waste acid and alkali recycling process**



**One of our waste acid recycling systems**



### 2) Waste coolant recycling

The incoming waste coolant from customers is typically an oil-in-water emulsion frequently contaminated with solid particles. To address this, we will employ a desorber that utilises density variations to efficiently remove the solid contaminants from the coolant oil-in-water emulsion. The denser solid particles are captured in the desorber and subsequently transferred to our wastewater treatment plant for further processing.

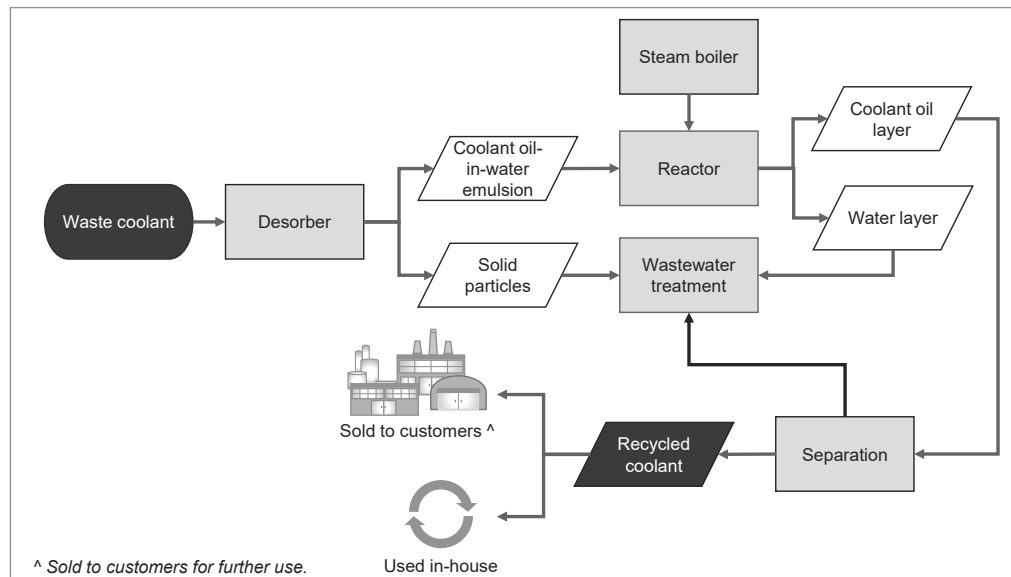
The now solid-free coolant oil-in-water emulsion is then transferred to a reactor to recover the coolant oil. A demulsifying agent is introduced and the mixture is heated to a precise temperature by a steam boiler. This action causes the emulsion to break and form two separate layers, where the lighter coolant oil floats on top of the denser water. The water layer is then directed to our wastewater treatment plant for further processing.

## 7. BUSINESS OVERVIEW

The coolant oil layer is pumped into a separation tank for a final recovery step to ensure the removal of any residual moisture. The resulting clean, dry, recycled coolant oil is then moved to a product storage tank, where it awaits sale to customers or internal use.

All solid material collected in the desorber and backwash water with residual coolant oil from this process are transferred to our wastewater treatment plants for further processing.

**Our waste coolant recycling process**

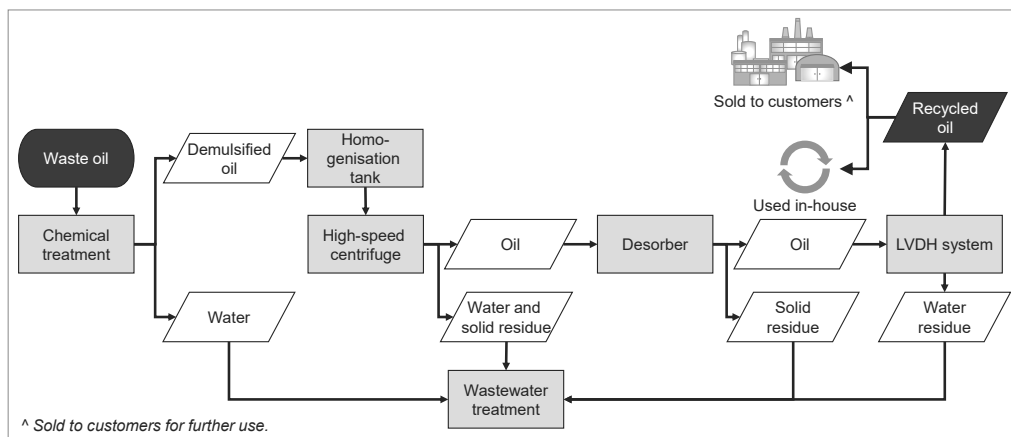


### 3) Waste oil recycling

The waste oil that we collect are typically contaminated with water and solids like soil, plastic, and metal particles.

Our purification process begins with a chemical treatment system. Here, a demulsifying agent is used to separate the oil from the water, creating two distinct layers with the oil on top. The separated water is transferred to our wastewater treatment plants for further processing while the oil layer is transferred to a homogenisation tank for further refinement.

**Our waste oil recycling process**





## 7. BUSINESS OVERVIEW

One of our waste oil recycling systems



From the homogenisation tank, the demulsified oil is further processed using a high-speed centrifuge. Its powerful centrifugal force effectively separates the lighter oil from denser water and solid materials, significantly reducing contaminants. Both the separated water and solid materials are subsequently pumped to our wastewater treatment plant for further processing.

Following this, the oil proceeds to a desorber, where density differences are used to further separate the remaining solid contaminants, which are sent to the wastewater treatment plant. Finally, the oil is transferred to our LVDH system for comprehensive purification. This step eliminates VOCs and residual moisture producing clean and dry recycled oil. This finished product is stored in a tank, prepared for sale to customers or for internal applications.

All solid materials collected from the homogenisation tank and desorber, along with wastewater generated throughout the process, are transferred to our wastewater treatment plants for further processing.

## 7. BUSINESS OVERVIEW

### 4) Waste solvent recycling

The waste solvents we collect from customers may contain water, VOCs, and solid materials like soil and plastic particles. Our process begins with multi-stage filtration to remove these solids.

One of our solvent recycling systems

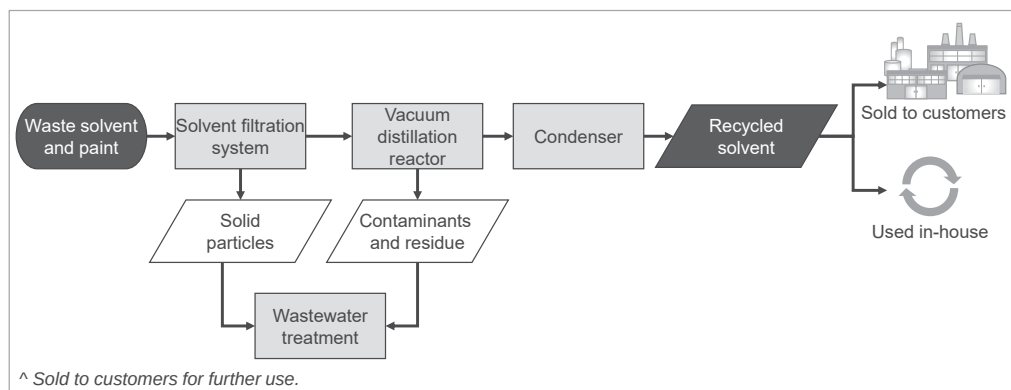


We will then use the following methods to recycle solvents:

#### - Low boiling point solvents (vacuum distillation)

The filtered liquid is transferred to a vacuum distillation reactor equipped with a vacuum pump and thermal oil heater. The liquid is heated to a specific temperature while the vacuum pump reduces pressure allows the solvent to vaporise easily and separates it from the liquid. The solvent vapour is then piped to a condenser, where it is cooled and condensed into recycled solvents. This recycled solvent is collected for sale to customers or for in-house use such as fuel for our carboniser and rotary kiln. Residue from the vacuum distillation tank is transferred to our wastewater treatment plant for further processing.

Our vacuum distillation waste solvent recycling process

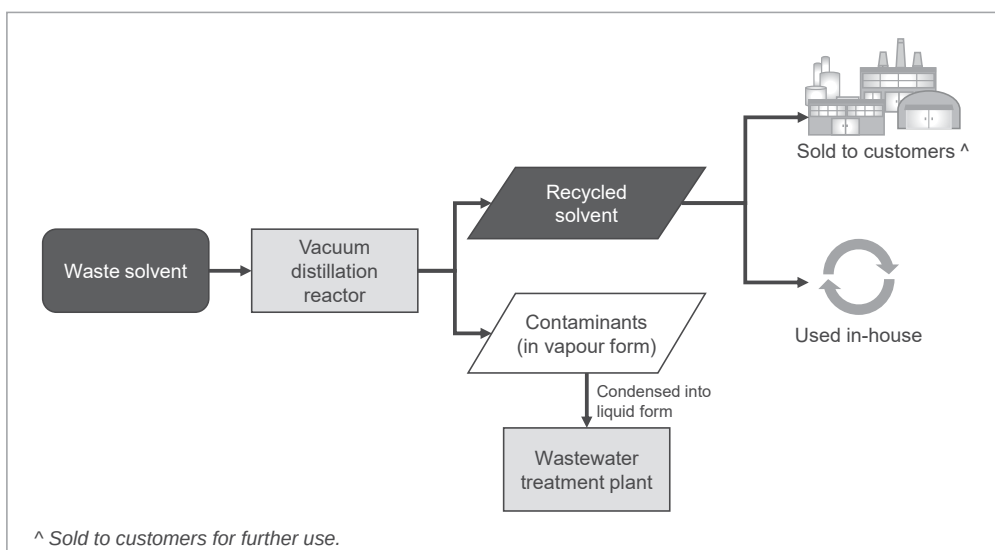


## 7. BUSINESS OVERVIEW

### - High boiling point solvents (evaporator process)

For solvents with a boiling point higher than water, the post-filtration liquid goes into a vacuum distillation reactor and is heated by a thermal oil heater. This causes contaminants like water and VOCs to vaporise. This vapour is removed from the evaporator, condensed into liquid form, and transferred to our wastewater treatment plant for further processing. The recycled solvent that remains in the evaporator is collected for sale to customers or for in-house use such as fuel for our carboniser and rotary kiln. Residue from the evaporator process is transferred to our wastewater treatment plant for further processing.

#### Our evaporator waste solvent recycling process



### 5) Carbonisation

We use the carbonisation process for liquid and solid sludges contaminated with organic materials.

#### One of our carbonisers

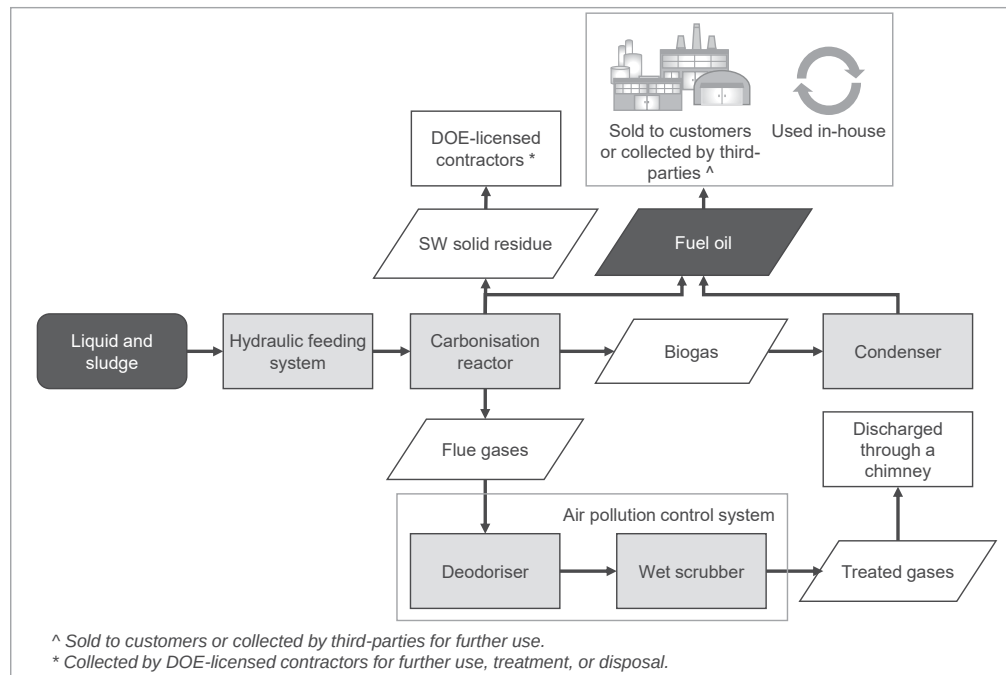




## 7. BUSINESS OVERVIEW

For safety and to reduce manual handling, we use automated packers to fill metal drums with sludge and a hydraulic lifting system to feed the sludge into a reactor. Inside, a continuous flow of nitrogen gas maintains a low oxygen environment. As the sludge is heated by a burner, the organic components are "cracked" or broken into valuable outputs such as liquid fuel oil and biogas (which is condensed and collected as fuel oil). The fuel oil can be sold or used in-house. We engage third-party licensed contractors to collect the solid residue left behind in the carbonisation reactor (which is categorised as scheduled waste) for further use, treatment, or disposal. Flue gases generated during carbonisation are processed by the air pollution control system comprising a deodoriser and wet scrubber, and the treated gases are released into the atmosphere through a chimney.

### Our carbonisation process



### 6) Low vacuum dehydration

Low vacuum dehydration (LVDH) is a process designed to purify liquids such as solvents and oils. It achieves this by efficiently removing water and VOCs through controlled low-temperature heating within a vacuum environment.

### Our LVDH system



## 7. BUSINESS OVERVIEW

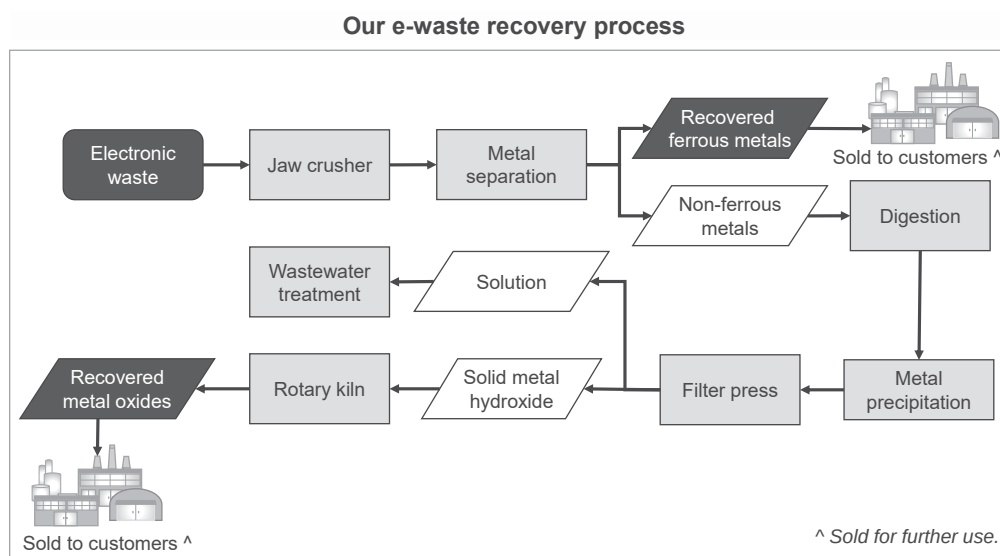
The LVDH unit consists of a tank, a vacuum pump, and a thermal oil heater. The liquid is gently heated to a pre-set low temperature by the heater, simultaneously as the vacuum pump reduces the internal tank pressure. This reduced pressure significantly lowers the boiling points of water and VOCs, prompting their rapid evaporation from the solvent or oil. The resulting vapours are then extracted from the tank, condensed back into liquid, and sent to our wastewater treatment plants for further processing.

This low-pressure heating continues until all water and VOCs are fully extracted from the solvent or oil. The now-purified solvent or oil is then collected, ready for sale or internal use.

### 7) E-waste recovery

Our e-waste processing focuses on printed circuit boards, extracting valuable ferrous metals (primarily steel) and non-ferrous metals (such as zinc, aluminium, copper, and nickel and precious metals such as silver and palladium).

The recovery process begins with crushing the e-waste into smaller fragments using a jaw crusher. These fragments then enter our metal separation system that uses magnets to extract ferrous metal pieces. The recovered ferrous metals are collected and sold as scrap.

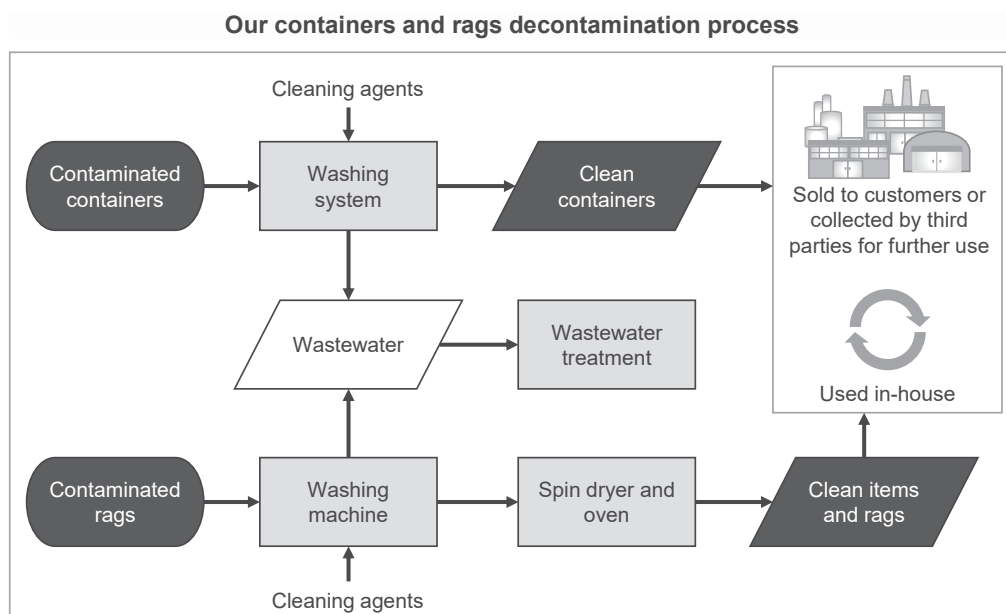


The remaining non-ferrous metals and other solid components are transferred to digester tanks. Here, an acid solution is introduced that reacts with the non-ferrous metals to produce liquid metal hydroxides. The liquid is transferred into another tank where precipitating chemicals are added to convert the liquid metal hydroxides into solid metal hydroxides. A filter press is then utilised to separate these solid metal hydroxides from the liquid. The isolated solid metal hydroxides are transferred to our rotary kiln for the recovery of metal oxides, while the remaining solution is transferred to our wastewater treatment plants for further processing.

## 7. BUSINESS OVERVIEW

### 8) Decontamination of containers and rags

Containers and rags contaminated by scheduled waste are classified as scheduled wastes, specifically under SW 409 and SW 410.



### Our container and drum decontamination stands



We handle various types of contaminated containers, including drums, plastic containers, jerrycans, IBCs and jumbo bags. These are placed in appropriate washing stands based on their type and size. We then pump suitable cleaning agents (selected based on contaminant type) from a dosing system into the container and wash them with a water jet to remove contaminants. This process is repeated until the container is clean. Any attached labels are removed and the decontaminated containers are ready for sale or in-house reuse.

For contaminated rags, such as gloves, washcloths, and other fabrics, we place them in specially designed industrial washing machines. They are decontaminated with hot water and an appropriate cleaning agent (depending on the contaminant type), repeating the wash cycle until all contamination is gone. The clean rags are then transferred to a spin dryer and oven for drying. Finally, the clean, dry rags are sorted and reusable items are separated for sale while unusable rags are collected by third parties for further use.

## 7. BUSINESS OVERVIEW

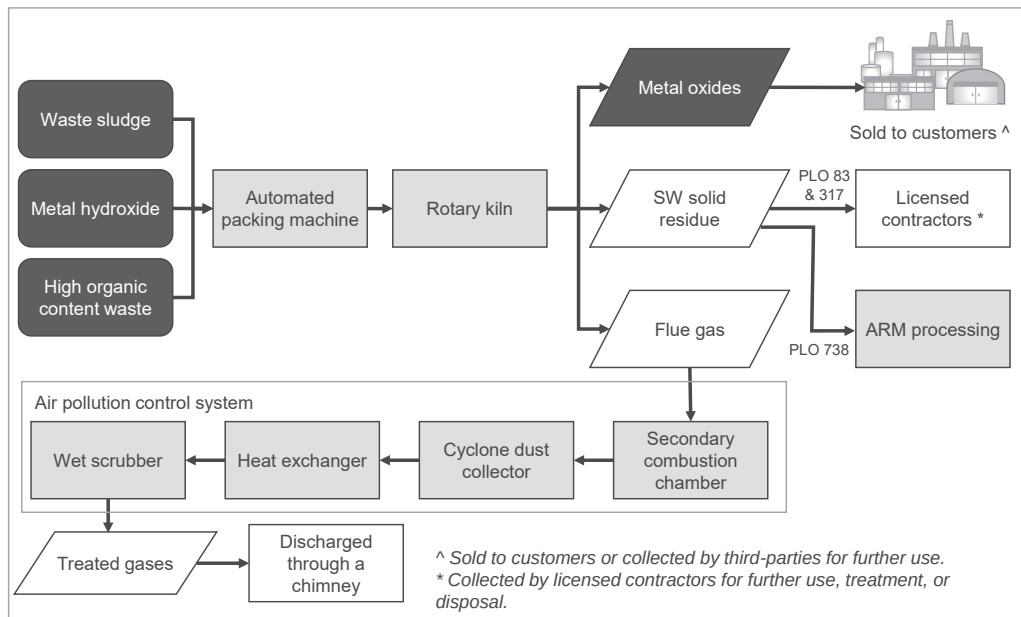
All wastewater generated from decontaminating containers and rags is transferred to our wastewater treatment plants for further processing.

One of our employees sorting cleaned and decontaminated cotton gloves



### 9) Thermal oxidation process

Our thermal oxidation process



We use thermal oxidation to recover metal oxides from waste sludge and metal hydroxides, and for high organic content waste.

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## 7. BUSINESS OVERVIEW

Our thermal oxidation process comprises a rotary kiln where materials are heated in the presence of oxygen. Solid waste sludge, solid metal hydroxide, and high organic content waste are loaded into metal drums by an automated packing machine, and fed into the top of the rotary kiln by a hydraulic lifting system. A burner, capable of using diesel or fuel oil, heats the kiln's interior. As the kiln rotates, the material moves downward and oxidises. This process generates metal oxides, other solid residues, and flue gas. The metal oxides are collected for sale. We engage third-party licensed contractors to collect the solid residue from the rotary kiln at PLO 83 & 317 for further use, treatment, or disposal.

Meanwhile, the rotary kiln at PLO 738 has an ARM processing equipment, which is described in the next sub-section.

The flue gas produced during thermal oxidation is further processed in an air pollution control system. VOCs are removed through burning in a secondary combustion chamber while dust is removed via a cyclone dust collector. The flue gas is then cooled by a heat exchanger and channelled through a wet scrubber system to remove acidic gases. The resulting treated gases are then discharged into the air through a chimney.

One of our rotary kilns



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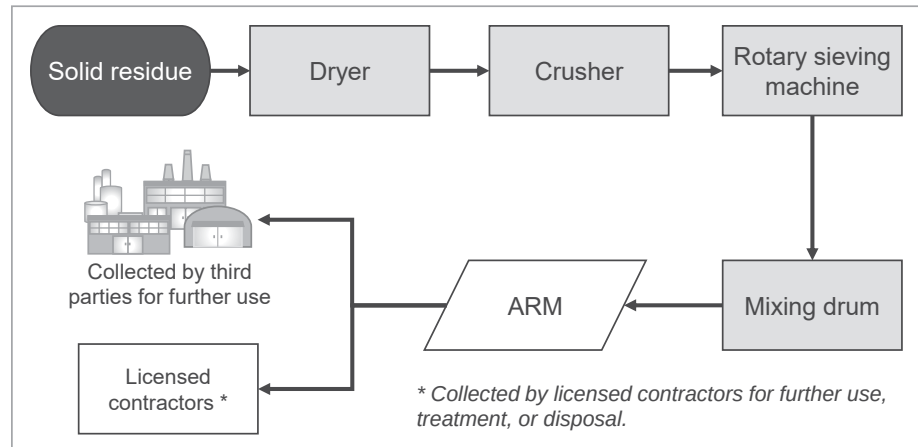


## 7. BUSINESS OVERVIEW

### 10) ARM processing

ARM processing is designed to convert the solid residue from our thermal oxidation and carbonisation processes into an alternative raw material that can be used in industrial processes, such as to cement and brick manufacturing, which is in line with circular economy goals as it reduces raw material usage and carbon dioxide emissions.

#### Our ARM process

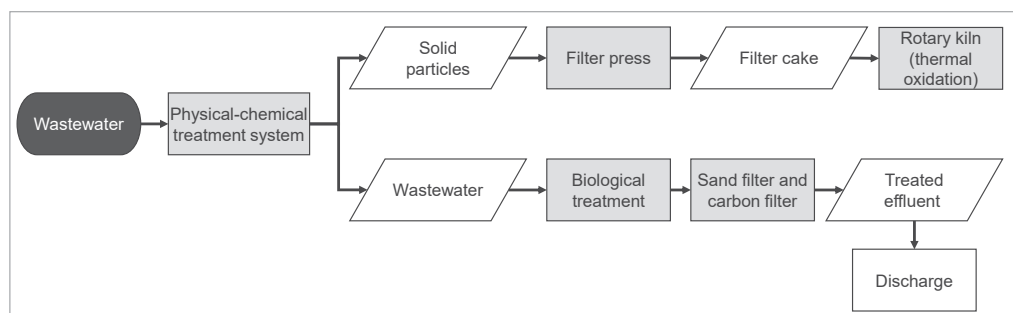


The solid residue is dried to reduce its water content to the required level, and it is then crushed into powder. A rotary sieving machine separates the powder from larger chunks (which are returned to the crusher), and the ARM is then homogenised in a mixing drum. The ARM is collected by third-parties for further use or we engage third-party licensed contractors to collect ARM for further use, treatment, or disposal.

### 11) Wastewater treatment

We operate on-site wastewater treatment plants at PLO 83 & 317 Facility and PLO 738 Facility. These plants process wastewater that is generated by our other scheduled waste recovery and recycling processes. Both facilities are equipped with biological, physical-chemical, and other treatment systems designed to clean wastewater to the required standards before discharging into the public drainage system.

#### Our wastewater treatment process



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**7. BUSINESS OVERVIEW**

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Wastewater is treated according to its contaminants. If it contains inorganic contaminants, it is first channelled to the physical-chemical system. Here, coagulants, flocculants, and other chemicals are added to precipitate the inorganic contaminants into solid particles. Filter presses then remove these solid particles and compress them into filter cakes, while the post-filter press wastewater moves to the biological treatment system. The filter cakes are sent to the rotary kilns for thermal oxidation.

The biological treatment system handles wastewater from other treatment processes that do not contain inorganic contaminants, as well as the post-filter press wastewater from the physical-chemical system. In this system, aerobic bacteria consume organic contaminants and convert them into water, carbon dioxide, and other gaseous compounds. This wastewater then passes through sand filters and activated carbon filters to remove residual contaminants, and the treated effluent is discharged into the public drainage system.

**One of our wastewater treatment plants**



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**7. BUSINESS OVERVIEW****(e) Our scheduled waste management facilities and SW Codes**

As at the LPD, PLO 83 & 317 Facility and PLO 738 Facility are licensed by the DOE as off-site recovery facilities in relation to our scheduled waste management services. Our subsisting licences are valid for the following periods:

| Licensed facility     | Licence validity period     |
|-----------------------|-----------------------------|
| PLO 83 & 317 Facility | 1 May 2025 to 30 April 2026 |
| PLO 738 Facility      | 1 May 2025 to 30 April 2026 |

As at the LPD, we have obtained approvals under these licences to carry out recovery and recycling on 34 types of scheduled wastes at PLO 83 & 317 Facility and PLO 738 Facility, which are summarised in the following table:

|                                                               | PLO 83 & 317 Facility |                                   | PLO 738 Facility |                                   | Combined                          |
|---------------------------------------------------------------|-----------------------|-----------------------------------|------------------|-----------------------------------|-----------------------------------|
| SW Code <sup>(1)</sup>                                        | Approvals             | Maximum monthly quantity (tonnes) | Approvals        | Maximum monthly quantity (tonnes) | Maximum monthly quantity (tonnes) |
| SW 1: Metal and metal-bearing wastes                          |                       |                                   |                  |                                   |                                   |
| SW 104 - Dust, slag, dross or ash from iron and steel factory | -                     | -                                 | √                | 1,000                             | 1,000                             |
| SW 110 - Waste from electrical and electronic assemblies      | -                     | -                                 | √                | 200                               | 200                               |
| SW 2: Wastes containing principally inorganic constituents    |                       |                                   |                  |                                   |                                   |
| SW 202 - Waste catalysts                                      | √                     | 200                               | √                | 1,000                             | 1,200                             |
| SW 204 - Sludges containing one or several metals             | √                     | 300                               | √                | 500                               | 800                               |
| SW 206 - Spent organic acids                                  | √                     | 260                               | √                | 2,000                             | 2,260                             |
| SW 207 - Sludges containing fluoride                          | -                     | -                                 | √                | 200                               | 200                               |
| SW 3: Wastes containing principally organic constituents      |                       |                                   |                  |                                   |                                   |
| SW 301 - Spent organic acids with pH less or equal to 2       | -                     | -                                 | √                | 500                               | 500                               |
| SW 303 - Adhesive or glue waste                               | √                     | 50                                | -                | -                                 | 50                                |
| SW 305 - Spent lubricating oil                                | √                     | 520                               | -                | -                                 | 520                               |
| SW 306 - Spent hydraulic oil                                  | √                     | 130                               | -                | -                                 | 130                               |
| SW 307 - Spent mineral oil-water emulsion                     | √                     | 517                               | √                | 2,000                             | 2,517                             |
| SW 308 - Oil tanker sludge                                    | -                     | -                                 | √                | 2,000                             | 2,000                             |
| SW 309 - Oil-water mixture such as ballast water              | √                     | 500                               | √                | 1,500                             | 2,000                             |
| SW 310 - Sludge from mineral oil storage tank                 | -                     | -                                 | √                | 800                               | 800                               |

**7. BUSINESS OVERVIEW**

|                                                                                                                                | PLO 83 & 317 Facility |                                   | PLO 738 Facility |                                   | Combined                          |
|--------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------------------|------------------|-----------------------------------|-----------------------------------|
| SW Code <sup>(1)</sup>                                                                                                         | Approvals             | Maximum monthly quantity (tonnes) | Approvals        | Maximum monthly quantity (tonnes) | Maximum monthly quantity (tonnes) |
| SW 311 - Waste oil or oily sludge                                                                                              | -                     | -                                 | √                | 800                               | 800                               |
| SW 312 - Oily residue from automotive workshop, service station oil or grease interceptor                                      | √                     | 130                               | -                | -                                 | 130                               |
| SW 313 - Oil contaminated earth from refining of used lubricating oil                                                          | -                     | -                                 | √                | 300                               | 300                               |
| SW 314 - Oil or sludge from oil refinery plant maintenance operation                                                           | -                     | -                                 | √                | 800                               | 800                               |
| SW 321 - Rubber or latex waste or sludge containing organic solvents or heavy metals                                           | -                     | -                                 | √                | 500                               | 500                               |
| SW 322 - Waste of non-halogenated organic solvents                                                                             | √                     | 113                               | √                | 1,000                             | 1,113                             |
| SW 323 - Waste of halogenated organic solvents                                                                                 | √                     | 113                               | -                | -                                 | 113                               |
| SW 325 - Uncured resin waste containing organic solvents or heavy metals including epoxy resin and phenolic resin              | -                     | -                                 | √                | 200                               | 200                               |
| SW 327 - Waste of thermal fluids (heat transfer) such as ethylene glycol                                                       | -                     | -                                 | √                | 500                               | 500                               |
| SW 4: Wastes which may contain either inorganic or organic constituents                                                        |                       |                                   |                  |                                   |                                   |
| SW 401 - Spent alkalis containing heavy metals                                                                                 | √                     | 150                               | √                | 500                               | 650                               |
| SW 402 - Spent alkalis with pH more or equal to 11.5                                                                           | -                     | -                                 | √                | 500                               | 500                               |
| SW 408 - Contaminated soil, debris or matter resulting from cleaning-up or a spill of chemical, mineral oil or scheduled waste | -                     | -                                 | √                | 300                               | 300                               |
| SW 409 - Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes       | √                     | 37,440 pieces                     | √                | 150 pieces                        | 37,590 pieces                     |
| SW 410 - Rags, plastics, papers or filters contaminated with scheduled waste                                                   | √                     | 156                               | √                | 200                               | 356                               |

**7. BUSINESS OVERVIEW**

|                                                                                                                                            | PLO 83 & 317 Facility |                                   | PLO 738 Facility |                                   | Combined                          |
|--------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------------------|------------------|-----------------------------------|-----------------------------------|
| SW Code <sup>(1)</sup>                                                                                                                     | Approvals             | Maximum monthly quantity (tonnes) | Approvals        | Maximum monthly quantity (tonnes) | Maximum monthly quantity (tonnes) |
| SW 411 - Spent activated carbon excluding carbon from treatment of potable water and processes of the food industry and vitamin production | -                     | -                                 | √                | 200                               | 200                               |
| SW 416 - Sludges of inks, paints, pigments, lacquer, dye or varnish                                                                        | √                     | 95                                | √                | 1,000                             | 1,095                             |
| SW 417 - Waste of inks, paints, pigments, lacquer, dye or varnish                                                                          | √                     | 95                                | √                | 500                               | 595                               |
| SW 418 - Discarded or off-specification inks, paints, pigments, lacquer, dye or varnish products containing organic solvent                | √                     | 95                                | √                | 500                               | 595                               |
| SW 422 - A mixture of scheduled and non-scheduled wastes                                                                                   | -                     | -                                 | √                | 200                               | 200                               |
| SW 427 - Mineral sludges including calcium hydroxide sludges, phosphating sludges, calcium sulphite sludges and carbonates sludges         | -                     | -                                 | √                | 200                               | 200                               |

Note:

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

As at the LPD we are constructing Phase 2 of PLO 321 Facility (comprising a scheduled waste management facility and operations office) adjacent to PLO 83 & 317 Facility. This new facility will be licenced to manage the following 4 additional categories of scheduled wastes:

- SW 103 - Waste of batteries containing cadmium and nickel or mercury or lithium;
- SW 205 - Waste gypsum arising from chemical industry or power plant;
- SW 406 - Clinker, slag and ashes from scheduled waste incinerator; and
- SW 429 - Chemicals that are discarded or off-specification.

We expect Phase 2 of PLO 321 Facility to become operational in the 2<sup>nd</sup> half of 2026.

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## 7. BUSINESS OVERVIEW

Apart from the above, we have also obtained the EIA approval from DOE Perak to provide scheduled waste management services at the New Perak Facility covering 44 SW Codes, out of which the following 6 are new categories that we are currently not licensed to manage at our existing scheduled waste management facilities or PLO 321 Facility:

- SW 302 - Flux waste;
- SW 315 - Tar or tarry residue from oil refinery or petrochemical plant;
- SW 319 - Waste phenols or phenol compounds;
- SW 405 - Waste from preparing and producing pharmaceuticals;
- SW 421 - A mixture of scheduled wastes; and
- SW 424 - Spent oxidizing agent.

Please refer to **Sections 7.18.2** and **7.18.3** of this Prospectus for additional information on PLO 321 Facility and New Perak Facility respectively.

### (f) Chemical analysis services

During the Period Under Review, a small proportion of our revenue under provision of scheduled waste management services segment were from providing chemical analysis services. This service is conducted at the PLO 738 Facility laboratory that holds an ISO/IEC 17025:2017 accreditation. This accreditation signifies our technical competence and management system's ability to deliver technically valid test results and calibrations, and our results are recognised by third parties, including regulatory authorities like the DOE.

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## 7. BUSINESS OVERVIEW

### 7.5.2 Supply of recovered and recycled products

This business activity complements our main scheduled waste management services by selling useful products recovered or recycled during those operations, as well as from recovering and recycling scheduled waste we purchase from third parties such as manufacturers of semiconductor and E&E products, metal and metal products, batteries, petrochemicals, and pharmaceuticals.

For the FYE 2022, FYE 2023, FYE 2024 and FPE 2025, the supply of recovered and recycled products accounted for 15.51% (RM10.08 million), 12.49% (RM9.99 million), 13.80% (RM11.06 million) and 15.71% (RM10.64 million) of our total revenue respectively.

**Some of our recovered and recycled products**



The types of recovered and recycled products that we supply comprise the following:

**Recovered products:**

- precious metals (mainly silver and palladium);
- other metals (mainly zinc, aluminium, copper, and nickel);
- coolants, solvents, and oils; and
- other scrap materials.

**Recycled products:**

- acids and alkali;
- detergents and other chemicals;
- gloves, cleaning cloths, rags and other fabrics; and
- containers comprising drums, plastic containers, jerrycans, jumbo bags, and IBC.

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**7. BUSINESS OVERVIEW**

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**7.5.3 Trading of chemicals and other products**

Trading of chemicals and other products accounted for 2.48% (RM1.61 million), 1.82% (RM1.45 million), 1.97% (RM1.58 million) and 2.53% (RM1.71 million) of our total revenue for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

Our trading business involves selling chemicals and other products that we source from third-party manufacturers and suppliers to our customers. The types of chemicals and other products that we trade comprise the following:

- Acids, including sulphuric acid, hydrochloric acid, and nitric acid; and
- Other chemicals and products, such as ammonia, urea, industrial alcohol, laboratory consumables (glass flasks and pipettes), and containers.

The acids that we sell under the trading segment are non-recycled products sourced directly from suppliers or manufacturers, and their composition follows the manufacturer's specifications. In contrast, the recycled acids that we sell are derived from the recovery and recycling processes of scheduled wastes. Similarly, the containers sold under the trading segment are new and unused, whereas the recycled containers that we sell may show minor signs of wear and tear, such as scratches and dents.

In general, our customer base for the supply of recovered and recycled products is not the same as the customer base for the trading of chemicals and other products.

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## 7. BUSINESS OVERVIEW

### 7.6 OPERATIONAL FACILITIES

The locations of our operational facilities as at the LPD are as follows:

| Company             | Main functions                                                         | Land area / Built-up area (sq ft) | Property ownership | Address                                                                                              |
|---------------------|------------------------------------------------------------------------|-----------------------------------|--------------------|------------------------------------------------------------------------------------------------------|
| 5E Resources, 5ERSB | Head office and scheduled waste management facility (PLO 738 Facility) | 239,497 / 94,334                  | Owned by 5ERSB     | PLO 738, Jalan Platinum Utama, Zon 12B, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang Johor |
| 5ERSB               | Scheduled waste management facility (PLO 83 & 317 Facility)            | 87,156 / 55,302                   | Owned by 5ERSB     | PLO 83 & PLO 317, Jalan Perak, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang Johor          |
| 5ERSB               | Warehouse and logistics office <sup>(1)</sup> (PLO 321 Facility)       | 217,797 / 46,759 <sup>(2)</sup>   | Owned by 5ERSB     | PLO 321 (PTD 71200), Jalan Perak 2, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang Johor     |
| TS Heuls            | Storage for the trading of chemicals (Property No. 26)                 | 3,000 / 4,110                     | Rented by TS Heuls | No. 26, Jalan Permas 9/13, Bandar Baru Permas Jaya, 81750 Masai Johor                                |

Notes:

- (1) The construction works for Phase 1, which comprises a warehouse and logistics office, were completed in November 2023. As at the LPD, the warehouse and logistics office are operational. The construction works for Phase 2, which comprises a new scheduled waste management facility and operations office, are on-going. We expect to complete the said construction works by the 1<sup>st</sup> half of 2026 and commence operations by 2<sup>nd</sup> half of 2026. Please refer to **Section 7.18.2** of this Prospectus for additional information on the development of PLO 321 Facility.
- (2) Being the built-up area of the existing warehouse and logistics office (Phase 1). The estimated total built-up area of PLO 321 Facility (comprising Phase 1 and Phase 2) is approximately 110,842 sq ft.

### 7.7 SEASONALITY

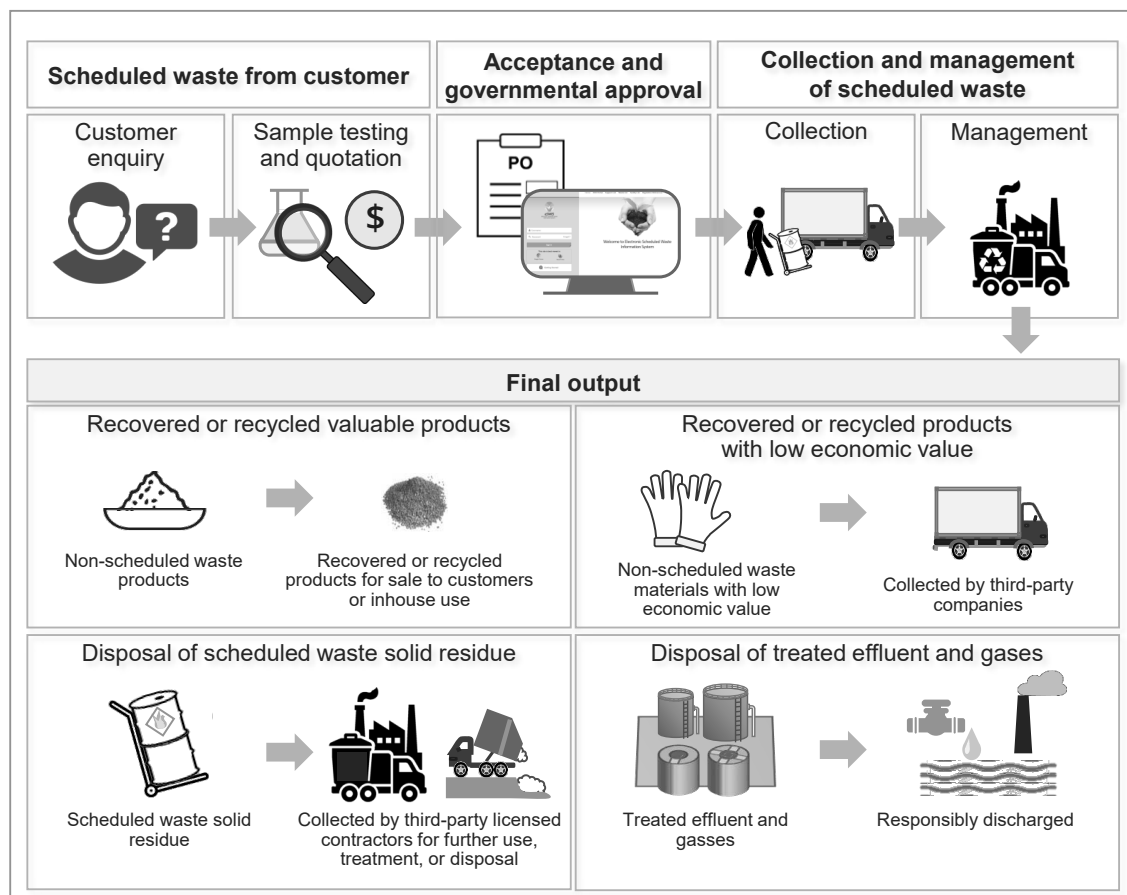
For the Period Under Review, we did not experience any material seasonality in our business as the demand for our services and products is not subject to any periodic or seasonal factors.

## 7. BUSINESS OVERVIEW

### 7.8 BUSINESS PROCESS FLOW

#### 7.8.1 Provision of scheduled waste management services

The process flow of our business operations for the provision of scheduled waste management services is depicted in the diagram below:



#### Customer enquiry

Our operational process begins with customer enquiries. The marketing department handles relationships with existing clients while also identifying and engaging potential customers who generate scheduled waste.

#### Sample testing and quotation

Upon receiving a customer enquiry, we initiate the waste sampling and testing process.

For new customers, waste samples are collected and analysed by our R&D team to determine waste classification, composition and characteristics, and estimated recovery and recycling costs. It usually takes less than 2 weeks to complete the testing process for the scheduled waste samples. For existing customers, we will perform a random batch sampling to verify ongoing composition and characteristics.

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**7. BUSINESS OVERVIEW**

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We only accept approved scheduled waste types for management according to our Group's licences. Based on the test results, our marketing team prepares a detailed quotation, considering the type of scheduled waste, collection, processing, recovery and recycling methods, estimated volume, estimated recovery, recycling, and disposal costs, economic value of recoverable or recyclable products (if any), our target profit margin, and competitors' pricing.

**Acceptance and government approval**

Once the quotation is finalised and accepted, the customer will submit an approval form to us to review the credit terms and issue an electronic consignment (e-consignment) note to us through eSWIS, which authorises us to collect the scheduled waste.

For any scheduled waste types that was not previously generated by an existing customer, the customer is required to submit a TWG application to the DOE through eSWIS for DOE's approval. After the customer receives DOE's approval, they can issue an e-consignment note to us.

**Collection**

After receiving the e-consignment note through eSWIS, our logistics team will arrange for the collection of scheduled wastes from our customers' premises for transportation to our scheduled waste management facilities. The customer will prepare the e-consignment note that includes the type(s) and quantities of scheduled waste that we are to collect.

Before loading the scheduled waste onto our vehicle, our driver will check and verify that the customer has packaged the scheduled waste properly and labelled it accurately according to the e-consignment note. After verification and loading, the e-consignment note will be acknowledged by the customer and our driver.

Our drivers are briefed on safety protocols, including spill containment measures during transit. We primarily use our own trucks and drivers to collect scheduled waste from customers' premises and transport them to our licensed facilities. We also engage third-party trucks and drivers registered under our DOE licenses to supplement our transportation capacity when we have scheduling conflicts.

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## 7. BUSINESS OVERVIEW

### Recovery and recycling

Upon arrival at our licensed facility, the waste is typically weighed, and the details are updated in the consignment notes and eSWIS to acknowledge the receipt of the waste. We then unload the waste and segregate it based on its type and the intended processing.

At our scheduled waste management facilities, our production department will perform the recovery and / or recycling process approved by our R&D department to obtain valuable and / or usable materials from scheduled waste.

The main scheduled waste recovery and recycling methods that we utilise comprise waste acid and alkali recycling, waste coolant recycling, waste oil recycling, waste solvent and paint recycling, carbonisation, LVDH, e-waste recovery, decontamination of containers and rags, as well as thermal oxidation. We also carry out wastewater treatment on the wastewater generated by these processes. The lead time for the recovery and recycling processes for different wastes varies according to the complexity and volume of the waste involved.

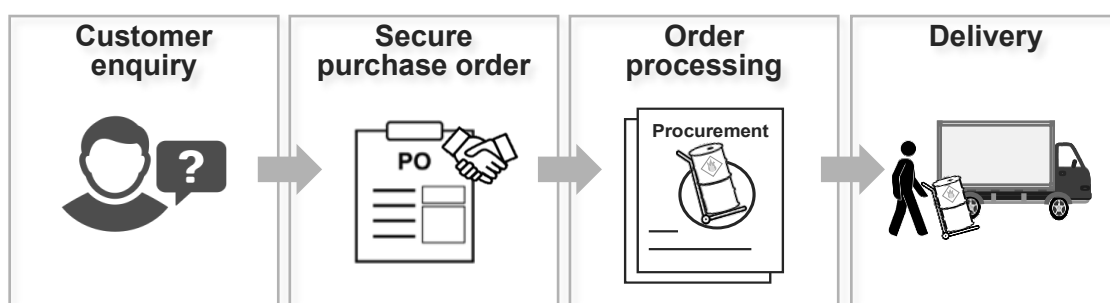
### Post-recovery and recycling process materials

The materials from the recovery and recycling processes are commonly handled in one or more of the following ways:

- Recovered or recycled valuable products: These are either sold or used in-house.
- Recovered or recycled products with low economic value: We engage and pay third-party companies to collect these materials from us.
- Disposal of solid residue: Some of our recovery and recycling processes result in residue that we currently do not have the capabilities to process further. Such residue is categorised as scheduled waste and we engage third-party licensed contractors to collect them for further use, treatment, or disposal.
- Discharge of treated effluent from our wastewater treatment plants and treated gases from our air pollution control systems.

### 7.8.2 Trading of chemicals and other products

The process flow of our business operations for the trading of chemicals and other products is depicted in the diagram below:



#### Customer enquiry

Our trading business process begins with customer enquiries to our marketing department. Customers usually specify the type and quantity of product that they intend to purchase.

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**7. BUSINESS OVERVIEW**

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**Secure purchase order**

Upon confirming stock availability and agreeing on the price, customers will issue purchase orders for us to fulfil. The purchase order will specify, among other things, the quantity and price of the products, the mode of order fulfilment, namely self-collection or by delivery, as well as the delivery destination and schedule.

**Order processing**

Depending on the availability of the products required by the customers, we may fulfil the order using our existing inventory or we will procure the said products from our suppliers. Upon receiving the incoming stocks, we conduct a quantity count and visual inspection to identify any visible defects, contamination or packaging issues. Where required, we also carry out quality checks through random sampling to ensure that the products are in good condition and meet the required quality standards. If there are any discrepancies in quantity or quality, we will request replacements from the supplier.

The bulk quantities of the incoming products may be repacked into smaller packages. These packages will then be labelled with relevant product information, safety instructions and handling guidelines. Once the order is ready, we will notify the customer.

**Delivery**

Customers can pick up their orders at our warehouse or have their orders delivered to their choice of locations. Upon receipt of goods, customers will sign and stamp the delivery order as proof of delivery.

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7.9 CAPACITY AND UTILISATION RATES

7.9.1 Capacity and utilisation rates based on the quantity of scheduled wastes collected

Our licences for our scheduled waste management facilities specify the maximum monthly quantity of each type of scheduled waste that we are allowed to collect, recover, and recycle. Once we have collected the maximum monthly quantity of a particular scheduled waste, we will not accept any more orders until the next month.

During the Period Under Review, our capacity and utilisation rates based on the quantity of scheduled wastes collected is summarised in the following table:

| SW Code <sup>(1)</sup>                                        | Maximum quantity                  |                                               | FYE 2022                             |                                           | FYE 2023                             |                                           | FYE 2024                             |                                           | FPE 2025                             |                                           |
|---------------------------------------------------------------|-----------------------------------|-----------------------------------------------|--------------------------------------|-------------------------------------------|--------------------------------------|-------------------------------------------|--------------------------------------|-------------------------------------------|--------------------------------------|-------------------------------------------|
|                                                               | Annual <sup>(2)</sup><br>(tonnes) | 10-month<br>period <sup>(3)</sup><br>(tonnes) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) |
| <b>SW 1</b>                                                   | <b>14,400</b>                     | <b>12,000</b>                                 | <b>725</b>                           | <b>5</b>                                  | <b>1,962</b>                         | <b>14</b>                                 | <b>2,874</b>                         | <b>20</b>                                 | <b>607</b>                           | <b>5</b>                                  |
| SW 104 - Dust, slag, dross or ash from iron and steel factory | 12,000                            | 10,000                                        | 691                                  | 6                                         | 1,913                                | 16                                        | 2,805                                | 23                                        | 524                                  | 5                                         |
| SW 110 - Waste from electrical and electronic assemblies      | 2,400                             | 2,000                                         | 34                                   | 1                                         | 49                                   | 2                                         | 69                                   | 3                                         | 83                                   | 4                                         |
| <b>SW 2</b>                                                   | <b>53,520</b>                     | <b>44,600</b>                                 | <b>23,523</b>                        | <b>44</b>                                 | <b>24,784</b>                        | <b>46</b>                                 | <b>18,166</b>                        | <b>34</b>                                 | <b>13,093</b>                        | <b>29</b>                                 |
| SW 202 - Waste catalysts                                      | 14,400                            | 12,000                                        | 169                                  | 1                                         | 106                                  | 1                                         | 909                                  | 6                                         | 884                                  | 7                                         |
| SW 204 - Sludges containing one or several metals             | 9,600                             | 8,000                                         | 9,145                                | 95                                        | 8,643                                | 90                                        | 9,426                                | 98                                        | 6,915                                | 86                                        |
| SW 206- Spent organic acids                                   | 27,120                            | 22,600                                        | 14,209                               | 52                                        | 16,015                               | 59                                        | 7,587                                | 28                                        | 5,186                                | 23                                        |
| SW 207 - Sludges containing fluoride                          | 2,400                             | 2,000                                         | -                                    | -                                         | 20                                   | 1                                         | 244                                  | 10                                        | 108                                  | 5                                         |
| <b>SW 3</b>                                                   | <b>155,676</b>                    | <b>129,730</b>                                | <b>10,357</b>                        | <b>7</b>                                  | <b>11,839</b>                        | <b>8</b>                                  | <b>16,743</b>                        | <b>11</b>                                 | <b>15,948</b>                        | <b>12</b>                                 |

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| SW Code <sup>(1)</sup>                                                                    | Maximum quantity                  |                                               | FYE 2022                             |                                           | FYE 2023                             |                                           | FYE 2024                             |                                           | FYE 2025                             |                                           |
|-------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------------------|--------------------------------------|-------------------------------------------|--------------------------------------|-------------------------------------------|--------------------------------------|-------------------------------------------|--------------------------------------|-------------------------------------------|
|                                                                                           | Annual <sup>(2)</sup><br>(tonnes) | 10-month<br>period <sup>(3)</sup><br>(tonnes) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) |
| SW 301 - Spent organic acids with pH less or equal to 2                                   | 6,000                             | 5,000                                         | 261                                  | 4                                         | 2,154                                | 36                                        | 795                                  | 13                                        | 1,586                                | 32                                        |
| SW 303 - Adhesive or glue waste                                                           | 600                               | 500                                           | 286                                  | 48                                        | 357                                  | 60                                        | 341                                  | 57                                        | 399                                  | 80                                        |
| SW 305 - Spent lubricating oil                                                            | 6,240                             | 5,200                                         | 370                                  | 6                                         | 359                                  | 6                                         | 283                                  | 5                                         | 270                                  | 5                                         |
| SW 306 - Spent hydraulic oil                                                              | 1,560                             | 1,300                                         | 126                                  | 8                                         | 127                                  | 8                                         | 125                                  | 8                                         | 58                                   | 4                                         |
| SW 307 - Spent mineral oil-water emulsion                                                 | 30,204                            | 25,170                                        | 2,962                                | 10                                        | 2,983                                | 10                                        | 3,919                                | 13                                        | 3,217                                | 13                                        |
| SW 308 - Oil tanker sludge                                                                | 24,000                            | 20,000                                        | -                                    | -                                         | -                                    | -                                         | -                                    | -                                         | -                                    | -                                         |
| SW 309 - Oil-water mixture such as ballast water                                          | 24,000                            | 20,000                                        | 43                                   | 0                                         | 50                                   | 0                                         | 549                                  | 2                                         | 422                                  | 2                                         |
| SW 310 - Sludge from mineral oil storage tank                                             | 9,600                             | 8,000                                         | 15                                   | #                                         | 9                                    | #                                         | -                                    | -                                         | -                                    | -                                         |
| SW 311 - Waste oil or oily sludge                                                         | 9,600                             | 8,000                                         | 412                                  | 4                                         | 816                                  | 9                                         | 2,701                                | 28                                        | 4,137                                | 52                                        |
| SW 312 - Oily residue from automotive workshop, service station oil or grease interceptor | 1,560                             | 1,300                                         | 6                                    | #                                         | 21                                   | 1                                         | 51                                   | 3                                         | 49                                   | 4                                         |
| SW 313 - Oil contaminated earth from re-finishing of used lubricating oil                 | 3,600                             | 3,000                                         | 131                                  | 4                                         | 157                                  | 4                                         | 124                                  | 3                                         | 94                                   | 3                                         |
| SW 314 - Oil or sludge from oil refinery plant maintenance operation                      | 9,600                             | 8,000                                         | 1                                    | #                                         | 3                                    | #                                         | 653                                  | 7                                         | 240                                  | 3                                         |

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| SW Code <sup>(1)</sup>                                                                                                         | Maximum quantity                  |                                               | FYE 2022                             |                                           | FYE 2023                             |                                           | FYE 2024                             |                                           | FYE 2025                             |                                           |
|--------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------------------|--------------------------------------|-------------------------------------------|--------------------------------------|-------------------------------------------|--------------------------------------|-------------------------------------------|--------------------------------------|-------------------------------------------|
|                                                                                                                                | Annual <sup>(2)</sup><br>(tonnes) | 10-month<br>period <sup>(3)</sup><br>(tonnes) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) |
| SW 321 - Rubber or latex waste or sludge containing organic solvents or heavy metals                                           | 6,000                             | 5,000                                         | 665                                  | 11                                        | 246                                  | 4                                         | 1,357                                | 23                                        | 1,802                                | 36                                        |
| SW 322 - Waste of non-halogenated organic solvents                                                                             | 13,356                            | 11,130                                        | 4,603                                | 34                                        | 3,882                                | 29                                        | 4,706                                | 35                                        | 3,053                                | 27                                        |
| SW 323 - Waste of halogenated organic solvents                                                                                 | 1,356                             | 1,130                                         | 36                                   | 3                                         | 92                                   | 7                                         | 214                                  | 16                                        | 147                                  | 13                                        |
| SW 325 - Uncured resin waste containing organic solvents or heavy metals including epoxy resin and phenolic resin              | 2,400                             | 2,000                                         | 107                                  | 4                                         | 332                                  | 14                                        | 272                                  | 11                                        | 185                                  | 9                                         |
| SW 327 - Waste of thermal fluids (heat transfer) such as ethylene glycol                                                       | 6,000                             | 5,000                                         | 333                                  | 6                                         | 251                                  | 4                                         | 653                                  | 11                                        | 289                                  | 6                                         |
| <b>SW 4</b>                                                                                                                    | <b>58,998</b>                     | <b>49,165</b>                                 | <b>15,838</b>                        | <b>27</b>                                 | <b>17,934</b>                        | <b>30</b>                                 | <b>14,627</b>                        | <b>25</b>                                 | <b>13,470</b>                        | <b>27</b>                                 |
| SW 401 - Spent alkalis containing heavy metals                                                                                 | 7,800                             | 6,500                                         | 6,065                                | 78                                        | 7,355                                | 94                                        | 5,503                                | 71                                        | 4,792                                | 74                                        |
| SW 402 - Spent alkalis with pH more or equal to 11.5                                                                           | 6,000                             | 5,000                                         | 2,360                                | 39                                        | 928                                  | 15                                        | 1,586                                | 26                                        | 2,658                                | 53                                        |
| SW 408 - Contaminated soil, debris or matter resulting from cleaning up or a spill of chemical, mineral oil or scheduled waste | 3,600                             | 3,000                                         | 407                                  | 11                                        | 2,949                                | 82                                        | 369                                  | 10                                        | 131                                  | 4                                         |



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| SW Code <sup>(1)</sup>                                                                                                                     | Maximum quantity                  |                                               | FYE 2022                             |                                           | FYE 2023                             |                                           | FYE 2024                             |                                           | FYE 2025                             |                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------------------|--------------------------------------|-------------------------------------------|--------------------------------------|-------------------------------------------|--------------------------------------|-------------------------------------------|--------------------------------------|-------------------------------------------|
|                                                                                                                                            | Annual <sup>(2)</sup><br>(tonnes) | 10-month<br>period <sup>(3)</sup><br>(tonnes) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) |
| SW 409 - Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes                   | 2,706 <sup>(6)</sup>              | 2,255 <sup>(6)</sup>                          | 876 <sup>(6)</sup>                   | 32 <sup>(6)</sup>                         | 741 <sup>(6)</sup>                   | 27 <sup>(6)</sup>                         | 819 <sup>(6)</sup>                   | 30 <sup>(6)</sup>                         | 716 <sup>(6)</sup>                   | 32 <sup>(6)</sup>                         |
| SW 410 - Rags, plastics, papers or filters contaminated with scheduled waste                                                               | 4,272                             | 3,560                                         | 2,118                                | 50                                        | 1,898                                | 44                                        | 2,125                                | 50                                        | 1,512                                | 42                                        |
| SW 411 - Spent activated carbon excluding carbon from treatment of potable water and processes of the food industry and vitamin production | 2,400                             | 2,000                                         | 471                                  | 20                                        | 531                                  | 22                                        | 511                                  | 21                                        | 525                                  | 26                                        |
| SW 416 - Sludges of inks, paints, pigments, lacquer, dye or varnish                                                                        | 13,140                            | 10,950                                        | 1,552                                | 12                                        | 1,618                                | 12                                        | 1,349                                | 10                                        | 1,005                                | 9                                         |
| SW 417 - Waste of inks, paints, pigments, lacquer, dye or varnish                                                                          | 7,140                             | 5,950                                         | 1,553                                | 22                                        | 1,379                                | 19                                        | 1,488                                | 21                                        | 1,428                                | 24                                        |
| SW 418 - Discarded or off-specification inks, paints, pigments, lacquer, dye or varnish products containing organic solvent                | 7,140                             | 5,950                                         | 299                                  | 4                                         | 386                                  | 5                                         | 604                                  | 8                                         | 334                                  | 6                                         |
| SW 422 - A mixture of scheduled and non-scheduled wastes                                                                                   | 2,400                             | 2,000                                         | 125                                  | 5                                         | 118                                  | 5                                         | 236                                  | 10                                        | 351                                  | 18                                        |

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| SW Code <sup>(1)</sup>                                                                                     | Maximum quantity                  |                                               | FYE 2022                             |                                           | FYE 2023                             |                                           | FYE 2024                             |                                           | FYE 2025                             |                                           |
|------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------------------|--------------------------------------|-------------------------------------------|--------------------------------------|-------------------------------------------|--------------------------------------|-------------------------------------------|--------------------------------------|-------------------------------------------|
|                                                                                                            | Annual <sup>(2)</sup><br>(tonnes) | 10-month<br>period <sup>(3)</sup><br>(tonnes) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) | Collected <sup>(4)</sup><br>(tonnes) | Utilisation<br>rate <sup>(5)</sup><br>(%) |
| SW 427 - Mineral sludges including calcium hydroxide, phosphating, calcium sulphite and carbonates sludges | 2,400                             | 2,000                                         | 12                                   | 1                                         | 31                                   | 1                                         | 37                                   | 2                                         | 18                                   | 1                                         |

Notes:

- (1) The descriptions of the SW Codes are in the glossary of technical terms.
- (2) Maximum annual quantity is calculated by multiplying the maximum monthly quantity of the scheduled waste by 12.
- (3) Maximum quantity for the 10-month period is calculated by multiplying the maximum monthly quantity of the scheduled waste by 10.
- (4) Refers to the quantity of the scheduled waste collected during the respective financial year / period.
- (5) Utilisation rate is calculated by dividing the actual collection by the maximum annual quantity / maximum quantity for the 10-month period.
- (6) The maximum capacity and quantity collected are converted from pieces to tonnes by multiplying the number of pieces per piece, which is the average weight of the containers that we typically collect.

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## 7. BUSINESS OVERVIEW

### 7.9.2 Capacity and utilisation rates based on major machinery and equipment usage

The capacity and utilisation rates of our scheduled waste management facilities are also assessed based on the usage of the major types of machinery and equipment that we use. This is because the recovery and recycling of scheduled wastes involves one or a combination of processes that may use the same machinery and equipment.

Our capacity, usage, and utilisation rates of our major machinery and equipment during the Period Under Review are summarised in the following table:

| Major machinery and equipment         | Capacity (hours)      | Actual usage (hours) | Utilisation rate <sup>(1)</sup> (%) |
|---------------------------------------|-----------------------|----------------------|-------------------------------------|
| <b>PLO 83 &amp; 317 Facility</b>      |                       |                      |                                     |
| <b>Rotary kiln system</b>             |                       |                      |                                     |
| FYE 2022                              | 6,970 <sup>(2)</sup>  | 5,218                | 75                                  |
| FYE 2023                              | 6,970 <sup>(2)</sup>  | 5,788                | 83                                  |
| FYE 2024                              | 6,970 <sup>(2)</sup>  | 5,538                | 79                                  |
| FPE 2025                              | 5,808 <sup>(3)</sup>  | 4,140                | 71                                  |
| <b>Wastewater treatment plant</b>     |                       |                      |                                     |
| FYE 2022                              | 20,910 <sup>(4)</sup> | 10,587               | 51                                  |
| FYE 2023                              | 20,910 <sup>(4)</sup> | 11,794               | 56                                  |
| FYE 2024                              | 20,910 <sup>(4)</sup> | 11,214               | 54                                  |
| FPE 2025                              | 17,425 <sup>(5)</sup> | 9,748                | 56                                  |
| <b>Carboniser</b>                     |                       |                      |                                     |
| FYE 2022                              | 6,970 <sup>(2)</sup>  | 4,836                | 69                                  |
| FYE 2023                              | 6,970 <sup>(2)</sup>  | 5,723                | 82                                  |
| FYE 2024                              | 6,970 <sup>(2)</sup>  | 5,392                | 77                                  |
| FPE 2025                              | 5,808 <sup>(3)</sup>  | 4,140                | 71                                  |
| <b>Auto-packing machine</b>           |                       |                      |                                     |
| FYE 2022                              | 6,970 <sup>(2)</sup>  | 4,070                | 58                                  |
| FYE 2023                              | 6,970 <sup>(2)</sup>  | 4,851                | 70                                  |
| FYE 2024                              | 6,970 <sup>(2)</sup>  | 4,690                | 67                                  |
| FPE 2025                              | 5,808 <sup>(3)</sup>  | 3,886                | 67                                  |
| <b>Waste solvent recycling system</b> |                       |                      |                                     |
| FYE 2022                              | 6,970 <sup>(2)</sup>  | 3,704                | 53                                  |
| FYE 2023                              | 6,970 <sup>(2)</sup>  | 3,905                | 56                                  |
| FYE 2024                              | 6,970 <sup>(2)</sup>  | 3,996                | 57                                  |
| FPE 2025                              | 5,808 <sup>(3)</sup>  | 3,508                | 60                                  |
| <b>Waste coolant recycling system</b> |                       |                      |                                     |
| FYE 2022                              | 6,970 <sup>(2)</sup>  | 4,022                | 58                                  |
| FYE 2023                              | 6,970 <sup>(2)</sup>  | 3,868                | 55                                  |

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| <b>Major machinery and equipment</b>     | <b>Capacity (hours)</b> | <b>Actual usage (hours)</b> | <b>Utilisation rate<sup>(1)</sup> (%)</b> |
|------------------------------------------|-------------------------|-----------------------------|-------------------------------------------|
| FYE 2024                                 | 6,970 <sup>(2)</sup>    | 4,064                       | 58                                        |
| FPE 2025                                 | 5,808 <sup>(3)</sup>    | 3,516                       | 61                                        |
| <b>Waste oil recycling systems</b>       |                         |                             |                                           |
| FYE 2022                                 | 13,940 <sup>(6)</sup>   | 8,019                       | 58                                        |
| FYE 2023                                 | 13,940 <sup>(6)</sup>   | 8,452                       | 61                                        |
| FYE 2024                                 | 13,940 <sup>(6)</sup>   | 7,865                       | 56                                        |
| FPE 2025                                 | 11,616 <sup>(7)</sup>   | 7,278                       | 63                                        |
| <b>Container decontamination machine</b> |                         |                             |                                           |
| FYE 2022                                 | 6,970 <sup>(2)</sup>    | 3,996                       | 57                                        |
| FYE 2023                                 | 6,970 <sup>(2)</sup>    | 4,495                       | 64                                        |
| FYE 2024                                 | 6,970 <sup>(2)</sup>    | 4,530                       | 65                                        |
| FPE 2025                                 | 5,808 <sup>(3)</sup>    | 4,384                       | 75                                        |
| <b>Rag decontamination machine</b>       |                         |                             |                                           |
| FYE 2022                                 | 6,970 <sup>(2)</sup>    | 4,131                       | 59                                        |
| FYE 2023                                 | 6,970 <sup>(2)</sup>    | 3,137                       | 45                                        |
| FYE 2024                                 | 6,970 <sup>(2)</sup>    | 4,155                       | 60                                        |
| FPE 2025                                 | 5,808 <sup>(3)</sup>    | 4,456                       | 77                                        |
| <b>Waste acid recycling system</b>       |                         |                             |                                           |
| FYE 2022                                 | 13,940 <sup>(8)</sup>   | 9,409                       | 67                                        |
| FYE 2023                                 | 13,940 <sup>(8)</sup>   | 9,713                       | 70                                        |
| FYE 2024                                 | 13,940 <sup>(8)</sup>   | 9,751                       | 70                                        |
| FPE 2025                                 | 11,616 <sup>(9)</sup>   | 8,238                       | 71                                        |
| <b>PLO 738 Facility</b>                  |                         |                             |                                           |
| <b>Rotary kiln system</b>                |                         |                             |                                           |
| FYE 2022                                 | 6,970 <sup>(2)</sup>    | 4,733                       | 68                                        |
| FYE 2023                                 | 6,970 <sup>(2)</sup>    | 4,768                       | 68                                        |
| FYE 2024                                 | 6,970 <sup>(2)</sup>    | 4,381                       | 63                                        |
| FPE 2025                                 | 5,808 <sup>(3)</sup>    | 4,926                       | 85                                        |
| <b>Carboniser</b>                        |                         |                             |                                           |
| FYE 2022                                 | 6,970 <sup>(2)</sup>    | 4,574                       | 66                                        |
| FYE 2023                                 | 6,970 <sup>(2)</sup>    | 4,436                       | 64                                        |
| FYE 2024                                 | 6,970 <sup>(2)</sup>    | 4,314                       | 62                                        |
| FPE 2025                                 | 5,808 <sup>(3)</sup>    | 4,330                       | 75                                        |
| <b>Waste oil recycling system</b>        |                         |                             |                                           |
| FYE 2022                                 | 6,970 <sup>(2)</sup>    | 3,366                       | 48                                        |

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| <b>Major machinery and equipment</b>     | <b>Capacity (hours)</b> | <b>Actual usage (hours)</b> | <b>Utilisation rate<sup>(1)</sup> (%)</b> |
|------------------------------------------|-------------------------|-----------------------------|-------------------------------------------|
| FYE 2023                                 | 6,970 <sup>(2)</sup>    | 3,671                       | 53                                        |
| FYE 2024                                 | 6,970 <sup>(2)</sup>    | 3,919                       | 56                                        |
| FPE 2025                                 | 5,808 <sup>(3)</sup>    | 3,434                       | 59                                        |
| <b>Waste solvent recycling system</b>    |                         |                             |                                           |
| FYE 2022                                 | 6,970 <sup>(2)</sup>    | 3,616                       | 52                                        |
| FYE 2023                                 | 6,970 <sup>(2)</sup>    | 3,690                       | 53                                        |
| FYE 2024                                 | 6,970 <sup>(2)</sup>    | 3,996                       | 57                                        |
| FPE 2025                                 | 5,808 <sup>(3)</sup>    | 3,414                       | 59                                        |
| <b>Wastewater treatment plant</b>        |                         |                             |                                           |
| FYE 2022                                 | 20,910 <sup>(2)</sup>   | 16,142                      | 77                                        |
| FYE 2023                                 | 20,910 <sup>(2)</sup>   | 18,837                      | 90                                        |
| FYE 2024                                 | 20,910 <sup>(2)</sup>   | 17,806                      | 85                                        |
| FPE 2025                                 | 17,425 <sup>(5)</sup>   | 17,176                      | 99                                        |
| <b>Auto packing machine</b>              |                         |                             |                                           |
| FYE 2022                                 | 6,970 <sup>(2)</sup>    | 5,283                       | 76                                        |
| FYE 2023                                 | 6,970 <sup>(2)</sup>    | 5,948                       | 85                                        |
| FYE 2024                                 | 6,970 <sup>(2)</sup>    | 6,102                       | 88                                        |
| FPE 2025                                 | 5,808 <sup>(3)</sup>    | 5,490                       | 95                                        |
| <b>LVDH system</b>                       |                         |                             |                                           |
| FYE 2022                                 | 6,970 <sup>(2)</sup>    | 3,549                       | 51                                        |
| FYE 2023                                 | 6,970 <sup>(2)</sup>    | 3,613                       | 52                                        |
| FYE 2024                                 | 6,970 <sup>(2)</sup>    | 3,707                       | 53                                        |
| FPE 2025                                 | 5,808 <sup>(3)</sup>    | 3,661                       | 63                                        |
| <b>Waste coolant recycling system</b>    |                         |                             |                                           |
| FYE 2022                                 | 6,970 <sup>(2)</sup>    | 3,739                       | 54                                        |
| FYE 2023                                 | 6,970 <sup>(2)</sup>    | 3,946                       | 57                                        |
| FYE 2024                                 | 6,970 <sup>(2)</sup>    | 4,196                       | 60                                        |
| FPE 2025                                 | 5,808 <sup>(3)</sup>    | 4,326                       | 74                                        |
| <b>E-waste recovery system</b>           |                         |                             |                                           |
| FYE 2022                                 | 6,970 <sup>(2)</sup>    | 3,758                       | 54                                        |
| FYE 2023                                 | 6,970 <sup>(2)</sup>    | 3,593                       | 52                                        |
| FYE 2024                                 | 6,970 <sup>(2)</sup>    | 4,015                       | 58                                        |
| FPE 2025                                 | 5,808 <sup>(3)</sup>    | 3,652                       | 63                                        |
| <b>Container decontamination machine</b> |                         |                             |                                           |
| FYE 2022                                 | 6,970 <sup>(2)</sup>    | 3,662                       | 53                                        |

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| <b>Major machinery and equipment</b>          | <b>Capacity (hours)</b> | <b>Actual usage (hours)</b> | <b>Utilisation rate<sup>(1)</sup> (%)</b> |
|-----------------------------------------------|-------------------------|-----------------------------|-------------------------------------------|
| FYE 2023                                      | 6,970 <sup>(2)</sup>    | 3,476                       | 50                                        |
| FYE 2024                                      | 6,970 <sup>(2)</sup>    | 3,983                       | 57                                        |
| FPE 2025                                      | 5,808 <sup>(3)</sup>    | 3,686                       | 63                                        |
| <b>Waste acid and alkali recycling system</b> |                         |                             |                                           |
| FYE 2022                                      | 13,940 <sup>(8)</sup>   | 7,290                       | 52                                        |
| FYE 2023                                      | 13,940 <sup>(8)</sup>   | 7,190                       | 52                                        |
| FYE 2024                                      | 13,940 <sup>(8)</sup>   | 7,802                       | 56                                        |
| FPE 2025                                      | 11,616 <sup>(9)</sup>   | 7,441                       | 64                                        |

**Notes:**

- (1) Utilisation rate is calculated by dividing the actual usage by the capacity of the respective financial year / period.
- (2) We had 1 unit of this machinery or system at the respective facility during the entire financial year. Calculating the annual operational capacity of this machinery or system is based on 352 working days per year (365 days less 13 gazetted public holidays per year) multiplied by 22 working hours per working day (2 shifts of 12 hours each, less 1 hour per shift to take into account shift handover), and deducting 10% from the total hours to take into account stoppages for maintenance and changes in recovery or recycling processes. This comes to 6,970 hours per year.
- (3) We had 1 unit of this machinery or system at the respective facility during the entire financial period. The operational capacity of this machinery or system for the FPE 2025 is calculated on a pro-rata basis by multiplying the annual operational capacity by 10/12. This comes to 5,808 hours.
- (4) The wastewater treatment plants at PLO 83 & 317 Facility and PLO 738 Facility each consisted of 3 systems during the entire financial year. The annual operating capacity of each wastewater treatment plant is 3 x 6,970 hours per year, which comes to 20,910 hours.
- (5) The operational capacity of the wastewater treatment plants at PLO 83 & 317 Facility and PLO 738 Facility for the FPE 2025 is calculated on a pro-rata basis by multiplying the annual operational capacity by 10/12. This comes to 17,425 hours.
- (6) We had 2 units of waste oil recycling systems at PLO 83 & 317 Facility during the entire financial year. The annual operating capacity of these systems is 2 x 6,970 hours per year, which comes to 13,940 hours.
- (7) The operational capacity of the 2 units of waste oil recycling systems at PLO 83 & 317 Facility for the FPE 2025 is calculated on a pro-rata basis by multiplying the annual operational capacity by 10/12. This comes to 11,616 hours.
- (8) The waste acid and alkali recycling systems at PLO 83 & 317 Facility and PLO 738 Facility each consisted of 2 separate systems during the entire financial year. The annual operating capacity of each waste acid and alkali recycling systems is 2 x 6,970 hours per year, which comes to 13,940 hours.
- (9) The operational capacity of the waste acid and alkali recycling systems at PLO 83 & 317 Facility and PLO 738 Facility for the FPE 2025 is calculated on a pro-rata basis by multiplying the annual operational capacity by 10/12. This comes to 11,616 hours.

**7. BUSINESS OVERVIEW**

**7.10 TYPES AND SOURCES OF MATERIALS AND SERVICES**

The following are the major types of materials and services that we purchased for our business operations during the Period Under Review:

|                                                                                          | FYE 2022      |               | FYE 2023      |               | FYE 2024      |               | FYE 2025      |               |
|------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                                                                          | RM'000        | %             | RM'000        | %             | RM'000        | %             | RM'000        | %             |
| <b>Scheduled waste management services and supply of recovered and recycled products</b> | <b>20,995</b> | <b>97.42</b>  | <b>24,482</b> | <b>98.43</b>  | <b>27,347</b> | <b>98.49</b>  | <b>21,745</b> | <b>97.07</b>  |
| <b>Materials</b>                                                                         | <b>11,207</b> | <b>52.00</b>  | <b>12,376</b> | <b>49.76</b>  | <b>13,010</b> | <b>46.85</b>  | <b>12,203</b> | <b>54.47</b>  |
| Scheduled waste with valuable materials                                                  | 4,114         | 19.09         | 6,063         | 24.38         | 6,427         | 23.15         | 6,815         | 30.42         |
| Electricity and water                                                                    | 1,968         | 9.13          | 2,307         | 9.28          | 2,321         | 8.36          | 1,871         | 8.35          |
| Chemicals for processes                                                                  | 2,150         | 9.98          | 1,885         | 7.58          | 1,997         | 7.19          | 1,567         | 6.99          |
| Diesel and fuel oil                                                                      | 2,230         | 10.35         | 1,180         | 4.74          | 1,305         | 4.70          | 1,118         | 4.99          |
| Consumables                                                                              | 745           | 3.45          | 941           | 3.78          | 960           | 3.45          | 832           | 3.72          |
| <b>Services</b>                                                                          | <b>9,788</b>  | <b>45.42</b>  | <b>12,106</b> | <b>48.67</b>  | <b>14,337</b> | <b>51.64</b>  | <b>9,542</b>  | <b>42.60</b>  |
| Residue disposal                                                                         | 6,917         | 32.10         | 5,634         | 22.65         | 6,585         | 23.72         | 4,952         | 22.11         |
| Collection of recycled materials with low economic value                                 | 224           | 1.04          | 2,078         | 8.35          | 3,635         | 13.09         | 1,302         | 5.81          |
| Logistics services                                                                       | 2,068         | 9.60          | 2,303         | 9.26          | 1,547         | 5.57          | 972           | 4.34          |
| On-site sorting, labelling and loading services                                          | 579           | 2.68          | 2,091         | 8.41          | 2,570         | 9.26          | 2,316         | 10.34         |
| <b>Trading of chemicals and other products</b>                                           | <b>555</b>    | <b>2.58</b>   | <b>391</b>    | <b>1.57</b>   | <b>420</b>    | <b>1.51</b>   | <b>657</b>    | <b>2.93</b>   |
| Acids, other chemicals and other products <sup>(1)</sup>                                 | 555           | 2.58          | 391           | 1.57          | 420           | 1.51          | 657           | 2.93          |
| <b>Total purchases of materials and services</b>                                         | <b>21,550</b> | <b>100.00</b> | <b>24,873</b> | <b>100.00</b> | <b>27,767</b> | <b>100.00</b> | <b>22,402</b> | <b>100.00</b> |

Note:

(1) Including ammonia, urea, industrial alcohol, laboratory consumables, and containers for trading.

## 7. BUSINESS OVERVIEW

Generally, we purchase materials (including utilities, diesel and fuel oil) and services for our scheduled waste management and supply of recovered and recycled products operations.

Purchases of materials (including utilities, diesel and fuel oil) for our scheduled waste management services and supply of recovered and recycled products accounted for 52.00%, 49.76%, 46.85%, and 54.47% of our total purchases of materials and services for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. Our largest purchases of materials comprised scheduled wastes with valuable materials such as silver paste, metal dross, and certain spent or contaminated metals, solvents, oils, containers, and e-waste. In general, since valuable materials can be recovered or recycled from these scheduled wastes, waste generators typically charge us for collecting these wastes from them.

Utilities (mainly comprising electricity and water) constituted a collective 9.13%, 9.28%, 8.36%, and 8.35% of our total purchases of materials and services for FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. Over the same periods, diesel and fuel oil collectively accounted for 10.35%, 4.74%, 4.70%, and 4.99% of our total purchases of materials and services for FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively.

Electricity is used to power a range of our machinery and equipment including rotary kilns, wastewater treatment plants, fluid transfer pumps, vacuum pumps used in LVDH and vacuum distillation, filter presses, and auto-packers. Electricity is also essential to heat thermal oil that are used in our waste oil and solvent recycling operations. Water is used in container and rag decontamination processes, as well as general cleaning. Finally, diesel and fuel oil are used as heat sources for our thermal oxidation and carbonisation processes.

Chemicals for recovery and recycling processes represented 9.98%, 7.58%, 7.19%, and 6.99% of our total purchases of materials and services for FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. These chemicals, including demulsifying agents, coagulants, flocculants, disinfectants, and nutrient removal agents, are essential for scheduled waste management processes such as waste coolant and oil recycling, as well as for wastewater treatment. Consumables, such as filters and activated carbon filters used to remove solid particles and VOC from fluids, accounted for 3.45%, 3.78%, 3.45%, and 3.72% of our total materials and services purchases over the same period.

Purchases of services for scheduled waste management operations accounted for 45.42%, 48.67%, 51.64%, and 42.60% of our total purchases of materials and services for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. Out of this, residue disposal services accounted for 32.10%, 22.65%, 23.72%, and 22.11% of our total purchases of materials and services for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. These services relate to the disposal of residue from our scheduled waste management processes that we currently do not have the relevant machinery and equipment to further process. We engage third-party licensed contractors to collect and further use, treat, or dispose of the residue.

Meanwhile, the collection of recycled usable materials by third-party companies accounted for 1.04%, 8.35%, 13.09%, and 5.81% of our total purchases of materials and services for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. These recycled materials (including recycled rubber, acid, and alkali, which are not classified as scheduled waste) are bulky, difficult to store, and have low selling prices. It is not economically viable for us to store them long-term and search for buyers. Hence, we engage and pay third-party companies to collect and remove these materials from our licensed facilities, as the collection and removal involve labour, packaging, and transportation costs.



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Logistics services accounted for 9.60%, 9.26%, 5.57%, and 4.34% of our total purchases of materials and services for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. We engage third-party trucks and drivers registered under our DOE licenses to collect scheduled waste from our customers' premises and transport them to our licensed facilities. These external contractors are used to supplement our in-house logistics resources.

We also engage third-party contractors to provide on-site sorting, labelling and loading services when we collect scheduled waste from our customers' premises. These services accounted for 2.68%, 8.41%, 9.26%, and 10.34% of our total purchases of materials and services for the FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively.

Our purchases of materials for trading operations comprised 2.58%, 1.57%, 1.51%, and 2.93% of our total purchases of materials and services for FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. These include products that were sourced from third-party manufacturers and suppliers for resale to our customers such as various acids (including sulphuric acid, hydrochloric acid, and nitric acid), other chemicals (like ammonia and urea), industrial alcohol, and other items like laboratory consumables and containers.

During the Period Under Review, all of our materials and services were purchased from suppliers in Malaysia.

The materials that we purchase are not commodity-related except for scheduled wastes with valuable materials that contain precious metals such as silver and palladium, diesel, and fuel oil, and their prices are subject to global commodity price fluctuations. However, during the Period Under Review, our business was not materially affected by global commodity price fluctuations for the following reasons:

- Sales of silver and palladium was not a major revenue contributor, having accounted for between 0.39% and 1.71% of our revenue during the Period Under Review. If the prices of scheduled waste with precious metals increase to a level that we believe is uneconomical for our recovery and recycling processes, we have the option of not purchasing these wastes as it would not have a material impact on our business.
- Purchases of diesel and fuel oil have generally been on a decreasing trend during the Period Under Review, having declined from 10.35% of total purchase of materials and services for FYE 2022 to 4.99% for FPE 2025. Furthermore, we utilise recovered fuel oil from our processes as fuel for our carbonisation and thermal oxidation process.

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## 7. BUSINESS OVERVIEW

### 7.11 MAJOR MACHINERY AND EQUIPMENT

As at 31 October 2025, the major machinery and equipment that we utilise for our operations are as follows:

| Major machinery and equipment                                                                                                                                           | Estimated average useful life | As at 31 October 2025 |                     |                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-----------------------|---------------------|----------------------|
|                                                                                                                                                                         |                               | No. of units          | Average age (years) | Audited NBV (RM'000) |
| <b>PLO 83 &amp; 317 Facility</b>                                                                                                                                        |                               |                       |                     | <b>504</b>           |
| <b>Rotary kiln system:</b> Carries out thermal oxidation to process waste sludge, solid metal hydroxide, and waste with high organic material content.                  | 10 <sup>(1)</sup>             | 1                     | >11 <sup>(2)</sup>  | 163                  |
| <b>Wastewater treatment plant:</b> Treats wastewater from other processes so that the effluent is safe to discharge.                                                    | 10 <sup>(1)</sup>             | 1                     | >11 <sup>(2)</sup>  | 133                  |
| <b>Carboniser:</b> Processes liquid and solid sludges that are contaminated with organic material by heating in low-oxygen environment to generate biogas and fuel oil. | 10 <sup>(1)</sup>             | 1                     | >11 <sup>(2)</sup>  | 127                  |
| <b>Auto-packing machine:</b> Automatically packs sludge into metal drums before they are sent to the rotary kiln system.                                                | 10                            | 1                     | 8                   | 59                   |
| <b>Waste solvent recovery system:</b> Recovers solvent through filtration, vacuum distillation, and / or thermal distillation.                                          | 10 <sup>(1)</sup>             | 1                     | >11 <sup>(2)</sup>  | 15                   |
| <b>Waste coolant recovery system:</b> Recovers coolant by desorption, de-emulsification, and separation.                                                                | 10 <sup>(1)</sup>             | 1                     | >11 <sup>(2)</sup>  | 4                    |
| <b>Waste oil recycling systems:</b> Recycles oil by de-emulsification, homogenisation, reverse absorption, and LVDH.                                                    | 10 <sup>(1)</sup>             | 2                     | >11 <sup>(2)</sup>  | 3                    |
| <b>Drum decontamination machine:</b> Washes and decontaminates metal and plastic drums.                                                                                 | 10 <sup>(1)</sup>             | 1                     | >11 <sup>(2)</sup>  | #                    |
| <b>Rag decontamination machine:</b> Washes and decontaminates gloves, washcloths, and other fabrics.                                                                    | 10 <sup>(1)</sup>             | 1                     | >11 <sup>(2)</sup>  | #                    |
| <b>Waste acid recovery system:</b> Recovers acid by filtration and low vacuum dehydration.                                                                              | 10 <sup>(1)</sup>             | 1                     | >11 <sup>(2)</sup>  | #                    |
| <b>PLO 738 Facility</b>                                                                                                                                                 |                               |                       |                     | <b>3,247</b>         |
| <b>Rotary kiln system:</b> Carries out thermal oxidation to process waste sludge, solid metal hydroxide, and liquid waste with high organic material content.           | 10                            | 1                     | 10                  | 1,214                |
| <b>Carboniser:</b> Processes liquid and solid sludges that are contaminated with organic material by heating in low-oxygen environment to generate biogas and fuel oil. | 10                            | 1                     | 8                   | 687                  |

**7. BUSINESS OVERVIEW**

| Major machinery and equipment                                                                                                                                                | Estimated average useful life | As at 31 October 2025 |                     |                      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-----------------------|---------------------|----------------------|
|                                                                                                                                                                              |                               | No. of units          | Average age (years) | Audited NBV (RM'000) |
| <b>Waste oil recycling system:</b> Recycles oil by de-emulsification, homogenisation, desorption, and LVDH.                                                                  | 10                            | 1                     | 10                  | 435                  |
| <b>Waste solvent recovery system:</b> Recovers solvent through filtration, vacuum distillation, and / or thermal distillation.                                               | 10                            | 1                     | 9                   | 221                  |
| <b>Wastewater treatment plant:</b> Treat wastewater from other processes so that the effluent is safe to discharge.                                                          | 10                            | 1                     | 10                  | 303                  |
| <b>Auto packing machine:</b> Automatically packs sludge into metal drums before they are sent to the rotary kiln system.                                                     | 10                            | 1                     | 8                   | 214                  |
| <b>LVDH system:</b> Removes water and volatile organic compounds from solvent, oil, or other liquids through low-temperature heating in a low-pressure environment (vacuum). | 10                            | 1                     | 10                  | 65                   |
| <b>Waste coolant recovery system:</b> Recovers coolant by desorption, de-emulsification, and separation.                                                                     | 10                            | 1                     | 9                   | 47                   |
| <b>E-waste recovery system:</b> Process electronic wastes to recover metal hydroxides.                                                                                       | 10                            | 1                     | 10                  | 43                   |
| <b>Container decontamination machine:</b> Washes and decontaminates containers.                                                                                              | 10                            | 1                     | 10                  | 14                   |
| <b>Waste acid and alkali recycling system:</b> Recycles acid and alkali by filtration and low vacuum dehydration.                                                            | 10                            | 1                     | 10                  | 4                    |
| <b>Total</b>                                                                                                                                                                 |                               |                       |                     | <b>3,751</b>         |

Notes:

# Fully depreciated as of 31 October 2025.

- (1) We carry out preventive maintenance on our major machinery and equipment to ensure that they operate properly and safely as well as to minimise the risk of breakdowns. Thus, this machine or system is able to be utilised beyond its estimated useful life.
- (2) This machine or system was acquired before 2015 and as of 31 October 2025, it is 11 or more years old. We do not have records of the acquisition date of machines and systems that we acquired before 2015 as we changed our accounting system in that year (2015).

We have not experienced any material disruptions in our scheduled waste management operations due to machinery and equipment breakdowns in the past. In the event a scheduled waste recovery and recycling system at one licensed facility breaks down for a prolonged period, we are able to utilise the similar system at our other facilities, subject to the availability of such system and the permitted SW Codes quota to be managed at those facilities. Please refer to **Section 9.1.5** of this Prospectus for risks relating to major breakdowns of our scheduled waste management facilities.

We did not acquire any major machinery and equipment between 1 November 2025 and the LPD.

## 7. BUSINESS OVERVIEW

### 7.12 MARKETING POSITIONING AND STRATEGIES

Our primary objectives are to expand our customer base, attract new clients, and capitalize on emerging business opportunities within the scheduled waste management sector.

#### 7.12.1 Our market positioning

We strategically position ourselves in the market through the following key differentiators:

- **Comprehensive scheduled waste management service provider:** We position ourselves as a comprehensive provider of scheduled waste management services, catering to diverse industries, including key industries such as semiconductor and E&E, chemical, plastic, and rubber, metal and metal products, cars and other motor vehicles, and F&B manufacturing. Our in-house capabilities encompass the collection, recovery, and recycling of a wide range of scheduled wastes generated by these sectors. As at the LPD, we are licensed by the DOE to handle scheduled wastes under 34 SW Codes. Our collection services are primarily managed by our logistics team, comprising 26 trucks owned by us, 15 trucks owned by third parties, 17 drivers employed by us and 24 drivers employed by third parties, all of which are registered under our licences as at the LPD.

The strategically located PLO 83 & 317 Facility and PLO 738 Facility are equipped with appropriate technologies for various scheduled waste management processes. These include recycling of waste acid and alkali, coolants, oil, and solvents, e-waste recovery; LVDH, carbonisation, thermal oxidation and the decontamination of containers and rags. Additionally, we operate on-site wastewater treatment plants as part of our in-house scheduled waste management process.

As a comprehensive service provider, we offer customers the advantages of streamlined management, reduced administrative burden, and a single point of accountability for all their scheduled waste management needs.

- **Supporting ESG goals:** We emphasise to our customers how our services directly contribute to their ESG objectives. By ensuring the proper management of the scheduled wastes they generate, we mitigate negative environmental impact by recovering and recycling valuable and / or useful materials from scheduled waste reduces the demand for virgin resources and minimises overall waste generation. This alignment with ESG principles positions us as a preferred partner for environmentally conscious organisations.
- **Advancing the circular economy:** Our core business activities actively promote a circular economy. By recovering and recycling usable materials through our processes, we directly reduce the consumption of new raw materials and decrease the volume of waste destined for disposal. This focus on resource recovery and recycling makes us an attractive partner for businesses prioritising sustainability and circular economy initiatives.
- **Established track record and strong reputation:** With approximately 18 years of operational experience in scheduled waste management we have built a strong and reliable track record. Our reputation for expertise and effectiveness is further underscored by our engagement in critical environmental remediation projects for government bodies. A notable example is our successful clean-up of the pollution caused by the illegal dumping of toxic chemical waste into the Kim Kim River in Pasir Gudang, Johor in 2019, undertaken for the Jabatan Pengairan dan Saliran Negeri Johor. We are supported by an experienced Key Senior Management team, the majority of whom have between 14 years and 18 years of working experience in scheduled waste management.

## 7. BUSINESS OVERVIEW

- **Accredited in-house laboratory for reliable analysis:** Our in-house laboratory holds the ISO/IEC 17025:2017 accreditation, demonstrating our commitment to technical competence and robust management systems. This internationally recognised accreditation assures customers, regulatory bodies, and other stakeholders of the accuracy and reliability of our chemical analysis results, providing confidence in our waste characterisation and management processes.

### 7.12.2 Our marketing strategies and activities

We actively pursue marketing initiatives to expand our customer portfolio and capitalise on growth opportunities within the scheduled waste management sector. Our key marketing strategies and activities include:

- **Proactive customer acquisition:** We proactively target prospective clients to grow our customer base through various outreach efforts. This includes diligently following up on referrals from our existing network of satisfied customers, suppliers, service providers, and business associates.
- **Strategic account management and upselling:** We maintain close engagement with our existing customers to understand their evolving needs and identify opportunities to provide additional value through our range of services and products. This proactive approach strengthens customer relationships and fosters business growth.
- **Competitive bidding and direct negotiation:** We will continue to participate in tender processes and engage in direct negotiations with potential customers to secure new business. Our proposals highlight our competitive advantages and tailored solutions.
- **Industry engagement and brand building:** We participate in relevant exhibitions and industry events to enhance our brand visibility, directly interact with prospective customers, and effectively showcase our comprehensive services and capabilities to a wider market.

The exhibitions and industry events that we have participated in during the Period Under Review and up to the LPD include the following:

| Year | Event                                                                                     | Location                |
|------|-------------------------------------------------------------------------------------------|-------------------------|
| 2022 | Semiconductors Environment, Health, and Safety (EHS) Week                                 | Petaling Jaya, Selangor |
| 2023 | SunPower Environmental Campaign in conjunction with National Environment Day              | Alor Gajah, Melaka      |
| 2024 | Responsible sourcing for a sustainable future                                             | Shah Alam, Selangor     |
| 2024 | Safety, Health, Environment & Food Safety Week 2024                                       | Rawang, Selangor        |
| 2024 | Sustainable Procurement Conference: Transforming supply chains for a sustainable tomorrow | Kuala Lumpur            |
| 2025 | Climate Action Workshop                                                                   | Johor Bahru, Johor      |
| 2025 | Occupational Health, Safety & Environment (OSHE) Day 2025                                 | Pasir Gudang, Johor     |
| 2025 | National Environment Day 2025 Celebrations – Perak state level                            | Bagan Datuk, Perak      |

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## **7. BUSINESS OVERVIEW**

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### **7.12.3 Sales and marketing department**

As at the LPD, our sales and marketing department is headed by our Head of Marketing, Boo Chin Hwee. He leads a total of 7 sales and marketing personnel in the following teams:

- Our head office team comprises 4 personnel. They are mainly responsible for securing new customers and supporting existing customers in Johor and the southern region of Peninsular Malaysia, and are based at our head office at PLO 738 Facility.
- Our central region team comprises 3 personnel who are mainly responsible for securing new customers and supporting existing customers in the central and northern regions of Peninsular Malaysia. This team operates under remote work arrangements.

In addition, our sales and marketing department monitors the collection of scheduled wastes under each SW Code to ensure adherence to monthly quotas. We are required to submit a quarterly summary to the DOE detailing the aggregate quantity of scheduled waste collected each month under each SW Code.

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## 7. BUSINESS OVERVIEW

### 7.13 RESEARCH AND DEVELOPMENT

We have an in-house R&D department for our scheduled waste management operations. Before accepting any new scheduled waste, our R&D team performs comprehensive chemical analysis to determine its characteristics. These analytical results guide our decisions on waste acceptance, pricing, and recovery and recycling processes.

Our R&D expenses accounted for 1.05%, 0.95%, 0.81%, and 1.09% of our total revenue for FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. The details of our R&D expenses are set out below:

| R&D expenses                           | FYE 2022   |               | FYE 2023   |               | FYE 2024   |               | FPE 2025   |               |
|----------------------------------------|------------|---------------|------------|---------------|------------|---------------|------------|---------------|
|                                        | RM'000     | %             | RM'000     | %             | RM'000     | %             | RM'000     | %             |
| R&D-related staff salaries             | 411        | 60.26         | 508        | 66.58         | 531        | 82.45         | 523        | 70.68         |
| Consumables and other related expenses | 180        | 26.40         | 225        | 29.49         | 109        | 16.93         | 186        | 25.13         |
| Purchase of testing equipment          | 91         | 13.34         | 30         | 3.93          | 4          | 0.62          | 31         | 4.19          |
| <b>Total R&amp;D expenses</b>          | <b>682</b> | <b>100.00</b> | <b>763</b> | <b>100.00</b> | <b>644</b> | <b>100.00</b> | <b>740</b> | <b>100.00</b> |

Our in-house laboratory conducts comprehensive tests and analyses on scheduled wastes to accurately assess their chemical composition and properties, including stability and reactivity, flammability, oxidation potential, and concentration (molarity). The following is a list of testing equipment that we own and analyses that we carry out in our in-house laboratory:

| Testing equipment and analysis             | Main use of the equipment or objective of the analysis                                                                                                                                |
|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Calorific value meter                      | To measure the energy content (heating value) of a sample.                                                                                                                            |
| Flash point test                           | To evaluate the flammability characteristics of a sample.                                                                                                                             |
| Incubator                                  | To measure the biochemical oxygen demand of a sample.                                                                                                                                 |
| Inductively coupled plasma                 | To measure the concentration of heavy metals and other valuable elements present in a sample.                                                                                         |
| pH meter                                   | To measure the acidity or alkalinity of a sample.                                                                                                                                     |
| Laboratory-scale furnace                   | To simulate the thermal oxidation processes, assess material behaviour, and predict residue characteristics.                                                                          |
| Titration                                  | To accurately determine the concentration of specific substances (e.g., acids, alkalis, chlorides) through volumetric analysis.                                                       |
| Total organic carbon analyser              | To measure the total organic carbon content in a sample, indicating the amount of organic pollution, and often includes the measurement of total inorganic carbon and total nitrogen. |
| Ultraviolet and visible light spectrometer | To measure chemical oxygen demand, fluoride content, and ammonia / nitrogen content of treated wastewater.                                                                            |

## 7. BUSINESS OVERVIEW

### 7.14 TECHNOLOGIES USED

We use various technologies in our scheduled waste recovery and recycling methods, selected based on the properties and characteristics of each scheduled waste. The key technologies used in our recovery and recycling methods are as follows:

| <b>Main scheduled waste recovery and recycling methods</b> | <b>Key technologies</b>                                                                                                                                                                                                                                                                                                                                                                              |
|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Waste acid and alkali recycling                            | We recover usable acids or alkali by using filtration to remove solid contaminants and LVDH to remove water and volatile components from liquid waste.                                                                                                                                                                                                                                               |
| Waste coolant recycling                                    | We recycle coolant by using: <ul style="list-style-type: none"> <li>• desorber to remove solid contaminants from the coolant oil-in-water emulsion; and</li> <li>• separation tank to remove any residual moisture.</li> </ul>                                                                                                                                                                       |
| Waste oil recycling                                        | We recycle waste oil by using: <ul style="list-style-type: none"> <li>• chemical recycling system with demulsifying agent to separate the oil from the water;</li> <li>• homogenisation tank for the separation of lighter oil from denser water and solid materials;</li> <li>• desorber to remove the remaining solid contaminants; and</li> <li>• LVDH for comprehensive purification.</li> </ul> |
| Waste solvent recycling                                    | We recover valuable solvent content by using: <ul style="list-style-type: none"> <li>• vacuum distillation tank to recover solvent in waste solvents that have a boiling point lower than water; or</li> <li>• evaporator to recover solvent from waste solvent with a boiling point higher than water.</li> </ul>                                                                                   |
| Carbonisation                                              | We recover valuable outputs from waste sludge by using a reactor containing nitrogen gas to carry out pyrolysis. This cracks the organic content in the sludge, producing valuable outputs such as biogas and liquid fuel oil.                                                                                                                                                                       |
| Low vacuum dehydration (LVDH)                              | We remove contaminants by using a tank, vacuum pump, and thermal oil heater to remove water and volatile components through controlled low-temperature heating within a vacuum environment.                                                                                                                                                                                                          |
| E-waste recovery                                           | We recover valuable materials from e-waste by using: <ul style="list-style-type: none"> <li>• jaw crusher and metal separation system to extract ferrous metal pieces; and</li> <li>• digester tanks with acid solution to recover metal oxides.</li> </ul>                                                                                                                                          |
| Decontamination of containers and rags                     | We remove contaminants by using a washing system or washing machines with suitable cleaning agents to remove contaminants.                                                                                                                                                                                                                                                                           |
| Thermal oxidation                                          | We recover valuable outputs from waste sludge and e-waste by using a rotary kiln, heat exchanger, and wet scrubber system to process waste sludge, solid metal hydroxide from e-waste recovery, and liquid waste with high organic material content.                                                                                                                                                 |
| Wastewater treatment                                       | We remove contaminants by using biological, physical-chemical, and other treatment systems designed to treat wastewater before discharge into the public drainage system.                                                                                                                                                                                                                            |



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**7. BUSINESS OVERVIEW**

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**7.15 INTERRUPTIONS TO BUSINESS AND OPERATIONS**

Our Group did not experience any material interruptions to our business during the past 12 months up to the LPD.

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## 7. BUSINESS OVERVIEW

### 7.16 MAJOR CUSTOMERS

All of our top 5 customers for the Period Under Review are from Malaysia, and they are as follows:

#### FYE 2022

| Major customers                         | Services provided                                                              | Length of business relationship <sup>(1)</sup><br>(years) | Revenue contribution |              |
|-----------------------------------------|--------------------------------------------------------------------------------|-----------------------------------------------------------|----------------------|--------------|
|                                         |                                                                                |                                                           | RM'000               | %            |
| Customer A                              | Scheduled waste management services                                            | Less than 1                                               | 6,640                | 10.22        |
| Customer B                              | Scheduled waste management services                                            | 2                                                         | 4,947                | 7.61         |
| Advanced Assembly Materials (M) Sdn Bhd | Scheduled waste management services, trading of chemicals and other products   | 2                                                         | 4,474                | 6.89         |
| Customer C <sup>(2)</sup>               | Scheduled waste management services, supply of recovered and recycled products | 13                                                        | 2,487                | 3.83         |
| Customer D                              | Supply of recovered and recycled products                                      | 5                                                         | 2,061                | 3.17         |
| <b>Subtotal of top 5 customers</b>      |                                                                                |                                                           | <b>20,609</b>        | <b>31.72</b> |
| <b>Total revenue</b>                    |                                                                                |                                                           | <b>64,969</b>        |              |

#### Notes:

(1) As at the FYE 2022.

(2) As at the LPD, we have a service agreement which sets out the general terms and conditions governing our business relationship with Customer C, including the duration of the agreement, respective obligations of both parties, type of scheduled waste to be collected and managed by our Group, unit pricing for each type of scheduled waste, and payment terms.

7. BUSINESS OVERVIEW

FYE 2023

| Major customers             | Services provided                         | Length of business relationship <sup>(1)</sup><br>(years) | Revenue contribution |       |
|-----------------------------|-------------------------------------------|-----------------------------------------------------------|----------------------|-------|
|                             |                                           |                                                           | RM'000               | %     |
| Customer E                  | Scheduled waste management services       | 1                                                         | 17,239               | 21.56 |
| Customer F                  | Scheduled waste management services       | 4                                                         | 4,921                | 6.15  |
| Customer A                  | Scheduled waste management services       | 1                                                         | 3,032                | 3.79  |
| Customer D                  | Supply of recovered and recycled products | 6                                                         | 2,907                | 3.64  |
| Group H                     | Scheduled waste management services       | 1                                                         | 2,637                | 3.30  |
| Subtotal of top 5 customers |                                           |                                                           | 30,736               | 38.44 |
| Total revenue               |                                           |                                                           | 79,961               |       |

Note:  
(1) As at the FYE 2023.

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7. BUSINESS OVERVIEW

FYE 2024

| Major customers             | Services provided                                                              | Length of business relationship <sup>(1)</sup><br>(years) | Revenue contribution |       |
|-----------------------------|--------------------------------------------------------------------------------|-----------------------------------------------------------|----------------------|-------|
|                             |                                                                                |                                                           | RM'000               | %     |
| Customer E                  | Scheduled waste management services                                            | 2                                                         | 10,059               | 12.55 |
| Customer F                  | Scheduled waste management services                                            | 5                                                         | 5,410                | 6.75  |
| SJ Varied Sdn Bhd           | Scheduled waste management services                                            | 8                                                         | 3,178                | 3.97  |
| Customer C <sup>(2)</sup>   | Scheduled waste management services, supply of recovered and recycled products | 15                                                        | 3,015                | 3.76  |
| Customer G                  | Scheduled waste management services                                            | 12                                                        | 3,000                | 3.74  |
| Subtotal of top 5 customers |                                                                                |                                                           | 24,662               | 30.77 |
| Total revenue               |                                                                                |                                                           | 80,149               |       |

Notes:

(1) As at the FYE 2024.

(2) As at the LPD, we have a service agreement which sets out the general terms and conditions governing our business relationship with Customer C, including the duration of the agreement, respective obligations of both parties, type of scheduled waste to be collected and managed by our Group, unit pricing for each type of scheduled waste, and payment terms.

7. BUSINESS OVERVIEW

FPE 2025

| Major customers             | Services provided                                                              | Length of business relationship <sup>(1)</sup><br>(years) | Revenue contribution |       |
|-----------------------------|--------------------------------------------------------------------------------|-----------------------------------------------------------|----------------------|-------|
|                             |                                                                                |                                                           | RM'000               | %     |
| Customer E                  | Scheduled waste management services                                            | 3                                                         | 7,105                | 10.49 |
| Customer F                  | Scheduled waste management services                                            | 6                                                         | 5,219                | 7.70  |
| SJ Varied Sdn Bhd           | Scheduled waste management services                                            | 9                                                         | 4,529                | 6.68  |
| Customer D                  | Supply of recovered and recycled products                                      | 8                                                         | 2,689                | 3.97  |
| Customer C <sup>(2)</sup>   | Scheduled waste management services, supply of recovered and recycled products | 16                                                        | 2,309                | 3.41  |
| Subtotal of top 5 customers |                                                                                |                                                           | 21,851               | 32.25 |
| Total revenue               |                                                                                |                                                           | 67,754               |       |

Notes:

(1) As at the FPE 2025.

(2) As at the LPD, we have a service agreement which sets out the general terms and conditions governing our business relationship with Customer C, including the duration of the agreement, respective obligations of both parties, type of scheduled waste to be collected and managed by our Group, unit pricing for each type of scheduled waste, and payment terms.

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**7. BUSINESS OVERVIEW**

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We are dependent on Customer E by virtue of its contribution of more than 10.00% of our total revenue in FYE 2023, FYE 2024 and FPE 2025. Due to the nature of our business with Customer E which is based on purchase orders issued by them at their discretion without long-term contractual commitments, there can be no assurance that we will continue to secure orders from Customer E in the future. As at the LPD, Customer E has been our customer for approximately 4 years, and there have not been any disruptions in our business dealings with them during the Period Under Review and up to the LPD. Furthermore, we served a large customer base of 419 customers, 450 customers, 459 customers and 502 customers in FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

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7. BUSINESS OVERVIEW

7.17 MAJOR SUPPLIERS

All of our top 5 suppliers of materials and services for the Period Under Review are from Malaysia, and they are as follows:

FYE 2022

| Major suppliers                           | Materials / Services procured           | Length of business relationship <sup>(1)</sup><br>(years) | Purchases of materials and services |       |
|-------------------------------------------|-----------------------------------------|-----------------------------------------------------------|-------------------------------------|-------|
|                                           |                                         |                                                           | RM'000                              | %     |
| Amita Naza Sdn Bhd                        | Sludge disposal                         | 4                                                         | 4,415                               | 20.49 |
| Cubitech Resources Sdn Bhd                | Collection of recycled usable materials | 5                                                         | 2,247                               | 10.43 |
| Tenaga Nasional Berhad                    | Electricity                             | 25                                                        | 1,287                               | 5.97  |
| Shell Malaysia Trading Sdn Bhd            | Diesel and fuel oil                     | 13                                                        | 992                                 | 4.60  |
| Supplier A                                | Sludge disposal                         | 13                                                        | 939                                 | 4.36  |
| Subtotal of top 5 suppliers               |                                         |                                                           | 9,880                               | 45.85 |
| Total purchases of materials and services |                                         |                                                           | 21,550                              |       |

Note:  
(1) As at the FYE 2022.

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7. BUSINESS OVERVIEW

FYE 2023

| Major suppliers                           | Materials / Services procured                          | Length of business relationship <sup>(1)</sup><br>(years) | Purchases of materials and services |       |
|-------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------|-------------------------------------|-------|
|                                           |                                                        |                                                           | RM'000                              | %     |
| Amita Naza Sdn Bhd<br>Supplier B          | Sludge disposal                                        | 5                                                         | 4,032                               | 16.21 |
|                                           | Subcontracted sorting, labelling, and loading services | Less than 1                                               | 1,860                               | 7.48  |
| Cubitech Resources Sdn Bhd                | Collection of recycled usable materials                | 6                                                         | 1,775                               | 7.14  |
| Group H                                   | Scheduled wastes with valuable materials               | 1                                                         | 1,658                               | 6.67  |
| Genuine Rubber Production Sdn Bhd         | Collection of recycled usable materials                | 1                                                         | 1,618                               | 6.51  |
| Subtotal of top 5 suppliers               |                                                        |                                                           | 10,943                              | 44.00 |
| Total purchases of materials and services |                                                        |                                                           | 24,873                              |       |

Note:  
(1) As at the FYE 2023.

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7. BUSINESS OVERVIEW

FYE 2024

| Major suppliers                           | Materials / Services procured                          | Length of business relationship <sup>(1)</sup><br>(years) | Purchases of materials and services |       |
|-------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------|-------------------------------------|-------|
|                                           |                                                        |                                                           | RM'000                              | %     |
| Amita Naza Sdn Bhd                        | Sludge disposal                                        | 6                                                         | 4,434                               | 15.97 |
| Genuine Rubber Production Sdn Bhd         | Collection of recycled usable materials                | 2                                                         | 2,004                               | 7.22  |
| Yeek Faa Enterprise                       | Subcontracted sorting, labelling, and loading services | Less than 1                                               | 1,878                               | 6.76  |
| Supplier C                                | Collection of recycled usable materials                | 1                                                         | 1,643                               | 5.92  |
| Group H                                   | Scheduled wastes with valuable materials               | 2                                                         | 1,586                               | 5.71  |
| Subtotal of top 5 suppliers               |                                                        |                                                           | 11,545                              | 41.58 |
| Total purchases of materials and services |                                                        |                                                           | 27,767                              |       |

Note:  
(1) As at the FYE 2024.

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7. BUSINESS OVERVIEW

FPE 2025

| Major suppliers                           | Materials / Services procured                          | Length of business relationship <sup>(1)</sup><br>(years) | Purchases of materials and services |       |
|-------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------|-------------------------------------|-------|
|                                           |                                                        |                                                           | RM'000                              | %     |
| Amita Naza Sdn Bhd                        | Sludge disposal                                        | 7                                                         | 2,094                               | 9.35  |
| Yeek Faa Enterprise                       | Subcontracted sorting, labelling, and loading services | 1                                                         | 1,457                               | 6.50  |
| Supplier D                                | Sludge disposal                                        | Less than 1                                               | 1,179                               | 5.26  |
| Group H                                   | Scheduled wastes with valuable materials               | 3                                                         | 945                                 | 4.22  |
| Genuine Rubber Production Sdn Bhd         | Collection of recycled usable materials                | 3                                                         | 929                                 | 4.15  |
| Subtotal of top 5 suppliers               |                                                        |                                                           | 6,604                               | 29.48 |
| Total purchases of materials and services |                                                        |                                                           | 22,402                              |       |

Note:  
(1) As at the FPE 2025.

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**7. BUSINESS OVERVIEW**

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For clarity, sludge disposal services constitute scheduled waste disposal services which are required to be carried out by contractors licensed by the DOE. Accordingly, Amita Naza Sdn Bhd, Supplier A and Supplier D are licensed contractors for sludge disposal services under the relevant SW Codes.

Save as disclosed above, none of our other major suppliers are required to be licensed by the DOE for the respective services that we engaged them for.

Although the following suppliers accounted for 10.00% or more of our purchases of materials and services during the Period Under Review, we are not dependent on them as suppliers for the following reasons:

- Amita Naza Sdn Bhd accounted for 20.49%, 16.21%, 15.97% and 9.35% of our total purchases of materials and services for FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively. We maintain flexibility in our residue disposal arrangements by engaging a total of 6 licensed contractors to provide this service during the Period Under Review. This diversified approach ensures that we have readily available alternative options if and when needed, mitigating any reliance on a single provider.
- Cubitech Resources Sdn Bhd accounted for 10.43% of our total purchases of materials and services for FYE 2022. We are not dependent on them as our purchases from this supplier decreased to 7.14% in FYE 2023 and they were not one of our major suppliers in FYE 2024 and FPE 2025.

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## 7. BUSINESS OVERVIEW

### 7.18 OUR BUSINESS STRATEGIES AND FUTURE PLANS

#### 7.18.1 Overview

Our business strategies and growth plans focus on leveraging our core strengths in scheduled waste management and the supply of recovered and recycled products. The diagram below provides a summary of our strategies and plans.



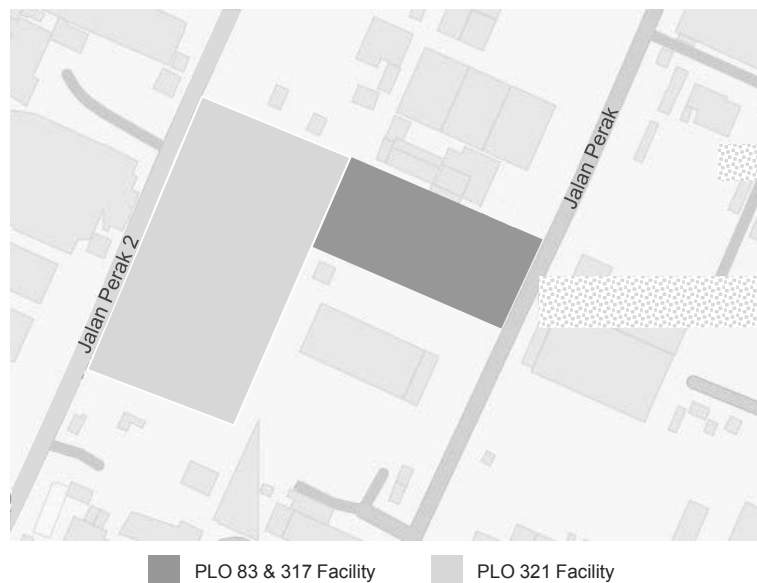
Our business strategy is focused on establishing 2 new scheduled waste management facilities:

- PLO 321 Facility; and
- New Perak Facility.

#### 7.18.2 Establish PLO 321 Facility

As at the LPD, we are in the process of establishing PLO 321 Facility, a new scheduled waste management facility, on a plot of land that we own at Jalan Perak 2 in the Kawasan Perindustrian Pasir Gudang, Johor. The acquisition of the land was completed on 9 October 2024.

The land is approximately 217,797 sq ft in size and it is adjacent to PLO 83 & 317 Facility as depicted in the following map.



## 7. BUSINESS OVERVIEW

PLO 321 Facility will include the following:

- Phase 1 comprises a warehouse and logistics office; and
- Phase 2 comprises a scheduled waste management facility and an operations office.

Construction work on Phase 1 commenced in August 2022 and was completed in November 2023 when we received the CCC for the warehouse and logistics office. We commenced operations at the warehouse by storing recovered and recycled materials in March 2024.

**The completed warehouse at PLO 321 Facility**



In May 2024, we received EIA approval to manage scheduled wastes covered by 27 SW Codes at PLO 321 Facility, out of which 4 are new to us (SW 103, SW 205, SW 406, and SW 429) while we are approved to manage the other 23 at PLO 83 & 317 Facility and / or PLO 738 Facility. The SW Codes that PLO 321 Facility has been approved to manage and their respective approved maximum monthly quantities are listed in the table below:

| <b>PLO 321 Facility: SW Codes<sup>(1)</sup></b>                                                | <b>Maximum monthly quantity (tonnes)</b> |
|------------------------------------------------------------------------------------------------|------------------------------------------|
| SW 103 - Waste of batteries containing cadmium and nickel or mercury or lithium <sup>(2)</sup> | 200                                      |
| SW 104 - Dust, slag, dross or ash from iron and steel factory                                  | #                                        |
| SW 202 - Waste catalysts <sup>(3)</sup>                                                        | 650 and #                                |
| SW 204 - Sludges containing one or several metals                                              | #                                        |
| SW 205 - Waste gypsum arising from chemical industry or powerplant <sup>(2)</sup>              | #                                        |
| SW 206 - Spent inorganic acids                                                                 | 3,000                                    |
| SW 207 - Sludges containing fluoride                                                           | #                                        |
| SW 303 - Adhesive or glue waste <sup>(4)</sup>                                                 | 130 and #                                |
| SW 308 - Oil tanker sludge                                                                     | #                                        |
| SW 309 - Oil-water mixture such as ballast water                                               | &                                        |
| SW 311 - Waste oil or oily sludge                                                              | # and &                                  |
| SW 312 - Oily residue from automotive workshop, service station oil or grease interceptor      | #                                        |

**7. BUSINESS OVERVIEW**

| <b>PLO 321 Facility: SW Codes<sup>(1)</sup></b>                                                                                    | <b>Maximum monthly quantity (tonnes)</b> |
|------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
| SW 314 - Oil or sludge from oil refinery plant maintenance operation                                                               | # and &                                  |
| SW 321 - Rubber or latex waste or sludge containing organic solvents or heavy metals                                               | #                                        |
| SW 322 - Waste of non-halogenated organic solvents                                                                                 | 300                                      |
| SW 323 - Waste of halogenated organic solvents                                                                                     | 200                                      |
| SW 401 - Spent alkalis containing heavy metals                                                                                     | ^                                        |
| SW 402 - Spent alkalis with pH more or equal to 11.5                                                                               | ^                                        |
| SW 406 - Clinker, slag and ashes from scheduled waste incinerator <sup>(2)</sup>                                                   | #                                        |
| SW 408 - Contaminated soil, debris or matter resulting from cleaning-up or a spill of chemical, mineral oil or scheduled waste     | #                                        |
| SW 409 - Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes           | 150.5                                    |
| SW 410 - Rags, plastics, papers or filters contaminated with scheduled waste                                                       | 200                                      |
| SW 416 - Sludges of inks, paints, pigments, lacquer, dye or varnish                                                                | #                                        |
| SW 417 - Waste of inks, paints, pigments, lacquer, dye or varnish                                                                  | #                                        |
| SW 418 - Discarded or off-specification inks, paints, pigments, lacquer, dye or varnish products containing organic solvent        | #                                        |
| SW 427 - Mineral sludges including calcium hydroxide sludges, phosphating sludges, calcium sulphite sludges and carbonates sludges | #                                        |
| SW 429 - Chemicals that are discarded or off-specification <sup>(2)</sup>                                                          | 400 <sup>(5)</sup>                       |

**Notes:**

- # PLO 321 Facility has been approved to utilise the rotary kiln to process scheduled wastes under the SW 104, SW 202, SW 204, SW 205, SW 207, SW 303, SW 308, SW 311, SW 312, SW 314, SW 321, SW 406, SW 408, SW 416, SW 417, SW 418, and SW 427 codes with collective maximum monthly quantity of 6,000 tonnes.
- & PLO 321 Facility has been approved to utilise the waste oil recycling method to process scheduled wastes under the SW 309, SW 311, and SW 314 codes with collective maximum monthly quantity of 2,600 tonnes.
- ^ PLO 321 Facility has been approved to utilise the waste alkali recycling method to process scheduled wastes under the SW 401 and SW 402 codes with collective maximum monthly quantity of 5,000 tonnes.
- (1) The descriptions of the SW Codes are in the glossary of technical terms.
- (2) This is a new SW Code for us that is first approved for management at PLO 321 Facility.
- (3) PLO 321 Facility has been approved to process up to 650 tonnes of SW 202 a month using the carboniser and digestion method. The facility has also been approved to process SW 202 using the rotary kiln as described in note #.

## 7. BUSINESS OVERVIEW

- (4) PLO 321 Facility has been approved to process up to 130 tonnes of SW 303 a month using the solvent distillation method. The facility has also been approved to process SW 303 using the rotary kiln as described in note #.
- (5) PLO 321 Facility has been approved to process a collective total of up to 400 tonnes per month of SW 429 using the waste acid recycling method (up to 100 tonnes per month), waste alkali recycling method (up to 100 tonnes per month), and the solvent distillation method (up to 200 tonnes per month).

We commenced work on constructing Phase 2 in April 2025. As at the LPD, construction works and installation of the machinery and equipment are on-going, and we expect to complete them by the 1<sup>st</sup> half of 2026. As per the normal procedure, the DOE Johor will issue the licence for the PLO 321 Facility to operate as a scheduled waste management facility for the SW Codes listed in the table above after the construction of Phase 2 is completed, the CCC has been obtained, all of the machinery and equipment have been installed, tested, and commissioned, and DOE Johor has completed their inspection. We expect to complete construction works by the 1<sup>st</sup> half of 2026. We anticipate that the licence will be issued by the 2<sup>nd</sup> half of 2026, after which the new facility will commence operations in providing scheduled waste management services.

The estimated number of employees for the establishment of PLO 321 Facility is approximately 80 employees, details of which are as follows:

| Department                     | No. of employees |
|--------------------------------|------------------|
| Production                     | 65               |
| Logistics                      | 10               |
| R&D                            | 4                |
| Safety, Health and Environment | 1                |
| <b>Total</b>                   | <b>80</b>        |

We plan to install machinery and equipment for the following scheduled waste recovery and recycling methods at PLO 321 Facility:

- Waste acid and alkali recycling;
- Waste oil recycling;
- Container and rag decontamination;
- Waste solvent recovery, including vacuum distillation, thermal oil heating, and LVDH;
- Rotary kiln with cogeneration system and ARM processing;
- SRF pelletising;
- Spent electric vehicle (EV) battery recovery; and
- Wastewater treatment plant.

SRF pelletising and spent EV battery recovery are new scheduled waste recovery and recycling methods that we plan to utilise at the PLO 321 Facility. By producing SRF pellets in-house, we are able to generate additional revenue by selling SRF pellets to customers for use as alternative fuel or we can use them internally to reduce our fuel consumption and costs. Meanwhile, spent EV battery recovery will enable us to recover materials such as lithium, cobalt, nickel, and copper from spent EV batteries. Currently, these methods are not in use at our existing licensed facilities. In addition, the rotary kiln that we plan to install at PLO 321 Facility is different from our existing rotary kilns as it will incorporate a cogeneration system. These scheduled waste recovery and recycling methods and systems are described in **Section 7.18.4** of this Prospectus.

## 7. BUSINESS OVERVIEW

As set out in **Section 4.8.1** of this Prospectus, while the annual utilisation rates (based on quantity collected) for each scheduled waste category were below 50% during the Period Under Review, we observed that the utilisation rates for certain SW Codes were significantly higher during specific months of the financial years.

In this regard, the monthly utilisation rates (based on quantity collected) for each scheduled waste category are not solely driven by the demand from customers. The quantity that we are able to collect also depend on the composition and characteristics of the wastes that we collected, which may differ materially notwithstanding their categorisation under the same SW Code. For instance, certain batches of wastes may be more complex than others within the same SW code, thereby requiring additional processes and time for recovery or recycling.

In such circumstances, notwithstanding that there is available permitted quota for that month, our Group may not be able to accept additional waste (even when there is a demand) due to operational constraints such as machine capacity and limited designated storage space. These operational constraints do not only affect the collection of the particular SW Code, they may also limit the collection of wastes under other SW codes as storage space and certain machinery are shared across multiple SW codes. This results in a cascading effect on the Group's overall ability to collect and process other types of scheduled waste during the same period.

Given that the scheduled waste quota is imposed on a monthly basis and cannot be carried forward, the establishment of the PLO 321 Facility enables us to address such operational constraints and capitalise on business opportunities that arise during such peaks in demand that occur from time to time. Although not all SW Codes recorded high utilisation rates during the Period Under Review, the inclusion of a wider range of SW Codes for the PLO 321 Facility is necessary to provide our Group with greater operational flexibility to manage fluctuations and respond to changes in demand, where applicable.

In addition, the utilisation rates of our major machinery and equipment were relatively high during the Period Under Review, as set out in **Section 7.9.2** of this Prospectus. Overall, the utilisation levels of the major machinery and equipment at the PLO 83 & 317 Facility and PLO 738 Facility were generally above 50%, except for the rag decontamination machine at the PLO 83 & 317 Facility in FYE 2023. In FPE 2025, some of our major machinery and equipment recorded utilisation rates exceeding 70%, including the rotary kiln system, carboniser, container decontamination machine, rag decontamination machine and waste acid recycling system at the PLO 83 & 317 Facility as well as the rotary kiln system, carboniser, waste coolant recycling system, wastewater treatment plant and auto packing machine at the PLO 738 Facility.

Having considered the above, the establishment of the PLO 321 Facility is primarily intended to increase our overall scheduled waste management capacity to cater to the demand from customers in the Peninsular Malaysia and support our business growth by enabling us to process larger quantities and a wider range of scheduled wastes.

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## 7. BUSINESS OVERVIEW

We acquired the land for RM13.00 million<sup>(1)</sup> in October 2024 and incurred costs of RM15.50 million<sup>(1)</sup> in setting up Phase 1, and we estimate the total cost of setting up Phase 2 is RM72.00 million (including the cost of constructing the buildings, and purchasing, installing, testing, and commissioning the machinery and equipment). As at the LPD, we have incurred RM25.52 million<sup>(1)</sup> in setting up Phase 2. The remaining RM46.48 million will be funded entirely with our internally generated funds.

Note:

- (1) Out of the total RM54.02 million incurred for the PLO 321 Facility (including land cost) up to the LPD, approximately RM24.10 million were funded via the proceeds raised from our SGX Listing, breakdown of which are as follows:

| Details                                   | Amount<br>RM'000 |
|-------------------------------------------|------------------|
| (i) Acquisition of land                   | 10,598           |
| (ii) Building construction                | 6,519            |
| (iii) Purchase of machinery and equipment | 6,980            |
| <b>Total</b>                              | <b>24,097</b>    |

The remaining RM29.92 million were funded via our internally-generated funds.

### 7.18.3 Establish the New Perak Facility

We plan to establish a new scheduled waste management facility in Perak, namely the New Perak Facility. This new facility will be developed on 2 parcels of leasehold land measuring in aggregate 607,784 sq ft in Batang Padang, Perak, namely Lot 13416 & 13417. The acquisition of Lot 13416 & 13417 by 5ERNSB was completed on 5 January 2026.

The estimated built-up area of the New Perak Facility is approximately 300,000 sq ft. The facility will include the following:

- operations office for administrative functions;
- laboratory to carry out sample analysis and testing;
- scheduled waste storage, recovery, and recycling area;
- warehouse to store recovered and recycled products; and
- vehicle parking area.

The remaining land area is reserved for setbacks, landscaping, circulation areas such as loading bays and parking, as well as potential future expansion, where applicable.

Prior to the acquisition of Lot 13416 & 13417, our management team carried out market research and evaluation in relation to the establishment of the New Perak Facility, which included site visits to potential locations to assess suitability and accessibility. We also held meetings and interviews with several existing customers in the central and northern regions of Peninsular Malaysia to better understand their requirements, while also identifying and engaging with potential customers in these regions to assess the market demand for scheduled waste management services. Further, we consulted with environmental experts and engaged with local authorities to obtain insights on the investment climate in these regions including state government initiatives to promote the establishment of automotive (including EV), semiconductor, electrical and electronics, halal products, and medical equipment manufacturing facilities in Perak, Penang, and Kedah, which are expected to drive higher demand for scheduled waste management services upon commencement of these manufacturing activities. Additionally, a pre-assessment of Lot 13416 & 13417 with DOE was carried out to ensure that the land meets DOE requirements.

## 7. BUSINESS OVERVIEW

Based on our internal assessment, customers' feedback and observed market trends, our Group anticipates demand for the relevant SW Codes that we are applying for including the new SW Codes, further details of which are set out in the table below. For clarity, we did not conduct independent feasibility studies in relation to the establishment of the New Perak Facility.

In January 2026, DOE Perak approved our EIA application for the establishment of the New Perak Facility and for the provision of scheduled waste management services covering 44 SW Codes, 6 of which have not been licensed to us to manage at our existing licensed facilities or PLO 321 Facility. The SW Codes that have been approved and their respective approved monthly quantities are as follows:

| SW Codes <sup>(1)</sup>                                                                                           | Maximum monthly quantity (tonnes) |
|-------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| SW 103 – Waste of batteries containing cadmium and nickel or mercury or lithium                                   | 800                               |
| SW 104 – Dust, slag, dross or ash from iron and steel factory                                                     | 500 and #                         |
| SW 110 – Waste from electrical and electronic assemblies                                                          | 900                               |
| SW 202 – Waste catalysts                                                                                          | 1,000 and #                       |
| SW 204 – Sludges containing one or several metals                                                                 | #                                 |
| SW 205 – Waste gypsum arising from chemical industry or powerplant                                                | #                                 |
| SW 206 – Spent organic acids                                                                                      | @                                 |
| SW 207 – Sludges containing fluoride                                                                              | #                                 |
| SW 301 – Spent organic acids with pH less or equal to 2                                                           | @                                 |
| SW 302 – Flux waste <sup>(2)</sup>                                                                                | ©                                 |
| SW 303 – Adhesive or glue waste                                                                                   | ©                                 |
| SW 305 – Spent lubricating oil                                                                                    | &                                 |
| SW 306 – Spent hydraulic oil                                                                                      | &                                 |
| SW 307 – Spent mineral oil-water emulsion                                                                         | &                                 |
| SW 308 – Oil tanker sludge                                                                                        | ®                                 |
| SW 309 – Oil-water mixture such as ballast water                                                                  | &                                 |
| SW 310 – Sludge from mineral oil storage tank                                                                     | ®                                 |
| SW 311 – Waste oil or oily sludge                                                                                 | ®                                 |
| SW 312 – Oily residue from automotive workshop, service station oil or grease interceptor                         | ®                                 |
| SW 313 – Oil contaminated earth from refining of used lubricating oil                                             | ®                                 |
| SW 314 – Oil or sludge from oil refinery plant maintenance operation                                              | ®                                 |
| SW 315 – Tar or tarry residue from oil refinery or petrochemical plant <sup>(2)</sup>                             | ®                                 |
| SW 319 – Waste phenols or phenol compounds <sup>(2)</sup>                                                         | ©                                 |
| SW 321 – Rubber or latex waste or sludge containing organic solvents or heavy metals                              | #                                 |
| SW 322 – Waste of non-halogenated organic solvents                                                                | ©                                 |
| SW 323 – Waste of halogenated organic solvents                                                                    | ©                                 |
| SW 325 – Uncured resin waste containing organic solvents or heavy metals including epoxy resin and phenolic resin | ©                                 |
| SW 327 – Waste of thermal fluids (heat transfer) such as ethylene glycol                                          | ©                                 |

**7. BUSINESS OVERVIEW**

| <b>SW Codes<sup>(1)</sup></b>                                                                                                              | <b>Maximum monthly quantity (tonnes)</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
| SW 401 – Spent alkalis containing heavy metals                                                                                             | ^                                        |
| SW 402 – Spent alkalis with pH more or equal to 11.5                                                                                       | ^                                        |
| SW 405 – Waste from preparing and producing pharmaceuticals <sup>(2)</sup>                                                                 | ©                                        |
| SW 406 – Clinker, slag and ashes from scheduled waste incinerator                                                                          | #                                        |
| SW 408 – Contaminated soil, debris or matter resulting from cleaning-up or a spill of chemical, mineral oil or scheduled waste             | #                                        |
| SW 409 – Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes                   | 202                                      |
| SW 410 – Rags, plastics, papers or filters contaminated with scheduled waste                                                               | 260                                      |
| SW 411 – Spent activated carbon excluding carbon from treatment of potable water and processes of the food industry and vitamin production | #                                        |
| SW 416 – Sludges of inks, paints, pigments, lacquer, dye or varnish                                                                        | #                                        |
| SW 417 – Waste of inks, paints, pigments, lacquer, dye or varnish                                                                          | #                                        |
| SW 418 – Discarded or off-specification inks, paints, pigments, lacquer, dye or varnish products containing organic solvent                | #                                        |
| SW 421 – A mixture of scheduled wastes <sup>(2)</sup>                                                                                      | 200                                      |
| SW 422 – A mixture of scheduled and non-scheduled wastes                                                                                   | 260                                      |
| SW 424 – Spent oxidizing agent <sup>(2)</sup>                                                                                              | 130                                      |
| SW 427 – Mineral sludges including calcium hydroxide sludges, phosphating sludges, calcium sulphite sludges and carbonates sludges         | #                                        |
| SW 429 – Chemicals that are discarded or off-specification                                                                                 | 400                                      |

**Notes:**

- # The New Perak Facility has been approved to utilise the ARM process with rotary kiln, alternative fuel, and SRF methods to process scheduled wastes under the SW 104, SW 202, SW 204, SW 205, SW 207, SW 321, SW 406, SW 408, SW 411, SW 416, SW 417, SW 418, and SW 427 codes with collective maximum monthly quantity of 8,000 tonnes.
- @ The New Perak Facility has been approved to utilise the waste acid recovery method to process scheduled wastes under the SW 206 and SW 301 codes with collective maximum monthly quantity of 5,000 tonnes.
- © The New Perak Facility has been approved to utilise the waste solvent recovery method to process scheduled wastes under the SW 302, SW 303, SW 319, SW 322, SW 323, SW 325, SW 327, and SW 405 codes with collective maximum monthly quantity of 5,000 tonnes.
- & The New Perak Facility has been approved to utilise the waste oil (liquid) recovery method to process scheduled wastes under the SW 305, SW 306, SW 307, and SW 309 codes with collective maximum monthly quantity of 6,500 tonnes.
- ® The New Perak Facility has been approved to utilise the waste oil (sludge) recovery method to process scheduled wastes under the SW 308, SW 310, SW 311, SW 312, SW 313, SW 314, and SW 315 codes with collective maximum monthly quantity of 5,000 tonnes.

## 7. BUSINESS OVERVIEW

- ^ The New Perak Facility has been approved to utilise the waste alkali recycling method to process scheduled wastes under the SW 401 and SW 402 codes with collective maximum monthly quantity of 6,500 tonnes.
- (1) The descriptions of the SW Codes are in the glossary of technical terms.
- (2) As at the LPD, we have not been licensed to manage this SW Code at our existing scheduled waste management facilities or PLO 321 Facility.

We plan to install machinery and equipment for the following scheduled waste recovery and recycling methods at the New Perak Facility:

- Waste acid and alkali recycling;
- Waste oil recycling with anaerobic thermal separation;
- Carboniser;
- E-waste recovery with hydrometallurgical recovery and smelting;
- Container and rag decontamination;
- Waste solvent recovery, including vacuum distillation, thermal oil heating, and LVDH;
- Rotary kiln with cogeneration and ARM processing;
- SRF pelletising;
- Spent EV battery recovery;
- Solar photovoltaic (PV) panel recovery; and
- Wastewater treatment plant.

We plan to carry out several new scheduled waste recovery and recycling methods at the New Perak Facility that we currently do not utilise at our existing licensed facilities, namely SRF pelletising, spent EV battery recovery, and solar PV panel recovery. Meanwhile, the waste oil recycling process at the New Perak Facility will utilise anaerobic thermal separation (instead of the process used at our existing licensed facilities) and the e-waste recovery system will utilise hydrometallurgical recovery and will include a smelter. In addition, the rotary kiln at the New Perak Facility will have a cogeneration system. These scheduled waste recovery and recycling methods and systems are described in **Section 7.18.4** of this Prospectus.

As our existing facilities and the PLO 321 Facility currently under construction are all located in Pasir Gudang, Johor, our business operations are predominantly concentrated within the southern region of Peninsular Malaysia, as reflected by the revenue contribution from our customers in this region which accounted for more than 75% of our Group's total revenue during the Period Under Review.

While the PLO 321 Facility will increase our overall capacity to cater to the demand in the southern region, the New Perak Facility marks our geographical expansion into the central and northern regions of Peninsular Malaysia which would enable us to better serve our existing and potential customers in these regions, as it will be closer to their locations. This will reduce our transportation costs, thereby allowing us to offer a more competitive pricing, as well as minimising risk of accidents occurring during transportation. Furthermore, the New Perak Facility will place us in a better position to secure new customers and capitalise on business opportunities in these regions, thereby driving business growth.

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**7. BUSINESS OVERVIEW**

For information, the revenue contribution from our customers in the central and northern regions collectively accounted for 15.84%, 14.27%, 17.99% and 17.53% of our Group's total revenue for FYE 2022, FYE 2023, FYE 2024, and FPE 2025 respectively.

The indicative timeline for setting up the New Perak Facility is as follows:

| Indicative timeline          | Milestones                                                                                                                                                                                                                             |
|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2 <sup>nd</sup> half of 2026 | <ul style="list-style-type: none"> <li>Submit application for building plan approval to the authorities.</li> </ul>                                                                                                                    |
| 1 <sup>st</sup> half of 2027 | <ul style="list-style-type: none"> <li>Obtain building plan approval from the authorities.</li> <li>Engage a main contractor to construct the New Perak Facility.</li> </ul>                                                           |
| 2 <sup>nd</sup> half of 2027 | <ul style="list-style-type: none"> <li>Commence construction works on the new facility.</li> </ul>                                                                                                                                     |
| 2 <sup>nd</sup> half of 2029 | <ul style="list-style-type: none"> <li>Complete construction works on the New Perak Facility.</li> <li>Complete the installation, testing, and commissioning of the scheduled waste recovery and recycling equipment.</li> </ul>       |
| 1 <sup>st</sup> half of 2030 | <ul style="list-style-type: none"> <li>Obtain the off-site licence from DOE Perak.</li> <li>Obtain the other relevant approvals, licences and / or certifications.</li> <li>Commence scheduled waste management operations.</li> </ul> |

Further, the estimated number of employees for the establishment of New Perak Facility is approximately 300 employees, details of which are as follows:

| Department                         | No. of employees |
|------------------------------------|------------------|
| Accounts                           | 4                |
| Human Resources and Administration | 3                |
| Production                         | 247              |
| Logistics                          | 31               |
| R&D                                | 5                |
| Marketing                          | 4                |
| Safety, Health and Environment     | 2                |
| Purchasing                         | 3                |
| Management Information System      | 1                |
| <b>Total</b>                       | <b>300</b>       |

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**7. BUSINESS OVERVIEW**

The estimated costs of setting up the New Perak Facility are summarised in the following table:

| <b>Establishing operational facilities</b>              | <b><sup>(1)</sup>Estimated cost<br/>(RM'000)</b> |
|---------------------------------------------------------|--------------------------------------------------|
| <b>Building construction</b>                            |                                                  |
| Construction costs, comprising:                         | 45,055                                           |
| <i>Preliminary works</i>                                | 3,175                                            |
| <i>Earthworks</i>                                       | 3,909                                            |
| <i>Structural and architectural works</i>               | 21,980                                           |
| <i>Mechanical and electrical works</i>                  | 9,524                                            |
| <i>External works</i>                                   | 3,492                                            |
| <i>Other costs and contingencies</i>                    | 2,975                                            |
| Consultancy and professional fees <sup>(2)</sup>        | 1,100                                            |
|                                                         | <b>46,155</b>                                    |
| <b>Machinery and equipment</b>                          |                                                  |
| Wastewater treatment plant                              | 21,000                                           |
| Rotary kiln with cogeneration system                    | 20,000                                           |
| ARM processing system (integrated with the rotary kiln) | 3,000                                            |
| Spent EV battery recovery system                        | 3,000                                            |
| Waste acid and alkali recycling system                  | 2,500                                            |
| SRF pelletising system                                  | 2,000                                            |
| Waste oil recycling system <sup>(3)</sup>               | 2,000                                            |
| E-waste recovery system <sup>(4)</sup>                  | 2,000                                            |
| Waste coolant recycling system                          | 1,500                                            |
| Solar PV panel recovery system                          | 1,500                                            |
| Laboratory                                              | 1,500                                            |
| Rag and container decontamination system                | 500                                              |
| 8 units of storage tanks                                | 2,500                                            |
| Contingencies                                           | 1,500                                            |
|                                                         | <b>64,500</b>                                    |
| <b>Total</b>                                            | <b>110,655</b>                                   |

Notes:

- (1) Estimated cost based on quotations, save for contingencies.
- (2) Comprises fees for architects, mechanical and electrical consultants, and certification companies.
- (3) Waste oil recycling system with anaerobic thermal separation. Further details of the anaerobic thermal separation method are set out in **Section 7.18.4(d)** of this Prospectus.
- (4) E-waste recovery system with hydrometallurgical recovery and smelter. Further details of the hydrometallurgical recovery and smelting methods are set out in **Sections 7.18.4(e)** and **7.18.4(f)** of this Prospectus.

## 7. BUSINESS OVERVIEW

We intend to utilise proceeds from the IPO as well as internally generated funds and / or bank borrowings to finance the setting up of the New Perak Facility, as follows:

| Setting up the New Perak Facility | Total estimated cost (RM'000) | Source of funds       |                                                       |
|-----------------------------------|-------------------------------|-----------------------|-------------------------------------------------------|
|                                   |                               | IPO proceeds (RM'000) | Internally generated funds / Bank borrowings (RM'000) |
| Building construction             | 46,155                        | 24,000                | 22,155                                                |
| Machinery and equipment           | 64,500                        | 34,000                | 30,500                                                |

### 7.18.4 New scheduled waste recovery and recycling methods

As part of our business strategy and plans, we intend to install machinery and equipment at PLO 321 Facility and / or New Perak Facility to carry out the following new scheduled waste recovery and recycling methods:

#### (a) SRF pelletising

We intend to use the SRF pelletising method to convert cleaned and decontaminated cotton rags that are no longer usable and saleable (such as worn out or torn cotton gloves and wash cloths) into fuel pellets that we can use in-house or sell to customers. At present, these non-usable rags are collected by third party companies for further use. By producing SRF pellets in-house, we can generate additional revenue by selling SRF pellets to customers to use as fuel, or we can use them in-house to reduce our fuel costs.

The SRF pelletising systems that we plan to purchase and install comprise the following main components:

- Hopper where cotton rags are loaded into the system;
- Conveyor belt to transport cotton rags from the hopper to the shredder;
- Shredder to shred the cotton rags into fibres;
- Compressor to form and compress the cotton fibres into strands; and
- Cutter to cut the strands into pellets.

#### (b) Spent EV battery recovery

The spent EV battery recovery process is designed to recover materials such as lithium, cobalt, nickel, and copper from spent EV batteries that are damaged or removed from decommissioned EV.

The spent EV battery recovery equipment that we plan to purchase and install comprise the following main components:

- Jaw crusher to crush disassembled EV battery components into smaller fragments;
- Metal separator that uses magnets to recover ferrous metal pieces;
- Digester where acid solution is used to react with non-ferrous metals to produce liquid metal hydroxides;
- Metal precipitator where precipitating chemicals are added to convert the liquid metal hydroxides into solid metal hydroxides; and
- Filter press to separate the solid metal hydroxides from the liquid.

The solid metal hydroxides are then transferred to a rotary kiln for the recovery of metal oxides, while the remaining solution is transferred to a wastewater treatment plant for further processing.

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### (c) Solar PV panel recovery

Solar PV panel recovery is designed to recover materials such as silicon, glass, aluminium, copper, silver, lead, and plastics from solar PV panels that are damaged or removed from decommissioned systems.

The solar PV panel recovery process will start with dismantling the unit to separate components such as the frame, glass, and solar cells. The glass is kept aside while the frame and solar cells are processed further using the solar PV panel recovery system.

The solar PV panel recovery system that we plan to purchase and install comprises the following main components:

- Jaw crusher to crush the frame and solar cells into smaller fragments;
- Sieving and electrostatic separation system to isolate and recover silicon;
- Metal separator that uses magnets to recover ferrous metal pieces;
- Digester where acid solution is used to react with non-ferrous metals to produce liquid metal hydroxides;
- Metal precipitator where precipitating chemicals are added to convert the liquid metal hydroxides into solid metal hydroxides; and
- Filter press to separate the solid metal hydroxides from the liquid.

The solid metal hydroxides are then transferred to a rotary kiln for the recovery of metal oxides. The remaining solution is transferred to a wastewater treatment plants for further processing.

### (d) Anaerobic thermal separation

The waste oil recycling system at the New Perak Facility will use anaerobic thermal separation to recover and recycle metal and fuel oil from metal products (such as spent catalysts) that are contaminated by volatile contaminants (such as VOC and oil). The recovered metal can then be sold to customers, while the fuel oil can be used in-house or sold to customers.

The material is loaded into the anaerobic thermal separation system's reactor where a continuous flow of nitrogen maintains a low oxygen environment. The reactor is heated in a controlled manner to evaporate the VOC and oils, which do not burn due to the lack of oxygen. The metal material left behind is collected for sale to customers, and the vaporised VOC and oil is condensed and collected as fuel oil. Meanwhile, the flue gases from this process are processed by an air pollution control system comprising a deodoriser and wet scrubber, and the treated gases are discharged into the atmosphere through a chimney.

### (e) Hydrometallurgical recovery

The e-waste recovery system at the New Perak Facility will use the hydrometallurgical recovery method to recover metal and metal hydroxides from crushed e-waste, EV battery, and solar PV panel material. After passing through a metal separation system (where magnets are used to recover ferrous metal pieces, which are collected and sold as scrap) the remaining solid components and non-ferrous metals are transferred into digester tanks, where an acid solution is used to react with non-ferrous metals to produce metal hydroxides. Steam from the cogeneration system will be used to heat the digester tank, which helps the reaction process.

Undissolved material is separated from the liquid through filtration, and the liquid is transferred into the metal recovery system. Recovery of dissolved metals is achieved through a combination of the following methods:



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- Electrowinning, where copper electrodes are placed in the liquid to create a circuit. When a direct electrical current is applied across the circuit, it flows from the positive terminal (the cathode) through the liquid to the negative terminal (the anode), and pure copper is deposited on the cathode as this occurs. The copper cathodes can then be harvested, washed, and dried for sale.
- Precipitation, where chemicals are added to the liquid to cause solid metal or metal hydroxides to separate from the liquid. The liquid is then filtered to recover solid metal and metal hydroxides, which are collected and dried.

### (f) Smelting

The e-waste recovery system that we plan to install at the New Perak Facility will also incorporate a smelter. Smelting involves heating metal oxides and hydroxides to high temperatures to melt and refine them to produce pure metals. We plan to use the smelter to obtain metals such as aluminium, copper, and zinc, which we can then sell (rather than selling the metal oxides as we are currently doing). This is expected to enhance profitability as pure metals generally have a higher value compared to metal oxides.

In addition, the rotary kiln that we plan to install at PLO 321 Facility and the New Perak Facility will have a cogeneration system. Cogeneration involves recovering the heat from rotary kiln's flue gases to generate electricity and steam. The electricity will be used to power the respective licensed facility's machinery and equipment, while the steam will be used as process heating for specific processes (such as waste coolant recycling, anaerobic thermal separation, and hydrometallurgical recovery). This will help to reduce our purchases of electricity and fuel oil, as well as promote circular economy goals by recovering energy and reducing carbon dioxide emissions. Further, we will assess the applicability of the relevant licensing or registration requirements under the purview of the Energy Commission Malaysia upon finalisation of the installation specifications and will apply for the necessary registration or approvals, if required.

The cogeneration systems that we plan to purchase and install comprises the following main components:

- Heat exchanger to recover heat from flue gases and generate high-temperature steam;
- Steam turbine to convert some of the energy in the steam into electricity; and
- Process piping system to transport the steam from the steam turbine to the relevant machinery and equipment.

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## 7. BUSINESS OVERVIEW

### 7.19 INFORMATION ON MATERIAL LANDS AND BUILDINGS

#### 7.19.1 Material properties owned by our Group

The details of the material properties owned by our Group as at the LPD are as set out below:

| No. | Registered / Beneficial owner<br>Property address / Title details                                                                                                                                                                                                                                           | Description / Existing use                                                                                                              | Category of land use / Tenure of land / Express conditions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Restriction in interest / Material encumbrances                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Approximate land area / built-up area (sq ft)                                | Date of issuance of CCC | Audited NBV as at 31 October 2025 RM'000 |
|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-------------------------|------------------------------------------|
| 1.  | <p><b>Registered and beneficial owner</b><br/>5ERSB</p> <p><b>Property address:</b><br/>PLO 738, Jalan Platinum Utama, Zon 12B, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang, Johor</p> <p><b>Title details:</b><br/>HSD 493015, PTD 204758, Mukim Plentong, Daerah Johor Bahru, Negeri Johor</p> | <p><b>Description:</b><br/>Factories and office</p> <p><b>Existing use:</b><br/>Head office and scheduled waste management facility</p> | <p><b>Category of land use</b><br/>Enterprise / Industry</p> <p><b>Tenure of land</b><br/>Leasehold for a period of 60 years (Expiring on 17 March 2071)</p> <p><b>Express Condition</b><br/>(a) This land shall be used for medium industry area for the purposes of "scheduled and non-scheduled waste recovery, manufacturing of green environmental products, chemical engineering and oil &amp; gas products" and for any other related purposes constructed in accordance to the plans approved by the relevant local authority;</p> <p>(b) All discharge (filth and pollution) as a result of the activity must be channelled to or disposed of to places as</p> | <p><b>Restriction in interest / Material encumbrances</b></p> <p><b>Restriction in Interest:</b><br/>This land alienated cannot be sold, charged, mortgaged, pledged, or transferred in any manner whatsoever including by way of agreement for its sale without the prior approval from the state authority.</p> <p><b>Material encumbrances:</b><br/>Partial land lease of 1,937.50 sq ft to Tenaga Nasional Berhad vide Pers No. 70261/2017 dated 17 October 2017 for a period of 30 years starting from 1 June</p> | <p><b>Land area:</b><br/>239,497</p> <p><b>Built-up area:</b><br/>94,334</p> | 5 November 2015         | 17,044                                   |

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| No. | Registered / Beneficial owner<br>Property address / Title details | Description / Existing use | Category of land use / Tenure of land / Express conditions                                                                                                                            | Restriction in interest / Material encumbrances | Approximate land area / built-up area (sq ft) | Date of issuance of CCC | Audited NBV as at 31 October 2025 RM'000 |
|-----|-------------------------------------------------------------------|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------------|-------------------------|------------------------------------------|
|     |                                                                   |                            | <p>approved by the local authority; and</p> <p>(c) All policies and regulations as stipulated and imposed from time to time by the relevant local authorities must be adhered to.</p> | 2016 and ending on 31 May 2046.                 |                                               |                         |                                          |

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| No. | Registered / Beneficial owner<br>Property address / Title details                                                                                                                                                                                                                                                            | Description / Existing use                                                                                                                              | Category of land use / Tenure of land / Express conditions                                                                                                                                                                                         | Restriction in interest / Material encumbrances                                                                                                                                                                                                                                            | Approximate land area / built-up area (sq ft)                                             | Date of issuance of CCC | Audited NBV as at 31 October 2025 RM'000 |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------|------------------------------------------|
| 2.  | <p><b><u>Registered and beneficial owner</u></b><br/>5ERSB</p> <p><b><u>Property address:</u></b><br/>PLO 317, Jalan Perak, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang, Johor</p> <p><b><u>Title details:</u></b><br/>HSD 442432, PTD 194281, Mukim Plentong, Daerah Johor Bahru, Negeri Johor<sup>(1)</sup></p> | <p><b><u>Description:</u></b><br/>Factory with annexed office</p> <p><b><u>Existing use:</u></b><br/>Scheduled waste management facility and office</p> | <p><b><u>Category of land use</u></b><br/>Enterprise / Industry</p> <p><b><u>Tenure of land</u></b><br/>Leasehold for a period of 60 years (Expiring on 19 March 2067)</p> <p><b><u>Express condition</u></b><br/>Enterprise / Medium industry</p> | <p><b><u>Restriction in interest</u></b><br/>This land cannot be sold, leased or transferred in any way through the use of any agreement with the intention to release / sell the land, without the consent of the state authority.</p> <p><b><u>Material encumbrances</u></b><br/>N/A</p> | <p><b><u>Land area:</u></b><br/>43,594</p> <p><b><u>Built-up area:</u></b><br/>29,975</p> | 7 December 2005         | 4,158                                    |

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| No. | Registered / Beneficial owner<br>Property address / Title details                                                                                                                                                                                                                                                          | Description / Existing use                                                                                                                              | Category of land use / Tenure of land / Express conditions                                                                                                                                                                                             | Restriction in interest / Material encumbrances                                                                                                                                                                                                                                                                                                                                                                                                                                             | Approximate land area / built-up area (sq ft)                                             | Date of issuance of CCC | Audited NBV as at 31 October 2025 RM'000 |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------|------------------------------------------|
| 3.  | <p><b><u>Registered and beneficial owner</u></b><br/>5ERSB</p> <p><b><u>Property address:</u></b><br/>PLO 83, Jalan Perak, Kawasan Perindustrian Pasir Gudang, 81700 Pasir Gudang, Johor</p> <p><b><u>Title details:</u></b><br/>HSD 125025, PTD 71063, Mukim Plentong, Daerah Johor Bahru, Negeri Johor<sup>(1)</sup></p> | <p><b><u>Description:</u></b><br/>Factory with annexed office</p> <p><b><u>Existing use:</u></b><br/>Scheduled waste management facility and office</p> | <p><b><u>Category of land use</u></b><br/>Enterprise / Industry</p> <p><b><u>Tenure of land</u></b><br/>Leasehold for a period of 60 years (Expiring on 30 September 2045)</p> <p><b><u>Express condition</u></b><br/>Enterprise / Medium industry</p> | <p><b><u>Restriction in interest:</u></b><br/>(a) This land cannot be transferred, leased or released in any way whatsoever except with the permission of by the relevant state authority; and</p> <p>(b) Landlords are allowed to mortgage / pledge their land only to the government or statutory authority or any bank registered in Malaysia. In the event the landlords want to mortgage or pledge their land for the second and subsequent times, prior permission from the state</p> | <p><b><u>Land area:</u></b><br/>43,562</p> <p><b><u>Built-up area:</u></b><br/>25,327</p> | 18 March 1992           | 3,332                                    |

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| No. | Registered / Beneficial owner<br>Property address / Title details | Description / Existing use | Category of land use / Tenure of land / Express conditions | Restriction in interest / Material encumbrances                                                                                                                                                                                                                                                                                                                                                            | Approximate land area / built-up area (sq ft) | Date of issuance of CCC | Audited NBV as at 31 October 2025 RM'000 |
|-----|-------------------------------------------------------------------|----------------------------|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|-------------------------|------------------------------------------|
|     |                                                                   |                            |                                                            | <p>governor must be obtained.</p> <p><b>Material encumbrances:</b></p> <p>(a) Sublease of entire land to Tenaga Nasional Berhad vide Pers. No. 5315/1993 Jil. 13 Fol. 22 dated 13 February 1993 for a period of 30 years starting from 13 February 1993 and ending on 12 February 2023<sup>(2)</sup></p> <p>(b) Charge in favour of Public Bank Berhad vide Pers No. 73385/2021 dated 23 November 2021</p> |                                               |                         |                                          |

## 7. BUSINESS OVERVIEW

| No. | Registered / Beneficial owner<br>Property address / Title details                                                                                                                                                                                                                                                                                   | Description / Existing use                                                                                                                                 | Category of land use / Tenure of land / Express conditions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Restriction in interest / Material encumbrances                                                                                                                                                                                                                                                                                        | Approximate land area / built-up area (sq ft)                                                            | Date of issuance of CCC        | Audited NBV as at 31 October 2025 RM'000 |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|--------------------------------|------------------------------------------|
| 4.  | <p><b><u>Registered and beneficial owner</u></b><br/>5ERSB</p> <p><b><u>Property address:</u></b><br/>PLO 321 (PTD 71200),<br/>Jalan Perak 2, Kawasan<br/>Perindustrian Pasir<br/>Gudang, 81700 Pasir<br/>Gudang, Johor</p> <p><b><u>Title details:</u></b><br/>HSD 134653, PTD 71200,<br/>Mukim Plentong, Daerah<br/>Johor Bahru, Negeri Johor</p> | <p><b><u>Description:</u></b><br/>Factory and office<sup>(3)</sup></p> <p><b><u>Existing use:</u></b><br/>Warehouse and logistics office<sup>(3)</sup></p> | <p><b><u>Category of land use</u></b><br/>Industry</p> <p><b><u>Tenure of land</u></b><br/>Leasehold for a period of 60 years (Expiring on 14 July 2046)</p> <p><b><u>Express conditions</u></b><br/>(a) This land shall be used for a factory for the purposes of medium enterprises and other related uses, constructed according to the plan approved by the relevant local authority;</p> <p>(b) All dirt and pollution resulting from this activity shall be channelled / disposed of to the places designated by the relevant authority; and</p> <p>(c) All policies and conditions that have been set and enforced from time to time by the relevant authority shall be complied with.</p> | <p><b><u>Restriction in interest:</u></b><br/>This land cannot be sold, mortgaged, pledged, leased or transferred in any way whatsoever, including through the use of any agreement with the intention to release / sell the land, without the consent of the state authority.</p> <p><b><u>Material encumbrances:</u></b><br/>N/A</p> | <p><b><u>Land area:</u></b><br/>217,797</p> <p><b><u>Built-up area:</u></b><br/>46,759<sup>(3)</sup></p> | 6 November 2023 <sup>(3)</sup> | 27,601                                   |

**7. BUSINESS OVERVIEW**

| No. | Registered / Beneficial owner<br>Property address / Title details                                                                                                                                                                                                                                                  | Description / Existing use                                                                          | Category of land use / Tenure of land / Express conditions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Restriction in interest / Material encumbrances                                                            | Approximate land area / built-up area (sq ft)                                           | Date of issuance of CCC | Audited NBV as at 31 October 2025 RM'000 |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------------------|------------------------------------------|
| 5.  | <p><b><u>Registered and beneficial owner</u></b><br/>TS Heuls<sup>(4)</sup></p> <p><b><u>Property address:</u></b><br/>No. 31, Jalan Permas 9/8, Bandar Baru Permas Jaya, 81750 Masai, Johor</p> <p><b><u>Title details:</u></b><br/>HS(D) 183962, PTD 96890, Mukim Plentong, Daerah Johor Bahru, Negeri Johor</p> | <p><b><u>Description:</u></b><br/>Terrace factory</p> <p><b><u>Existing use:</u></b><br/>Vacant</p> | <p><b><u>Category of land use</u></b><br/>Enterprise / Industry</p> <p><b><u>Tenure of land</u></b><br/>Freehold</p> <p><b><u>Express conditions</u></b><br/>(a) This land shall be used for a factory for light industrial purposes and other uses related thereto, constructed in accordance with a plan approved by the relevant local authority.</p> <p>(b) All dirt and pollution resulting from this activity must be channelled / disposed of to places determined by the relevant authority.</p> <p>(c) All policies and conditions set and enforced from time to time by the relevant authorities must be complied with.</p> | <p><b><u>Restriction in interest:</u></b><br/>None</p> <p><b><u>Material encumbrances:</u></b><br/>N/A</p> | <p><b><u>Land area:</u></b><br/>2,550</p> <p><b><u>Built-up area:</u></b><br/>3,660</p> | 7 September 1993        | 1,168                                    |



**7. BUSINESS OVERVIEW**

| No. | Registered / Beneficial owner<br>Property address / Title details                                                                                                                                                                                                                                               | Description / Existing use                                                                           | Category of land use / Tenure of land / Express conditions                                                                                                                                          | Restriction in interest / Material encumbrances                                                                                                                                       | Approximate land area / built-up area (sq ft)                                           | Date of issuance of CCC | Audited NBV as at 31 October 2025 RM'000 |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------------------|------------------------------------------|
| 6.  | <p><b><u>Registered and beneficial owner</u></b><br/>5ERN5B<sup>(5)</sup></p> <p><b><u>Property address:</u></b><br/>Lot 13416, Jalan Temoh-Chenderiang, 35300 Tapah, Perak</p> <p><b><u>Title details:</u></b><br/>Pajakan Negeri 215646, Lot 13416, Mukim Chenderiang, Daerah Batang Padang, Negeri Perak</p> | <p><b><u>Description:</u></b><br/>Vacant land</p> <p><b><u>Existing use:</u></b><br/>Vacant land</p> | <p><b><u>Category of land use</u></b><br/>Industry</p> <p><b><u>Tenure of land</u></b><br/>99 years leasehold (Expiring on 12 June 2101)</p> <p><b><u>Express conditions</u></b><br/>Enterprise</p> | <p><b><u>Restriction in interest:</u></b><br/>This land can be transferred or leased with permission from the state authority</p> <p><b><u>Material encumbrances:</u></b><br/>N/A</p> | <p><b><u>Land area:</u></b><br/>405,907</p> <p><b><u>Built-up area:</u></b><br/>N/A</p> | N/A                     | N/A                                      |

**7. BUSINESS OVERVIEW**

| No. | Registered / Beneficial owner<br>Property address / Title details                                                                                                                                                                                                                                               | Description / Existing use                                                                           | Category of land use / Tenure of land / Express conditions                                                                                                                                          | Restriction in interest / Material encumbrances                                                                                                                                                  | Approximate land area / built-up area (sq ft)                                           | Date of issuance of CCC | Audited NBV as at 31 October 2025 RM'000 |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------------------|------------------------------------------|
| 7.  | <p><b><u>Registered and beneficial owner</u></b><br/>5ERN5B<sup>(5)</sup></p> <p><b><u>Property address:</u></b><br/>Lot 13417, Jalan Temoh-Chenderiang, 35300 Tapah, Perak</p> <p><b><u>Title details:</u></b><br/>Pajakan Negeri 215657, Lot 13417, Mukim Chenderiang, Daerah Batang Padang, Negeri Perak</p> | <p><b><u>Description:</u></b><br/>Vacant land</p> <p><b><u>Existing use:</u></b><br/>Vacant land</p> | <p><b><u>Category of land use</u></b><br/>Industry</p> <p><b><u>Tenure of land</u></b><br/>99 years leasehold (Expiring on 12 June 2101)</p> <p><b><u>Express conditions</u></b><br/>Enterprise</p> | <p><b><u>Restriction in interest:</u></b><br/>This land can be transferred or leased with written permission from the state authority.</p> <p><b><u>Material encumbrance(s):</u></b><br/>N/A</p> | <p><b><u>Land area:</u></b><br/>201,877</p> <p><b><u>Built-up area:</u></b><br/>N/A</p> | N/A                     | N/A                                      |

**Notes:**

- (1) These 2 parcels of land are in the process of being amalgamated pursuant to an approval letter dated 21 July 2025 issued by the Johor Bahru Land Office. As at the LPD, the title document for the amalgamated land has yet to be issued by the state authority. The said land amalgamation process will not have any material impact to our business operations.
- (2) As at the LPD, the sublease of the entire land of PLO 83 Facility to TNB has expired on 12 February 2023 and will be renewed for a period of 30 years pending execution of the lease agreement. The said renewal will be completed once the amalgamation of PLO 83 Facility land and PLO 317 Facility land is completed, tentatively in the second quarter of 2026. The said lease renewal will not have any material impact to our business operations.

## 7. BUSINESS OVERVIEW

(3) On 9 October 2024, 5ERSB completed the acquisition of the land on which PLO 321 Facility is located from Kumpulan Kendaraan Malaysia Berhad (a third party) for a purchase consideration of RM13.00 million. The purchase consideration was arrived at on a willing buyer-willing seller basis after taking into consideration the market value of comparable land within the vicinity. The acquisition was undertaken to facilitate the establishment of the new scheduled waste management facility in Johor.

As at the LPD, our Group is constructing a new scheduled waste management facility and operations office at this property, namely Phase 2 of PLO 321 Facility. Phase 1 of PLO 321 Facility comprises a warehouse and logistics office, which obtained CCC on 6 November 2023 and are currently operational. We expect to complete the construction work for Phase 2 of PLO 321 by the 1st half of 2026 and commence operations by the 2nd half of 2026.

The approximate built-up area of Phase 1 of PLO 321 Facility is 46,759 sq ft. The estimated total built-up area of the entire PLO 321 Facility, comprising Phase 1 and Phase 2, is approximately 110,842 sq ft.

(4) On 2 April 2025, TS Heuls entered into a sale and purchase agreement with Connie Tay Choon Meng and Tan Siew Tain (both of whom are third parties) to acquire this property for a total cash consideration of RM1.05 million. The purchase consideration was arrived at on a willing buyer-willing seller basis after taking into consideration the market value of similar properties within the vicinity. The acquisition was completed on 16 September 2025 and TS Heuls targets to relocate its operations to this property upon expiry of the existing tenancy for Property No. 26 on 31 July 2026.

(5) On 8 April 2025, 5ERNSB entered into a sale and purchase agreement with Chie Yat Holding Sdn Bhd (a third party) to acquire Lot 13416 and Lot 13417 for a cash consideration of RM5.60 million and RM3.20 million respectively. The purchase consideration was arrived at on a willing buyer-willing seller basis after taking into consideration the market value of comparable land within the vicinity. The acquisition was undertaken to facilitate the establishment of the new scheduled waste management facility in Perak and was completed on 5 January 2026.

As at the LPD, the material properties owned by our Group are in compliance with the land use conditions and the current statutory requirements, land codes or building regulations or by-laws.

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## 7. BUSINESS OVERVIEW

### 7.19.2 Material properties rented by our Group

The details of the material properties rented by our Group as at the LPD are as set out below:

| No. | Landlord                               | Tenant   | Property address                                                                       | Description /<br>Existing use                                                                 | Approximate<br>built-up area<br>(sq ft) | Date of<br>issuance of<br>CCC | Period of<br>tenancy <sup>(1)</sup>                                               | Annual rental<br>RM'000 |
|-----|----------------------------------------|----------|----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------|-----------------------------------------------------------------------------------|-------------------------|
| 1.  | Harum<br>Megah<br>Resources<br>Sdn Bhd | 5ERSB    | Block 21, Jalan<br>Cendana 5, Taman<br>Cendana, 81700<br>Pasir Gudang,<br>Johor        | <u>Description:</u><br>4 units of dormitory<br><br><u>Existing use:</u><br>Workers' dormitory | 3,048<br>(762 sq ft per<br>unit)        | 22 June<br>2016               | 1 year tenancy,<br>commencing<br>from 1 January<br>2026 until 31<br>December 2026 | 132                     |
| 2.  | Harum<br>Megah<br>Resources<br>Sdn Bhd | 5ERSB    | No.6, Jalan Harum<br>1, Kawasan<br>Perindustrian Kota<br>Puteri, 81750<br>Masai, Johor | <u>Description:</u><br>4 units of dormitory<br><br><u>Existing use:</u><br>Workers' dormitory | 3,272<br>(818 sq ft per<br>unit)        | 18 December<br>2018           | 1 year tenancy,<br>commencing<br>from 1 January<br>2026 until 31<br>December 2026 | 147                     |
| 3.  | Yong Foh<br>Cheng                      | TS Heuls | No. 26, Jalan<br>Permas 9/13,<br>Bandar Baru<br>Permas Jaya,<br>81750 Masai, Johor     | <u>Description:</u><br>Terrace factory<br><br><u>Existing use:</u><br>Storage                 | 4,110                                   | 13 September<br>1996          | 1 year tenancy,<br>commencing<br>from 1 August<br>2025 until 31<br>July 2026      | 46                      |

Note:

(1) Our Group is given the option to renew the tenancy for 1 year upon a written request to the landlord at least 3 months prior to the expiry of the tenancy.

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**7. BUSINESS OVERVIEW**

**7.20 MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS**

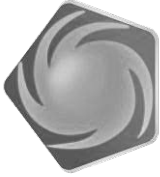
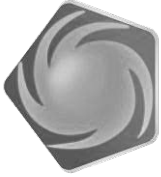
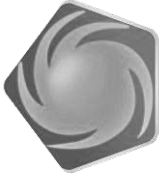
Kindly refer to **Appendix I** for further details of our major approvals, licences, certificates and permits.

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## 7. BUSINESS OVERVIEW

### 7.21 INTELLECTUAL PROPERTY RIGHTS, PATENTS, TRADEMARKS AND REGISTRATIONS

Save as disclosed below, our Group has not registered and is not in the process of registering any other intellectual property rights, patents, trademarks or regulations as at the LPD:

| No. | Trademark                                                                            | Registered owner | Trademark no. | Country / Issuing authority                                                                                                       | Validity period                      | Class / Specification          | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Status     |
|-----|--------------------------------------------------------------------------------------|------------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| 1.  |   | 5ERSB            | 305456188     | Hong Kong / Trade Marks Registry, Intellectual Property Department, the Government of the Hong Kong Special Administrative Region | 23 November 2020 to 22 November 2030 | 40 / Waste Management Services | Consultancy relating to the destruction of waste and trash; Consultancy relating to the recycling of waste and trash; Consultancy relating to the incineration of waste and trash; Destruction of waste and trash; Waste treatment services environmental remediation services; Waste processing transformation; Environmental remediation services, namely, waste disposal treatment; Information, advice and consultancy services relating to the recycling of waste and trash; Processing and recycling of waste and trash; Providing information relating to the recycling of waste; Recycling of biogenous waste; Recycling of refuse and waste; Recycling of waste and providing information relating thereto; | Registered |
| 2.  |   | 5ERSB            | TM2020028642  | Malaysia / Intellectual Property Corporation of Malaysia                                                                          | 1 December 2020 to 1 December 2030   |                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Registered |
| 3.  |  | 5ERSB            | 40202119594X  | Singapore / Registry of Trade Marks, Intellectual Property Office of Singapore                                                    | 14 August 2021 to 14 August 2031     |                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Registered |
| 4.  | 5E RESOURCES                                                                         | 5ERSB            | 40202119618X  | Singapore / Registry of Trade Marks, Intellectual Property Office of Singapore                                                    | 16 August 2021 to 16 August 2031     |                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Registered |

7. BUSINESS OVERVIEW

| No. | Trademark | Registered owner | Trademark no. | Country / Issuing authority | Validity period | Class / Specification | Description                                                                                                                                                                                                                                                | Status |
|-----|-----------|------------------|---------------|-----------------------------|-----------------|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
|     |           |                  |               |                             |                 |                       | Waste recycling services; Treatment of waste materials; Providing information relating to the rental of waste crushing machines and apparatus; Sorting of waste and recyclable material transformation; Treatment of industrial waste to sequester carbon. |        |

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## 7. BUSINESS OVERVIEW

### 7.22 EXCHANGE CONTROL

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

### 7.23 GOVERNING LAWS AND REGULATIONS

Our Group is subject to the following governing laws and regulations which are material to our business operations:

#### 7.23.1 Local Government Act 1976 (“LGA 1976”), Licensing of Trades, Business and Industries (Johor Bahru City Council) By-Laws 2016 (“JBCC Bylaws”) and Licensing of Trade, Commerce and Industry (Pasir Gudang Municipal Council) By-Laws 2017 (“PGCC Bylaws”)

The LGA 1976 empowers every local authority to grant licence or permit for any trade, occupation or premise through by-laws. Every licence or permit granted shall be subject to such conditions and restrictions as the local authority may think fit and shall be revocable by the local authority at any time without assigning any reason therefor.

Section 107(6) of LGA 1976 states that a person who fails to exhibit or produce his licence on the licensed premises shall be liable to a fine not exceeding RM500 or to imprisonment for a term not exceeding 6 months or to both.

JBCC Bylaws and PGCC Bylaws provides that no person shall use any place or premises within the area of JBCC and PGCC for any trade, business or industry activity without a license issued by JBCC and PGCC for which fees have been prescribed in the schedule under the JBCC Bylaws and PGCC Bylaws, respectively.

Pursuant to Section 69 of the LGA 1976, any person who commits a nuisance or deposits any filth in or upon the bank of any stream, channel, public drain or other water-course within the local authority area shall be guilty of an offence and shall on conviction be liable to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding one year or with both and to a further fine not exceeding RM500 for each day during which the offence is continued after conviction.

Pursuant to Section 70 of the LGA 1976, any person who, within or without the limits of a local authority area, puts or causes to be put or to fall or to flow or knowingly permits to be put or to fall or to flow or to be carried into any stream, so as either singly or in combination with other acts of the same or any other person to interfere with its due flow or to pollute its waters, the solid or liquid refuse of any manufactory, manufacturing process or quarry or any rubbish or cinders or any other waste or any putrid matter, shall be guilty of an offence and shall on conviction be liable to a fine not exceeding RM5,000 or to a term of imprisonment not exceeding 2 years or with both and to a further fine not exceeding RM500 for each day during which the offence is continued after conviction.

A contravention of the LGA 1976, JBCC Bylaws and PGCC Bylaws would result in an offence, which upon conviction, result in a fine not exceeding RM2000 or a term of imprisonment not exceeding 1 year or both and to a further fine not exceeding RM200 for every day during which the offence is continued after conviction.



## 7. BUSINESS OVERVIEW

Our Group previously did not obtain business premise and advertisement licences for PLO 83 Facility in 2023 due to an oversight. This non-compliance has since been rectified, with valid licence for PLO 83 Facility now in place from 1 January 2025 to 31 December 2025. No penalties or regulatory actions were imposed in relation to this matter. To prevent reoccurrence of this non-compliance, we have strengthened our internal controls by designating our Group Financial Controller to oversee and handle the aforesaid matters and established a master licence monitoring list to maintain and track the renewal dates for all licenses held by our Group.

On 7 July 2023, 5ERSB was issued with 2 compounds of RM1,000 each by the PGCC following an inspection at PLO 738 Facility on 4 July 2023. These compounds were issued due to emission of yellow-coloured water with a pH value of 9 from PLO 738 Facility and discharge of effluent resulting in pollution of Sungai Masai Kechil. These compounds have been fully settled by 5ERSB and there were no further fines imposed or other actions taken by PGCC against 5ERSB in relation to this matter. To prevent reoccurrence of this non-compliance, we have installed a flow meter reader to track the dosage of treatment chemicals in our wastewater treatment systems (to which we attributed the aforementioned non-compliances), and assigned a designated personnel to monitor the meter readings to ensure that the correct ratio of treatment chemicals is added to the wastewater.

As at the LPD, we have valid licences issued by JBCC and PGCC, further details of which are as set out in **Appendix I** of this Prospectus. During the Period Under Review and up to the LPD, there is no non-compliance incident in relation to these laws and regulations except as disclosed above.

### 7.23.2 Petroleum Development Act 1974 (“PDA 1974”) and Petroleum Regulations 1974 (“PR 1974”)

The PDA 1974 provides for, amongst other, exploration and exploitation of petroleum whether onshore or offshore by a corporation i.e., Petroliaam Nasional Berhad (“**PETRONAS**”) in which will be vested the entire ownership in and the exclusive rights, powers, liberties and privileges in respect of the said petroleum, and to control the carrying on of downstream activities and development relating to petroleum and its products.

Section 6(1) of the PDA 1974 provides that no business of processing or refining of petroleum or manufacturing of petro-chemical products from petroleum may be carried out by any person other than PETRONAS unless a permission is given by the Prime Minister.

Section 6(5) of the PDA 1974 states among others that, any person who acts in contravention of this section or fails to comply with any term or condition of any permission granted under 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 a continuing offence he 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 recorded.

The PR 1974 states that application for permission to commence or continue any business of processing or refining of petroleum or manufacture of petrochemical products from petroleum under the PDA 1974 shall be made to the MITI. The PR 1974 further states that any person who commences or continues any business or service without a license or fails to comply with any condition of any such license shall be guilty of an offence and shall on conviction be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding two years or to both and in the case of a continuing offence he shall be liable to a further fine of RM1,000 for each day or part of a day during which the offence continues after the first day in respect of which the conviction is recorded.

## 7. BUSINESS OVERVIEW

As 5ERSB is in the business of recycling of chemical products which include waste oil and spent solvent that may produce hydraulic oil and lubricating oil, a permission under the PR 1974 and PDA 1974 is required for processing or refining of petroleum or manufacture of petrochemical products from petroleum.

As at the LPD, we hold valid permission under the PR 1974 and PDA 1974 granted by the MITI, further details of which are as set out in **Appendix I** of this Prospectus. During the Period Under Review and up to the LPD, there is no non-compliance incident in relation to these laws and regulations.

### 7.23.3 Solid Waste and Public Cleansing Management Act 2007 (“SWAPCM 2007”), Solid Waste and Public Cleansing Management (Licensing) (Undertaking or Provision of Collection Services for Commercial, Industrial and Institutional Solid Waste) Regulations 2018 (“SWPCL 2018”) and Solid Waste and Public Cleansing Management (Scheme for Commercial, Industrial and Institutional Solid Waste) Regulations 2018 (“SWPCS 2018”)

The SWAPCM 2007 provides for and regulates the management of controlled solid waste and public cleansing for the purpose of maintaining proper sanitization and for matters incidental thereto.

Pursuant to the SWAPCM 2007 to be read together with SWPCL 2018 and SWPCS 2018, no person shall undertake or provide any solid waste management services, manage or operate any solid waste management facilities, or undertake or provide any public cleansing management services, unless he holds a license. The types of commercial, industrial and institutional solid waste are residual solid waste, bulky solid waste, recyclable commercial, industrial and institutional solid waste, and garden solid waste. The recyclable commercial, industrial and institutional solid waste stipulated under the SWPCS 2018 includes paper, glass, plastic, wood, metal, garden solid waste, food scrap, fabric and tyre.

A person who contravenes the above commits an offence and shall, on conviction, be liable to a fine not less than RM50,000 and not exceeding RM100,000 or to imprisonment for a term not exceeding 5 years or to both and in the case of a continuing offence, be liable to a fine not exceeding RM5,000 for every day or a part of a day during which the offence continues after conviction.

Further, a licensee shall comply with the conditions imposed on the licence. A licensee who fails to comply with any condition of a licence commits an offence and shall, on conviction, be liable to a fine not less than RM25,000 and not exceeding RM50,000 or to imprisonment for a term not exceeding 2 years or to both and in the case of a continuing offence, be liable to a fine not exceeding RM2,500 for every day or a part of a day during which the offence continues after conviction.

As 5ERSB is in the business of waste disposal management which includes residual waste and recyclable waste, garden waste and bulky waste, a licence under the SWAPCM 2007 is required for the provision of collection services for commercial, industrial and institutional solid waste.

As at the LPD, we hold valid licence under the National Solid Waste Management Department, Ministry of Housing and Local Government for the collection of commercial, industrial and institutional solid waste as part of our operations, further details of which are as set out in **Appendix I** of this Prospectus. During the Period Under Review and up to the LPD, there is no non-compliance incident in relation to these laws and regulations.

## 7. BUSINESS OVERVIEW

### 7.23.4 Poisons Act 1952 (“PA 1952”), Poisons Regulations 1952 (“PR 1952”) and Poisons (Sodium Hydroxide) Regulations 1962 (“PSHR 1962”)

The PA 1952 regulates the importation, possession, manufacture, compounding, storage, transport, sale and use of poisons and certain chemicals in Malaysia. Our Group’s operations involve handling, storing, or transporting potentially hazardous chemicals or substances classified as “poisons” under the PA 1952.

Save for the exception under the PA 1952, no person other than a person licensed under the PA 1952 in that behalf shall import any poison from any place outside Malaysia. No person shall knowingly sell, supply, keep or have in his possession or under his control or store any poison otherwise than in accordance with the regulations made under the PA 1952 and in force relating to the possession, containers, packaging, labelling or storing of such poison. No poison shall be sold by wholesale except by a licensed wholesaler in accordance with the terms and conditions of his license, and no poison shall be sold by a licensed wholesaler except to specific persons as provided under PA 1952.

Further, Part I Poison (which includes Group A poison) shall not be sold or supplied to any person except by wholesale in accordance with PA 1952 or, to be exported to purchasers outside Malaysia or, to a person or institution concerned with scientific education or research or chemical analysis and for the purpose of such education research or analysis.

Pursuant to Regulation 5 of the PR 1952, no person shall store any poison except in a container impervious to the poison and sufficiently stout to prevent leakage from the container arising from the ordinary risks of handling.

Pursuant to the PSHR 1962, a person who sells sodium hydroxide to a purchaser who does not hold a permit to purchase it or, buys sodium hydroxide from a seller who does not hold a licence to it, commits an offence. A permit to purchase, store and use of sodium hydroxide may be issued, whereby such permit shall state the maximum quantity of sodium hydroxide that may be purchased and the purpose for which it is required and shall expire on 31st December after the date of issue.

Any person guilty of an offence against the PA 1952 for which no other penalty is specifically provided under the PA 1952 or by any regulations made thereunder, shall be punishable by a fine not exceeding RM50,000 or by imprisonment for a term not exceeding 5 years or both provided that if the act or omission with which such person is charged is in the opinion of the court of such a nature as to amount to wilful default or culpable negligence, which endangered or was likely to endanger human life, such person shall be liable, on conviction, to a fine not exceeding RM200,000 or to imprisonment for a term not exceeding 10 years or both.

As at the LPD, our Group has valid Wholesaler’s Poisons License (Type B License) issued to Lim Te Hua, our Executive Director and CEO for Property No. 26 and Ang Khoon Poh, our Head of R&D for PLO 738 Facility to import, store and sell the poisons (not being Group A poison) as stated in the license by wholesale, as well as valid permit to purchase, store and use sodium hydroxide up to the limit stated in the license for water treatment and scrubber process issued to Lee Wah Kian, our Production Manager for PLO 317 Facility, further details of which are as set out in **Appendix I** of this Prospectus. During the Period Under Review and up to the LPD, there is no non-compliance incident in relation to these laws and regulations.

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## 7. BUSINESS OVERVIEW

### 7.23.5 Control of Supplies Act 1961 (“CSA 1961”) and Control of Supplies Regulation 1974 (“CSR 1974”)

The CSA 1961 is an act to provide for the control and rationing of supplies. Section 2 of the CSA 1961 states that “controlled article” means any article or food which has been declared to be a controlled article by an order under Section 5 of the CSA 1961 and includes a rationed article. Regulation 2 of the CSR 1974 further states that “scheduled article” means controlled article defined under CSA 1961 which includes inter alia, kerosene, petrol, motor spirit and motor gasoline of all grades, all grades of fuel, and mixture of diesel fuel and biofuel and liquified petroleum gas.

Section 6 of the CSA 1961 states that the Minister may make regulations generally for carrying into effect the provisions of the CSA 1961. Pursuant to Regulation 18(1) of the CSR 1974, 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 article as specified in the CSR 1961, shall not have in his possession, inter alia, liquified petroleum gas exceeding 42kg, all grades of petrol exceeding 20 litre and all grades of diesel fuel exceeding 20 litre.

Under the CSA 1961, an application for permit shall be made in writing to the Controller of Supplies and shall be accompanied with any information as may be determined by the Controller of Supplies and the Controller of Supplies may impose any conditions he deems fit for the issuance of permit.

The CSR 1974 further states that any person who contravenes or fails to comply with any provision of the CSR 1974, or any direction given thereunder, or the terms and conditions of any licence, written authority or permit granted, issued or renewed, shall be guilty of an offence. 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.

As at the LPD, we hold valid permit issued by the Ministry of Domestic Trade and Cost of Living for the purchase and storage of diesel up to the limit as stated in the permit, further details of which are as set out in **Appendix I** of this Prospectus. During the Period Under Review and up to the LPD, there is no non-compliance incident in relation to these laws and regulations.

### 7.23.6 The Second-hand Dealers Act (“SHDA 1946”)

The SHDA 1946 provides for the control and licensing of dealers in second-hand goods. Section 6 of the SHDA 1946 stipulates that no person unless exempted from this section shall deal in second-hand goods except in accordance with the conditions of a licence and in the place specified in the licence and no licensed dealer shall receive, purchase, sell or deliver any goods between the hours of 7 p.m. and 7 a.m.

Any person who contravenes Section 6 of the SHDA 1946 shall, on conviction, be liable to a fine not exceeding RM1,000 or to imprisonment for a term which may extend to three months, or to both for first offence, and to a fine not exceeding RM5,000 or to imprisonment for a term which may extend to two years, or to both for a second or subsequent offence. If the goods dealt in consist, in whole or in part, of motor vehicle parts, the person shall, on conviction, be liable, whether for a first or subsequent offence, to a fine not exceeding RM20,000 or to imprisonment for a term which may extend to five years, or to both.

As at the LPD, we hold valid license granted to Lim Te Hua, our Executive Director and CEO, to trade in second-hand goods (for the purpose of our recovered and recycled products) issued by the Royal Malaysia Police, further details of which are as set out in **Appendix I** of this Prospectus. During the Period Under Review and up to the LPD, there is no non-compliance incident in relation to these laws and regulations.

## 7. BUSINESS OVERVIEW

### 7.23.7 Industrial Co-Ordination Act 1975 (“ICA 1975”) and Industrial Co-Ordination Rules 1976 (“ICR 1976”)

The ICA 1975 and the Guideline on Application for E-Manufacturing Licence dated 6 June 2024 issued by Malaysian Investment Development Authority (“MIDA”) (“**Guidelines on Manufacturing License**”) require any person engaging in any manufacturing activity with shareholders’ fund of RM2,500,000 or above and / or employing 75 or more full time paid employees to apply for a manufacturing license for approval by the MITI (“**the Licensing Requirements**”).

The ICA 1975 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”.

Any person who fails to obtain the said manufacturing licence shall be liable on conviction to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding 6 months and to a further fine not exceeding RM1,000 for every day during which such default continues.

Our Group previously did not obtain manufacturing licences for our manufacturing activities at PLO 83 Facility, PLO 317 Facility, and PLO 738 Facility despite triggering the Licensing Requirements in June 2011, June 2011, and July 2015 respectively due to a misconception and impression that a manufacturing licence is not required. This non-compliance has since been rectified, with valid manufacturing licence obtained for PLO 738 Facility and PLO 317 Facility (on 26 June 2024 with effective date of 16 April 2024) as well as PLO 83 Facility (on 18 April 2025 with effective date of 12 February 2025). No penalties or regulatory actions were imposed in relation to this matter.

As at the LPD, we have valid manufacturing licences for PLO 738 Facility, PLO 317 Facility and PLO 83 Facility, further details of which are as set out in **Appendix I** of this Prospectus. During the Period Under Review and up to the LPD, there is no non-compliance incident in relation to these laws and regulations except as disclosed above.

### 7.23.8 Land Public Transport Act 2010 (“LPTA 2010”)

The LPTA 2010 regulates land public transport and matters incidental thereto. Pursuant to Section 51(1) of the LPTA 2010, no person shall operate or provide a goods vehicle service using a class of goods vehicles for the carriage of goods, for hire or reward, or for or in connection with any trade or business, unless he holds an operator’s licence. A person, other than a company or corporation, who contravenes this shall, on conviction, be liable to a fine of not less than RM200,000 but not more than RM10,000 or to imprisonment for a term not exceeding 1 year or to both. Any contravention by a company or corporation shall, on conviction, result in a fine not exceeding RM200,000.

Under the LPTA 2010, a person is deemed to be operating or providing a goods vehicle service if he uses or drives a goods vehicle himself, or employs one or more persons to use or drive a goods vehicle, to operate or provide a goods vehicle service, and he owns the said goods vehicle, or he is responsible, under any form of arrangement with the owner or lessor of the said goods vehicle to manage, maintain or operate such goods vehicle.

As at the LPD, our Group is in compliance with the LPTA 2010 and maintains valid licences for our scheduled waste transportation operations, further details of which are as set out in **Appendix I** of this Prospectus. During the Period Under Review and up to the LPD, there is no non-compliance incident in relation to these laws and regulations.

## 7. BUSINESS OVERVIEW

### 7.23.9 Occupational Safety and Health Act 1994 (“OSHA 1994”), Occupational Safety and Health (Use and Standards of Exposure of Chemicals Hazardous to Health) Regulations 2000 (“USECHH”) and Occupational Safety and Health (Plant Requiring Certificate of Fitness) Regulations 2024 (“OSHPC 2024”)

The OSHA 1994 is an act to make further provisions for securing the safety, health and welfare of persons at work, for protecting others against risks to safety or health in connection with the activities of persons at work. The OSHA 1994 is enforced by the Department of Occupational Safety and Health, Malaysia (“DOSH”).

#### (a) General duties of employers and safety and health policy

Under the OSHA 1994, it shall be the duty of every employer to ensure, so far as is practicable, the safety, health and welfare at work of all his employees. It shall also be the duty of every employer to prepare and as often as may be appropriate revise a written statement of his general policy with respect to the safety and health at work of his employees. Failure to carry out the aforementioned duties shall constitute an offence and the employer shall upon conviction, be liable to a fine not exceeding RM500,000 or to imprisonment for a term not exceeding 2 years, or to both.

#### (b) Establishment of safety and health committee at the place of work

Under the OSHA 1994, every employer is required to establish a safety and health committee at the place of work if there are 40 or more persons employed at the place of work or the Director General of the DOSH directs the establishment of such a committee at the place of work. Failure to do so shall constitute an offence and the employer shall, upon conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 1 year or to both.

#### (c) Storage of hazardous chemicals and chemical health risk assessment

Under the USECHH, which is a subsidiary legislation under the OSHA 1994, an employer has the duty to control chemicals hazardous to health at workplaces during storage and shall not carry out any work which may expose or is likely to expose any employee to any chemical hazardous to health unless he has made a written assessment of the risk created by the chemical to the health of the employee and the employer. The employer shall also ensure that any assessment is conducted by an employee or any other person appointed by the employer and registered with the Director General to carry out assessment of risks to health.

A person who by any act or omission contravenes any provisions of OSHA 1994 or any subsidiary legislation made thereunder shall be guilty of an offence. If no penalty is expressly provided, the said person shall, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding one year or to both, and in the case of a continuing offence, to a fine not exceeding RM2,000 for every day or part of a day during which the offence continues after conviction.

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**7. BUSINESS OVERVIEW****(d) Safety and health coordinator**

With effect from 1 June 2024, Section 29A(1) of the OSHA 1994 provides that an employer whose work of place is not included in any class or description of place of work which requires a safety and health officer shall appoint one of his employees to act as an occupational safety and health coordinator if he employs five or more employees at his place of work. An employer is deemed to have complied with this provision if the employer has appointed a safety and health officer at its place of work. An employer who contravenes Section 29A(1) shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding six months or to both.

**(e) Certificate of Fitness**

With effect from 1 June 2024, Section 27C(1) of the OSHA 1994 provides that no person shall install or cause to be installed any prescribed plant under Section 27B of the OSHA 1994 (any plant for which a certificate of fitness is required) 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. A person who contravenes Section 27C(1) of the OSHA 1994 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 one year or to both.

Section 27D(1) of the OSHA 1994 provides that no person shall operate or cause or permit to be operated any plant prescribed as plant requiring certificate of fitness unless the plant has a certificate of fitness issued by an officer or a licensed person. Under the OSHPC 2024, the prescribed plants requiring certificate of fitness are steam boiler, pressure vessel and lifting machinery.

By virtue of Section 27D(5) of the OSHA 1994, a person who contravenes Section 27D(1) of the OSHA 1994 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 one year or to both.

Under Section 27D(6) of the OSHA 1994, in the case of any contravention of Section 27D(1) of the OSHA 1994, an officer shall immediately serve to the person who operates or causes or permits to be operated the plant a written notice prohibiting the operation of the plant or may render the plant inoperative until a certificate of fitness is issued. A person who fails to comply with the notice issued above shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM500,000 or to imprisonment for a term not exceeding two years or to both.

As at the LPD, we are in compliance with the relevant provisions under the OSHA 1994, and we maintain valid certificate of fitness for plants which require such certification issued by DOSH, further details of which are as set out in **Appendix I** of this Prospectus. During the Period Under Review and up to the LPD, there is no non-compliance incident in relation to these laws and regulations.

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## 7. BUSINESS OVERVIEW

### 7.23.10 EQA 1974, EQSWR 2005, Environmental Quality (Prescribed Premises) (Scheduled Wastes Treatment and Disposal Facilities) Order 1989 ("Order 1989"), Environmental Quality (Prescribed Premises) (Scheduled Wastes Treatment And Disposal Facilities) Regulations 1989 ("EQPR 1989"), Environmental Quality (Clean Air) Regulations 2014 ("EQCAR 2014") and EQIER 2009

The EQA 1974 and the regulations made thereunder govern the emission, discharge or deposit of environmentally hazardous substances, pollutants or wastes or the emission of noise into any area, segment or element of the environment. The EQA 1974 is enforced by the DOE.

Pursuant to Section 21 of the EQA 1974, the Minister, after consultation with the Environmental Quality Council, may by regulations specify the acceptable conditions for the emission, discharge or deposit of environmentally hazardous substances, pollutants or wastes or emission of noise into any area, segment or element of the environment and may set aside any area, segment or element of the environment within which the emission, discharge or deposit is prohibited or restricted.

#### (a) Off-site recovery facility licence and licence for designated carrier and vehicles

Pursuant to Section 34B of the EQA 1974, no person shall place, deposit or dispose of, or cause or permit to place, deposit or dispose of, except at prescribed premises only, any scheduled wastes on land or into Malaysian waters, receive or send, or cause or permit to be received or sent any scheduled wastes in or out of Malaysia, or transit or cause or permit the transit of scheduled wastes, without any prior written approval of the Director General. Any person who contravenes this section commits an offence and shall, on conviction, be punished with imprisonment for a term not exceeding five years and shall also be liable to a fine of not less than RM100,000 and not exceeding RM10,000,000.

Under Section 18(1) of the EQA 1974, the Minister after consultation with the Environmental Quality Council may by order prescribe the premises (hereinafter referred to as prescribed premises) the occupation or use of which by any person shall, unless he is the holder of a licence issued in respect of those premises, be an offence under the EQA 1974.

Pursuant to the Order 3 of Order 1989, the following premises are prescribed to be premises the occupation or use of which by any person shall, unless he is the holder of a licence issued in respect of those premises, be an offence under the EQA 1974: (a) off-site storage facilities; (b) off-site treatment facilities; (c) off-site recovery facilities; (d) scheduled waste incinerators; (e) land treatment facilities; and (f) secure landfills.

Under Section 18(1A) of the EQA 1974, the Minister, after consultation with the Environmental Quality Council, may by order prescribe the vehicle or ship used for the movement, transfer, placement or deposit of wastes (hereinafter referred to as prescribed conveyance) the use of which by any person shall, unless he is the holder of a licence issued in respect of the prescribed conveyance, be an offence under the EQA 1974.

By virtue of Section 18(3) of the EQA 1974, any person who contravenes Section 18(1) or 18(1A) of the EQA 1974 commits an offence and shall, on conviction, be liable to a fine of not less than RM25,000 and not exceeding RM250,000 or to imprisonment for a term not exceeding five years or to both, and shall also be liable to a further fine of RM1,000 for every day during which the offence continues after a notice by the Director General requiring him to cease the act specified therein has been served on him.



## 7. BUSINESS OVERVIEW

The EQSWR 2005 obliges any person who generates schedule waste which are included in the First Schedule of the EQSWR 2005 to properly label, store, treat and dispose of such wastes which may apply to the Group in governing such disposal of special type of waste.

Section 49A of the EQA 1974 stipulates that an owner or occupier of a premise shall employ a person who has been certified by the Director General of Environmental Quality as a competent person to conduct all or any of the following activities: (a) the operation of a control equipment; (b) the management of scheduled wastes; (c) the conduct of studies; (d) the preparation and submission of reports, plans, proposals, engineering drawings or other documents relating to environmental matters.

As our nature of business involves recovery and recycling processes for scheduled waste, 5ERSB has valid off-site recovery facility licences pursuant to the EQSWR 2005 for its operations at PLO 83 & 317 Facility and PLO 738 Facility. 5ERSB also has valid licences for designated carriers and vehicles for the purpose of collection, transfer and transportation of scheduled wastes for PLO 83 & 317 Facility and PLO 738 Facility. Further details of the licences are as set out in **Appendix I** of this Prospectus.

### (b) Air pollution control system

The EQCAR 2014 regulates the emission of air pollutants to the atmosphere and specifies the requirements for an air pollution control system for every premises to which the EQCAR 2014 applies to, including any premises used for any industrial or trade purposes, or on which matter is burnt in connection with any industrial or trade purposes and any other premises or processes and any other premises or process that discharges or is capable of discharging air pollutants into the open air.

Regulation 7 of the EQCAR 2014 states that the owner or occupier of the premises and the professional engineer shall, within thirty days after the commencement of operations at the premises, submit a written declaration to the Director General, certifying that the design and construction of the air pollution control system have complied with the specifications.

Any person who contravenes or fails to comply with any provisions of the EQCAR 2014 shall be guilty of an offence and shall be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 2 years or to both.

As at the LPD, we comply with the EQCAR 2014 as we have submitted relevant declaration and notification to the DOE certifying that the design and construction of our air pollution control systems have complied with the relevant specifications for PLO 83 & 317 Facility and PLO 738 Facility.

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## 7. BUSINESS OVERVIEW

### (c) Industrial effluent treatment system

The EQIER 2009 shall apply to any premises which discharge or release industrial effluent or mixed effluent, onto or into any soil, or into inland waters or Malaysian waters, other than the premises as specified in the EQIER 2009. The EQIER 2009 specifies the requirements for the design and construct of an industrial effluent treatment system to collect and treat industrial effluents generated within such premises.

Regulation 23(1) of the EQIER 2009 states that no person shall discharge, or cause or permit the discharge or disposal of any sludge generated from any production or manufacturing process, any industrial effluent treatment system or water treatment plant onto or into any soil, or surface of any land, or into any inland waters or Malaysian waters without the prior written permission of the Director General. Under Regulation 23(2) of the EQIER 2009, "water treatment plant" means any facility used or constructed for the treatment of water for domestic or industrial purpose.

Any person who contravenes the EQIER 2009 will be guilty of an offence and will, on conviction, be liable to a fine not exceeding RM100,000 or to a term of imprisonment for a period not exceeding 5 years or to both and to a further fine not exceeding RM1,000 a day for every day that the offence is continued.

As at the LPD, we comply with the EQIER 2009 as we have submitted relevant declaration and notification to the DOE certifying that the design and construction of the industrial effluent treatment system have complied with the relevant specifications for PLO 83 & 317 Facility and PLO 738 Facility.

In 2022, 5ERSB received a total of 74 compounds amounting to RM148,000 from DOE due to non-compliances under the EQA 1974, the EQSWR 2005 and / or the EQIER 2009 following 4 inspections conducted at PLO 738 Facility and PLO 83 & 317 Facility. Majority of these compounds, i.e., 50 out of 74, were in relation to non-closure of 50 containers containing scheduled wastes as identified by DOE on the same day during one of the inspections. The remaining compounds were in relation to, among others, the following:

- (i) failure to provide information, complete notification and/or update inventory regarding scheduled waste received within stipulated timeframe and/or new categories and quantities of scheduled wastes generated;
- (ii) failure to ensure all components of the industrial effluent treatment system are in good working condition and conduct performance monitoring of these components in the manner as specified by DOE;
- (iii) failure to comply with the storage, labelling and notification requirements for scheduled wastes and/or industrial effluent as stipulated in the EQSWR 2005 and EQIER 2009 (as the case may be);
- (iv) failure to comply with the design specifications and declaration requirements for industrial effluent treatment system as stipulated in the EQIER 2009;
- (v) failure to operate industrial effluent treatment system in a manner where the operational characteristics are maintained within the normal range of values commonly used for the treatment of industrial effluent or mixed effluent;
- (vi) discharge of industrial effluent or mixed effluent through by-pass (pipe and neutralization); and
- (vii) failure to ensure that a competent person is on duty at any time the industrial effluent treatment system is in operation.

## 7. BUSINESS OVERVIEW

Subsequent to clarifications and / or appeals submitted by 5ERSB to the DOE, the aggregate amount for the compounds was reduced to RM67,000. As at the LPD, all these compounds have been fully settled by 5ERSB. There were no further compounds issued or actions taken by DOE against 5ERSB in relation to this matter.

To prevent reoccurrence of similar non-compliances, we have implemented, among others, the following corrective actions / enhancement measures:

- (i) repaired or replaced malfunctioning components of our industrial effluent treatment systems and facilities;
- (ii) established a structured preventive maintenance programme to ensure routine servicing of our equipment and systems which in turn minimise downtime and proactively identify potential issues that could lead to non-compliance;
- (iii) installed real-time monitoring devices such as Chemical Oxygen Demand (COD) meter integrated with alarm system to ensure any deviations are identified and rectified promptly;
- (iv) installed additional equipment such as automatic chemical dosing system, and upgraded laboratory equipment to enhance the effectiveness of operational monitoring and compliance tracking;
- (v) designated a specific area for the storage of hot residues stored in containers as a precautionary safety measure to minimise potential hazards and ensure safe handling during the cooling period;
- (vi) sent the relevant personnel to attend competency certification programmes and seminars organised by the DOE in relation to scheduled waste management, air pollution control and water pollution control to enhance their technical knowledge and improve operational effectiveness. As at the LPD, 16 employees of our Group have attended the competency certification programmes and seminars organised by the DOE; and
- (vii) engaged external parties to carry out periodic environmental monitoring and assessments, including ambient air quality monitoring (real-time), boundary noise monitoring (annually), stack emission monitoring (annually) and effluent discharge analysis (daily). We also carry out odour sampling and determination tests on an as and when basis.

Following the implementation of the corrective actions / enhancement measures as set out above, there were no non-compliances noted during the subsequent inspections conducted by DOE at PLO 83 & 317 Facility and PLO 738 Facility up to the LPD.

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## 7. BUSINESS OVERVIEW

### 7.24 DEPENDENCY ON CONTRACTS, AGREEMENTS OR OTHER ARRANGEMENTS

As at the LPD, our Group is not materially dependent on any contract, agreement or other arrangement that could affect our business or profitability.

### 7.25 ENVIRONMENT, SOCIAL AND GOVERNANCE PRACTICES OF OUR GROUP

We recognise 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. Our Group's ESG practices include the following:

#### (a) Environmental

- Waste management operations

Our principal business activities encompass the provision of scheduled waste management services as well as the supply of recovered and recycled products. We engage in recovery and recycling of scheduled waste to convert waste into valuable resources, advancing both our own and our customers' environmental sustainability goals. Through our processes, we mitigate the release of hazardous substances and contaminants, thereby preventing environmental pollution and reducing risks to public health.

We also undertake continuing R&D to optimize the recovery and recycling of scheduled waste streams with the goal of advancing resource conservation, further reducing landfill dependency, and deepening our contribution to greenhouse gas emission reductions associated with waste disposal.

Through adherence to regulatory standards and the application of established industry practices, our operations support environmental protection, promote sustainable resource management, and advance the overall goals of ecological preservation.

For information, we generated 10,553 tonnes, 8,003 tonnes, 9,316 tonnes and 6,495 tonnes of wastes (comprising hazardous and non-hazardous wastes) from our operations in FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively. This translates into an intensity, measured in metric tonnes of waste generated per metric tonne of scheduled waste collected, of 0.21 for FYE 2022, 0.14 for FYE 2023, 0.18 for FYE 2024 and 0.15 for FPE 2025. We recycle our non-hazardous wastes by converting them into ARM, while hazardous wastes are collected by third party licensed contractors for further use, further treatment, or disposal at our cost, in full compliance with local environmental regulations and standards.

- Emission control and water conservation

As part of our commitment to environmental sustainability, we track our Group's greenhouse gas ("GHG") emissions and work towards reducing them. A greenhouse gas refers to a type of gas that traps heat in the atmosphere, such as carbon dioxide ("CO<sub>2</sub>"), and leads to global warming.

Our GHG emissions contribute to air pollution mainly through combustion of fossil fuels from the use of motor vehicles and machinery and equipment (Scope 1 Emissions) and consumption of purchased energy (Scope 2 Emissions).

## 7. BUSINESS OVERVIEW

To mitigate our Scope 1 Emissions, we mainly explore initiatives such as replacing our vehicles with environmentally-friendly engines or transitioning to vehicles with lower emissions and / or improved fuel efficiency.

As for Scope 2 Emissions, we prioritise energy savings practices to promote sustainability. We encourage our employees to adopt responsible habits such as powering off all electrical and electronic devices, including laptops, computers, lights, fans and air conditioners when they are not in use. By doing so, we aim to minimise unnecessary energy consumption. In addition, certain recovered and recycled products from our scheduled waste management processes, such as fuel oil, are used as alternative input materials for our in-house operations, which in turn reduces our Group's external sourcing of fuel.

For information, our Group's overall GHG intensity, measured in metric tonnes of CO<sub>2</sub> equivalent ("tCO<sub>2</sub>e") per unit of revenue, for the past 3 financial years and FPE 2025 are as shown below:

|                                                                                                                                 | FYE<br>2022  | FYE<br>2023  | FYE<br>2024  | FPE<br>2025  |
|---------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|
| Scope 1:<br>Combustion of fossil fuels from motor vehicle and machinery and equipment usage (tCO <sub>2</sub> e) <sup>(1)</sup> | 3,684        | 3,778        | 4,312        | 3,685        |
| Scope 2:<br>Purchased electricity (tCO <sub>2</sub> e) <sup>(2)</sup>                                                           | 1,803        | 1,864        | 1,872        | 1,513        |
| <b>Total GHG emissions (tCO<sub>2</sub>e)</b>                                                                                   | <b>5,487</b> | <b>5,642</b> | <b>6,184</b> | <b>5,198</b> |
| GHG intensity (tCO <sub>2</sub> e / RM million)                                                                                 | 84.45        | 70.56        | 77.16        | 76.72        |

Notes:

- (1) Scope 1 Emissions are computed based on the consumption of diesel and recycled fuel oil expressed in tCO<sub>2</sub>e.
- (2) Scope 2 Emissions are computed based on the consumption of purchased electricity expressed in tCO<sub>2</sub>e. We consumed 2,817,151 kilowatt-hour ("kWh"), 2,407,927 kWh, 2,418,875 kWh and 1,954,450 kWh of electricity sourced from external utility provider in FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

Furthermore, we also encourage our employees to practice water conservation habits. Together, these efforts contribute to a more environmentally conscious and efficient workplace.

## 7. BUSINESS OVERVIEW

### (b) Social

- Safety and health

Our employees are exposed to certain safety risks and we strive to provide them with a safe and healthy working environment.

To reduce the risk of workplace accidents, we provide our employees with regular occupational health and safety trainings and protective equipment, while our machinery and equipment are maintained regularly to prevent malfunctions. Machine operation manuals are also established and made available to our workers. We also have emergency response procedures and an emergency response team to respond to fire or explosions, spillage of toxic liquids, emission of toxic gases, workplace violence, and environmental disasters. Further, we have established a Safety and Health Committee to coordinate and oversee workplace safety and health in compliance with the relevant laws and regulations. These efforts demonstrate our long-term safety commitment towards our employees.

- Diversity and inclusion

Our workforce is made up of individuals from diverse backgrounds and we actively promote equal opportunities for our employees regardless of gender, ethnicity, religion, age or any other relevant characteristics. We also foster a positive work culture which is based on respect, collaboration and inclusion as we believe that diverse perspectives are essential for driving creativity and innovation.

- Corporate social responsibilities

We acknowledge the significance of making positive contributions to the well-being of the communities in which we operate. In this regard, we make donations schools to improve students' learning environment, and we also partner with local schools to offer field trips to our plants for students to experience practical applications of their classroom learning.

### (c) Governance

- Compliance with regulations

We are progressively adopting the principles and practices as promulgated in the MCGG, where relevant. As disclosed in **Section 5.2** of this Prospectus, our Board comprises 7 members, of which 4 are Independent Non-Executive Directors. Thus, we comply with Practice 5.2 of the MCGG which recommends that at least half of our Board comprises independent directors. Furthermore, 3 out of 7 or approximately 43% of our Board members are female, which exceeds the 30% women directors recommendation in Practice 5.9 of the MCGG. Moving forward, our Group shall continue to adopt good corporate governance practices as promulgated in the MCGG.

We also ensure the compliance with regulatory frameworks governing our business operations. We possess the relevant licences and permits required for the provision of our services, and we keep track of changes in regulatory requirements as well as monitor our compliances with licensing conditions to ensure ongoing adherence to regulations.

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**7. BUSINESS OVERVIEW**

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- Transparency, accountability and ethical conduct

Transparency, accountability, and ethical conduct form the foundation of our governance practices. We adhere to local regulations, including the Malaysian Anti-Corruption Commission Act 2009 to ensure that our business operations are free from corruption and unethical behaviour. For instance, our Group has in place an Anti-Bribery and Corruption Policy as well as a Whistleblowing Policy to assist us in preventing and detecting corruption and bribery, if any. Our zero-tolerance policy towards corruption and unethical conducts is backed by internal procedures and reporting mechanisms, which demonstrates our commitment to preventing any violation of our ethical standards.

- Board diversity and governance oversight

Our Board comprises individuals with diverse background and expertise which supports its oversight responsibilities. Further, our Board oversees the implementation of our ESG practices to ensure that they align with our Group's long-term objectives and comply with the relevant regulatory requirements.

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## 8. IMR REPORT



**VITAL FACTOR CONSULTING**  
Creating Winning Business Solutions

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10 March 2026

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

Dear Sirs and Madams

### **Independent Assessment of the Scheduled Waste Management 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 to provide an independent assessment of the scheduled waste management industry in Malaysia for inclusion in the prospectus of 5E Resources Holdings Berhad 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 the Australian Marketing Institute and the Institute of Managers and Leaders, Australia. 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.



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Date of Report: 10 March 2026

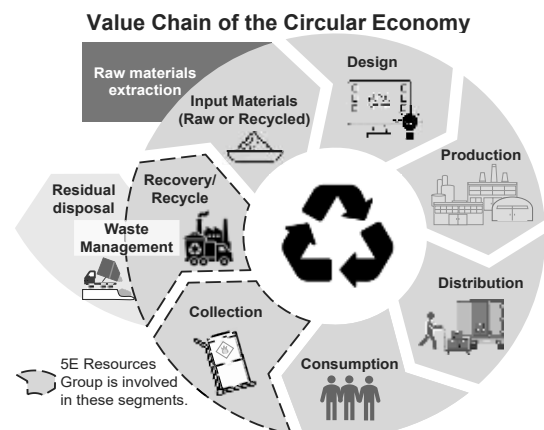
**INDEPENDENT ASSESSMENT OF THE  
SCHEDULED WASTE MANAGEMENT INDUSTRY IN MALAYSIA**

**1. OVERVIEW OF 5E RESOURCES GROUP'S BUSINESS AND REPORT PARAMETERS**

- 5E Resources Holdings Berhad and its subsidiaries (5E Resources Group) mainly provide scheduled waste management services in Malaysia. Additionally, 5E Resources Group supplies recovered and recycled products from its waste management operations, and trades chemicals and other products. 5E Resources Group's primary market is Peninsular Malaysia, focusing on Johor. This report will concentrate on these regions. Unless specified otherwise, all references to "waste" pertain to scheduled waste, and all information is based on the latest available data for Malaysia.

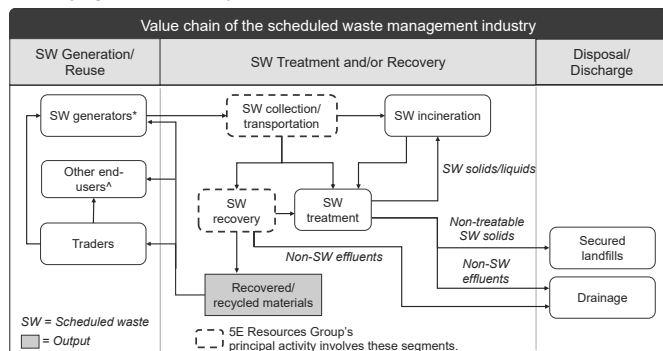
**2. INDUSTRY OVERVIEW**

- The scheduled waste industry is part of the circular economy, which is a type of economic model that emphasises sustainability by minimising waste and maximising the value of resources throughout their lifecycle. Unlike the traditional linear economy, which follows a take-make-use-dispose approach, the circular economy promotes the reuse, recycling, repair, and regeneration of products and materials to keep them in circulation for as long as possible. This paradigm shift has significant implications for the industrial landscape.



(Source: Ministry of Investment, Trade and Industry (MITI) and Vital Factor analysis)

- The circular economy model reduces reliance on raw material extraction by reintroducing recovered materials from waste as an alternative input material into the production of circular products. Products are redesigned using recycled materials to be durable, modular, repairable, and recyclable, extending their lifespan. Cleaner technologies in manufacturing enhance efficiency and reduce waste through scrap recycling. During distribution, the focus is on network optimisation through reduced packaging, efficient transport, and better inventory management. In the consumption stage, sustainable practices like reuse, reduction, and refurbishment are encouraged to minimise waste. At the end of life, effective collection systems ensure that used products and materials are retrieved and directed into proper waste management pathways.
- In the waste management stage, waste is typically classified into scheduled waste and non-hazardous solid waste. Scheduled waste refers to hazardous waste (including clinical waste) that poses significant risks to public health and the environment if not properly handled, treated, or disposed of. These wastes are primarily generated by industrial and institutional activities. In contrast, solid waste is generally non-hazardous and originates from households, commercial establishments, institutions, and industries.
- Scheduled waste is collected from waste generators and transported to licensed facilities, such as incinerators for thermal destruction, or treatment and recovery facilities for rendering them harmless or material



\* Refers to companies that generate SW and may also be end-users of recovered/recycled materials as input materials.  
^ Refers to companies that do not generate SW but are end-users of recovered/recycled materials as input materials.

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recovery/recycling. These facilities themselves may also generate by-products that are scheduled waste, which must undergo further treatment or be sent for incineration before being disposed of. Effluents such as wastewater produced during these processes are typically treated on-site before being discharged into the drainage system. Recovered/recycled materials from these processes are reintroduced into the economy, either directed to traders, end-users who do not generate scheduled waste, or back to scheduled waste generators as their alternative input materials.

- 5E Resources Group operates within the scheduled waste management sector, specialising in the collection, transportation, recycling, and recovery of scheduled waste.

### 2.1 Regulatory Frameworks

- The regulatory framework for the scheduled waste management industry in Malaysia is primarily governed by the **Environmental Quality Act 1974 (EQA 1974)**, which is enforced by the Department of Environment (DoE). It provides a comprehensive legal basis for managing scheduled wastes to ensure environmental protection and public health. It applies to all parties involved in the generation, storage, transportation, treatment, and disposal of scheduled waste. In addition, the monthly maximum quantity for each scheduled waste code (Refer to Section 2.2 of this report for more details) that can be managed is licence-specific as stipulated by the DoE.
- The EQA 1974 and its subsidiary legislations and regulations mandate that the handling, storage, treatment, recovery or disposal of scheduled waste must be carried out at licensed premises. According to the **Environmental Quality (Prescribed Premises) (Scheduled Wastes Treatment and Disposal Facilities) Order 1989**, there are six categories of licensed scheduled waste treatment and disposal facilities in Malaysia (also known as prescribed premises):
  - **Off-site storage facilities** refer to premises used to store, collect, or transfer scheduled waste that is not generated on these premises, without engaging in treatment activities.
  - **Off-site treatment facilities** are premises occupied for the treatment or processing of scheduled waste originating from external sources.
  - **Off-site recovery facilities** are premises occupied for the recovery/recycling of materials or products from scheduled waste not produced on these premises.
  - **Scheduled waste incinerators** are facilities where scheduled waste is thermally destroyed.
  - **Land treatment facilities** are premises occupied for the treatment of scheduled waste through land-based methods, such as sludge farming.
  - **Secure landfills** are designated disposal sites where scheduled waste is permanently deposited on land in a controlled environment.
- These prescribed premises are subject to stringent requirements, including environmental monitoring, emissions control, and safety procedures. Additionally, the operators of these facilities are required to conduct an **Environmental Impact Assessment** and obtain approval before commencing operations to evaluate potential environmental risks. In addition, the transportation of scheduled waste is also regulated. All transporters must secure a valid scheduled waste transport licence from the DoE.
- To enhance regulatory oversight, the DoE has implemented the **Electronic Scheduled Waste Information System (e-SWIS)**, a centralised digital platform for real-time reporting of scheduled waste movements, processing activities, and compliance records. This system improves traceability and transparency throughout the scheduled waste management value chain, enabling regulators to monitor industry performance and detect non-compliance more effectively.
- 5E Resources Group holds licences for its off-site recovery facilities as well as for the transportation of scheduled waste in Malaysia.

### 2.2 Scheduled Waste Codes

- In Malaysia, scheduled waste generally refers to any waste that falls within the categories of waste listed in the First Schedule of Environmental Quality (Scheduled Wastes) Regulations 2005. Waste generators are obligated to classify scheduled waste generated on-site, as the

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classification of scheduled waste is based on the information regarding how the waste is generated and the raw materials used in a particular process. Currently, there are five major scheduled waste codes in Malaysia as follows:

### SW 1 – Metal and metal-bearing wastes:

This category of scheduled waste contains significant quantities of metals or metal compounds, such as mercury, lead, cadmium, and others. This waste code also includes e-waste. Currently, SW 1 has 10 types of scheduled wastes.

### SW 2 – Wastes containing principally inorganic constituents, which may contain metals and organic materials:

These are wastes that are primarily composed of inorganic materials, such as salts, oxides, or minerals. Currently, SW 2 has 7 types of scheduled wastes.

### SW 3 – Wastes containing principally organic constituents, which may contain metals and inorganic materials:

These are wastes primarily composed of organic materials, such as solvents, oils, or pesticides. Currently, SW 3 has 27 types of scheduled wastes.

### SW 4 – Wastes which may contain either inorganic or organic constituents:

A mixed or undefined category for wastes that may contain both inorganic and organic substances and do not clearly fall under SW 1 to SW 3. This category includes clinical waste. Currently, SW 4 has 32 types of scheduled wastes.

### SW 5 – Other wastes:

This category covers only the residues from the treatment or recovery of scheduled wastes.

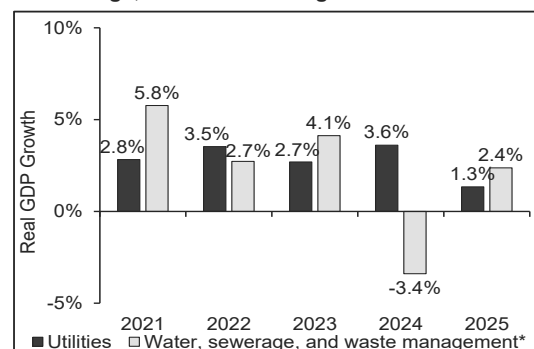
- 5E Resources Group is licensed by the DoE to provide scheduled waste management services for 34 waste categories in Malaysia.

## 3. INDUSTRY PERFORMANCE

### 3.1 Real Gross Domestic Product (GDP)

- GDP is an approach to measure the gross value added to the outputs of economic activities during a period, such as a year. Real GDP measures the value of goods and services by factoring out the impact of price inflation or deflation.
- In Malaysia, the scheduled waste management industry is a subsegment of the utilities industry. In 2025, the utilities industry (comprising electricity and gas, as well as water, sewerage, and waste management sectors) grew by 1.3%. The growth in the utilities industry was primarily driven by increased production activity in the commercial and industrial segments, which led to higher electricity, water, and gas consumption (Source: Ministry of Finance (MoF)). In addition, the water, sewerage, and waste management sector experienced a growth of 2.4% compared to 2024.

**Real GDP of Utilities and its water, sewerage, and waste management subsectors**



\* Water, sewerage, and waste management is a subsector of the utilities sector. No further segmentation is available. (Source: Department of Statistics Malaysia (DoSM))

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### 3.2 Gross Output Value

- Gross output value represents the total value of products or services produced or rendered within a specified period. Between 2017 and 2022, the gross output value of both waste collection, as well as waste treatment and disposal, grew at a compound annual growth rate (CAGR) of 5.9%. In contrast, the gross output value of material recovery and others declined at an average annual rate of 4.0%.

#### Gross Output Value of waste collection, waste treatment and disposal, as well as material recovery and others\*

| RM million          | Waste collection | Waste treatment and disposal | Material recovery and others* |
|---------------------|------------------|------------------------------|-------------------------------|
| 2015                | 2,997            | 1,064                        | 1,128                         |
| 2017                | 3,718            | 1,315                        | 1,503                         |
| 2021                | 4,017            | 2,057                        | 1,184                         |
| 2022                | 4,950            | 1,752                        | 1,223                         |
| <b>2017-22 CAGR</b> | <b>5.9%</b>      | <b>5.9%</b>                  | <b>-4.0%</b>                  |

\* Others include remediation activities and other waste management services. These are the latest available data. (Source: DoSM)

- In 2022, the gross output of waste collection, waste treatment and disposal, as well as material recovery and others, reached RM5.0 billion, RM1.8 billion, and RM1.2 billion respectively. Therefore, in 2022, the total gross output value of the waste management industry, as represented by the sum of the three categories mentioned above, reached RM7.9 billion.

### 3.3 Metal and Non-Metal Waste Recycling

- As it is common for scheduled waste management operators that handle and treat metal and metal-bearing waste to recycle some of the scrap metal and sell it to other parties, this section will discuss the wholesale trade sales value of metal and non-metal waste for recycling purposes. Between 2018 and 2022, the wholesale trade sales value of metal (including scrap metal) and non-metal waste grew at a CAGR of 2.6%. In 2022, the wholesale trade sales value of metal and non-metal waste reached RM7.8 billion. 5E Resources Group is involved in the supply of recovered and recycled products, mainly comprising zinc and silver.

#### Wholesale Trade Sales Value of Metal and Non-Metal Waste

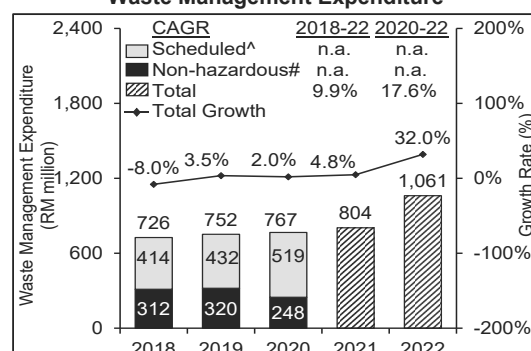
|                     | RM million  |
|---------------------|-------------|
| 2013                | 4,444       |
| 2018                | 7,057       |
| 2022                | 7,826       |
| <b>2013-22 CAGR</b> | <b>6.5%</b> |
| <b>2018-22 CAGR</b> | <b>2.6%</b> |

Notes: It refers to waste for recycling. Latest available data. Based on the survey done in each respective year. (Source: DoSM)

## 4. WASTE MANAGEMENT EXPENDITURE IN MALAYSIA

- Expenditure on environmental protection may provide some valuable insights into the overall well-being of the scheduled waste management industry. Higher spending in these areas, particularly waste management (including scheduled and non-hazardous solid waste), often reflects rising demand for related services, which may benefit providers such as 5E Resources Group, which is primarily involved in the provision of scheduled waste management.
- Between 2018 and 2020, being the latest available information, expenditure on scheduled waste management grew at a CAGR of 11.9%. In contrast, spending on non-hazardous solid waste declined at an average annual rate of 10.8%. In 2020, out of the total RM766.8 million expenditure on waste management, 67.6% was for scheduled waste management. (Source: DoSM) The upward trend for scheduled waste management expenditure highlights the growing importance and increasing awareness surrounding the scheduled waste management industry.

#### Waste Management Expenditure



Notes: Latest available data. No further segmentation is available in 2021 and 2022. ^ Scheduled waste. # Non-hazardous solid waste. (Source: DoSM)

- In 2022, the total waste management expenditure reached RM1.1 billion. (Source: DoSM)

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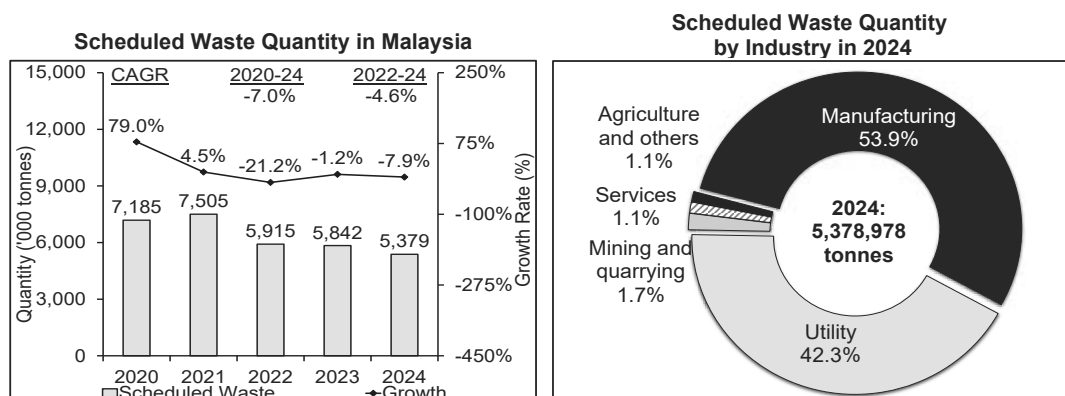


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### 5. DEMAND AND DEMAND DEPENDENCIES

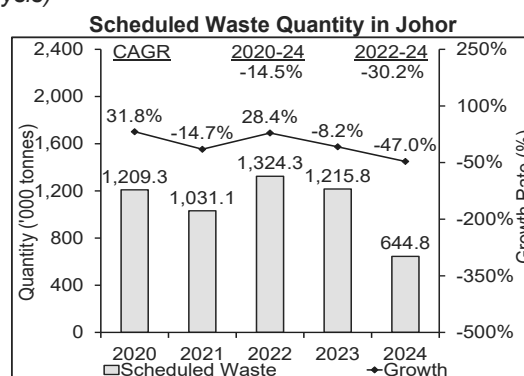
#### 5.1 Scheduled Waste Quantity

- The quantity of scheduled waste in Malaysia may provide some indication towards the demand for scheduled waste management services. Between 2022 and 2024, the quantity of scheduled waste in Malaysia declined at an average annual rate of 4.6%, primarily due to an average annual decline of 30.5% in scheduled waste from the electrical and electronics (E&E) industry, followed by a 5.3% decline from power plants. In 2024, the quantity of scheduled waste in Malaysia declined to 5.4 million metric tonnes, primarily due to the decline of 36.6% in scheduled waste generated from metal refineries compared to 2023. Selangor is the largest scheduled waste generator, accounting for 31.2% of the entire nation's scheduled waste quantity in 2024. (Source: DoSM)



Note: Latest available data. (Source: DoSM and Vital Factor analysis)

- In 2024, the manufacturing industry generated the highest amount of scheduled waste in Malaysia, amounting to 2.9 million tonnes. This was followed by the utility industry with an amount of 2.3 million tonnes generated, of which 79.9% was contributed by power plants. Within the mining and quarrying industry, the main contributor to scheduled waste was non-metal mineral excavation activities. (Source: DoSM and Vital Factor analysis)
- As Johor is the principal place of business for 5E Resources Group, the quantity of scheduled waste in Johor may have an impact on the Group. Between 2022 and 2024, the quantity of scheduled waste in Johor declined at an average annual rate of 30.2%. In 2024, the quantity of scheduled waste in Johor declined by 47.0% from 1.2 million tonnes to 0.6 million tonnes. A growing scheduled waste in Johor augers well for industry players operating in the region, as it indicates increased demand for their services. In contrast, a declining scheduled waste may reduce demand for such services.



Note: Latest available data. (Source: DoSM)

#### 5.2 Economic Activities that Generate Scheduled Wastes

- Scheduled wastes are generated from a wide range of economic activities, including power generation and other utilities, manufacturing, services, agriculture, and mining. 5E Resources Group serves various manufacturing industries, with its top three being E&E including semiconductor, chemical, as well as metal and metal products.
- The following section will analyse performance and operational trends of these key industries, serving as critical demand dependencies that ultimately drive the need for scheduled waste

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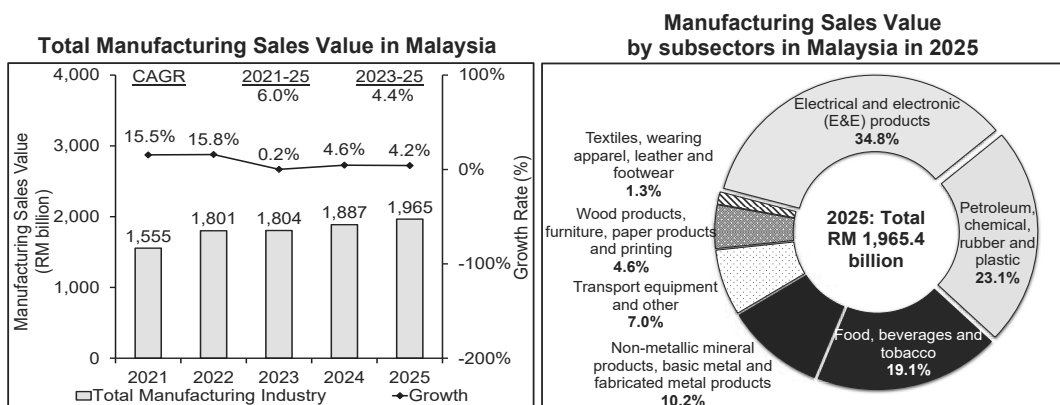


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management services. Robust expansion or heightened activity within these sectors is likely to result in increased generation of scheduled waste, thereby amplifying the demand for effective and scalable solutions for managing scheduled waste.

### 5.2.1 Manufacturing Industry in Malaysia

- The manufacturing industry remains one of the key drivers towards Malaysian economic development. In 2025, the manufacturing industry contributed 23.0% towards the Malaysian economy (*Source: DoSM*). It involves the large-scale production of physical goods. It spans a broad spectrum of activities, including the transformation of raw materials and components into finished products through the application of machinery, skilled labour, and advanced technologies. Inevitably, these industrial processes generate various forms of scheduled waste.

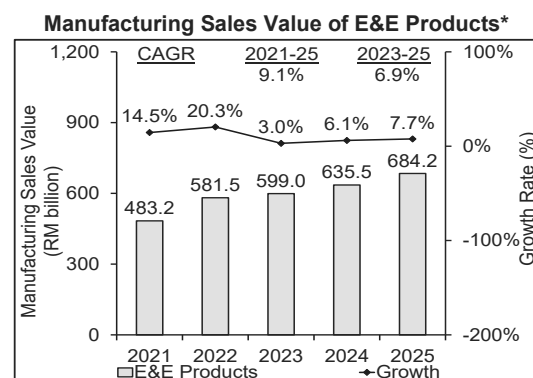


(Source: DoSM)

- Following the easing of COVID-19 restrictions in April 2022, the Malaysian economy began to recover steadily from the impact of the pandemic. Economic activity rebounded strongly, including the manufacturing industry, which experienced expansion. Between 2023 and 2025, the total manufacturing sales value of all subsectors recorded positive CAGR with the exception of the petroleum, chemical, rubber, and plastic subsectors, which contracted at an average annual rate of 1.7%. The decline was primarily due to disruptions in the upstream supply chain that contributed to lower outputs for downstream activities (*Source: Ministry of Finance (MoF)*).
- The continued expansion of Malaysia's manufacturing sector is expected to generate sustained demand for effective waste management solutions, thereby creating long-term opportunities for scheduled waste management operators such as 5E Resources Group. As industrial output increases, the volume and complexity of hazardous waste streams increase simultaneously, underscoring the critical role of specialised service providers in ensuring regulatory compliance, environmental protection, and alignment with circular economy principles.

### E&E Sector

- The E&E sector is one of the key contributors towards the Malaysian economy. Growth in the manufacturing sales value of E&E products, including semiconductors, reflects rising production activity that is often associated with the generation of hazardous by-products. This, in turn drive demand for scheduled waste management services to ensure proper handling, recovery, treatment, and disposal of such waste.
- Between 2023 and 2025, the manufacturing sales value of E&E products in Malaysia grew



\* Semiconductors are part of the larger E&E products industry. (Source: DoSM)

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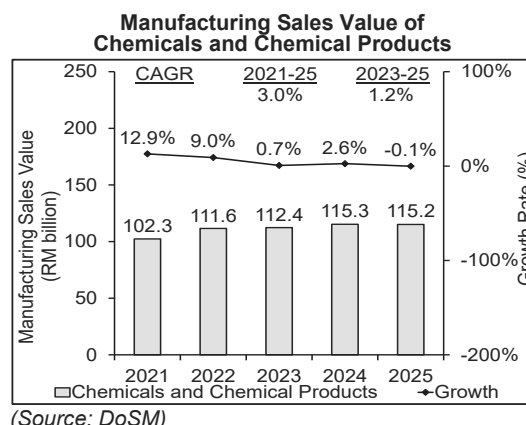


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at a CAGR of 6.9%. In 2025, the manufacturing sales value of E&E products grew by 7.7%, primarily driven by equipment related to the data centre industry and the proliferation of initial artificial intelligence (AI) edge applications (*Source: MoF*). Electronic components and boards were the largest contributors to the entire E&E products industry, accounting for 58.3% of the total manufacturing sales value in 2025 (*Source: DoSM*).

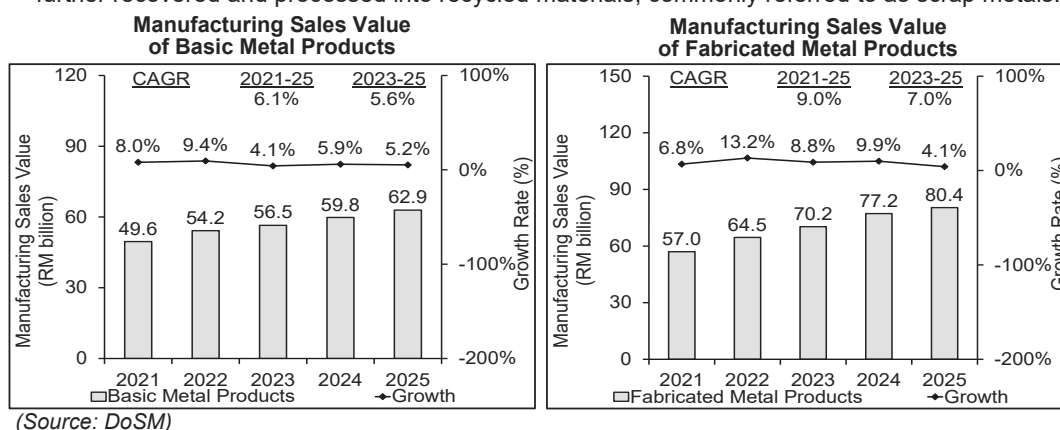
### Chemical Sector

- Chemicals and chemical products are considered hazardous due to their intrinsic properties. During the transformation of organic and inorganic raw materials through chemical processes, hazardous scheduled waste containing chemical substances is generated as a by-product.
- Between 2023 and 2025, the manufacturing sales value of chemicals and chemical products grew moderately at a CAGR of 1.2% to RM115.2 billion. This was driven by the growth of 0.6% in the manufacture of basic chemicals, fertiliser and nitrogen compounds, plastics, and synthetic rubber in primary forms, as well as 2.1% increase in the manufacture of other chemical products and man-made fibres between 2023 and 2025 (*Source: DoSM*).



### Metal and Metal Products Sector

- The metal industry in Malaysia consists of the manufacture of basic iron and steel, basic precious and other non-ferrous metals, as well as the casting of metals. The metal products industry includes, among others, the manufacture of structural metal products, other fabricated metal products, and metalworking services. These manufacturing activities generate hazardous by-products during processing, such as slags, dross, dust, or ash containing aluminium, nickel, copper, and other metals. These hazardous metal wastes require careful handling and can be further recovered and processed into recycled materials, commonly referred to as scrap metals.



- Between 2023 and 2025, the manufacturing sales value of basic metal products in Malaysia grew at a CAGR of 5.6% to RM62.9 billion. In 2025, the manufacturing sales value of basic metal products grew by 5.2% compared to 2024. The increase was primarily contributed by the rise in the manufacture of basic precious and other non-ferrous metals, which grew by 6.9% in 2025 (*Source: DoSM*).
- Between 2023 and 2025, the manufacturing sales value of fabricated metal products grew at a CAGR of 7.0% to RM80.4 billion. In 2025, it grew by 4.1% compared to 2024, contributed by the

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growth of 8.2% in the manufacture of other fabricated metal products and metalworking service activities. (Source: DoSM)

**6. COMPETITIVE LANDSCAPE**

- The scheduled waste management industry in Malaysia is highly regulated. Industry operators are required to be licensed by the DoE. According to the DoE, there are a total of 373 licensed scheduled waste management operators in Malaysia as at 10 March 2026. The following companies have been selected to provide some indications of the operators within the scheduled waste management industry in Malaysia. These companies were selected based on the following criteria: **(1)** registration with the DoE as an off-site recovery and/or off-site treatment facility operator; **(2)** possession of more than 14 licensed scheduled waste codes for the aforementioned facility; **(3)** with revenue exceeding RM10 million; and **(4)** the availability of up-to-date financial information. The list is sorted in decreasing order of total revenue, and is not exhaustive:

| Company                                        | SW code <sup>(1)</sup> | Facilities location <sup>(1)</sup> | FYE <sup>(2)</sup> | Rev <sup>(3)</sup> (RM mil) | GP <sup>(3)</sup> (RM mil) | GP <sup>(3)</sup> margin | PAT/(LAT) <sup>(3)</sup> (RM mil) | PAT/(LAT) <sup>(3)</sup> margin |
|------------------------------------------------|------------------------|------------------------------------|--------------------|-----------------------------|----------------------------|--------------------------|-----------------------------------|---------------------------------|
| Jaring Metal Industries S/B <sup>(4)</sup>     | 17                     | Selangor                           | Dec-24             | 223.1                       | n.a.                       | n.a.                     | 12.3                              | 5.5%                            |
| MEP Enviro Technology S/B                      | 18                     | Penang, Johor                      | Dec-24             | 217.5                       | 43.7                       | 20.1%                    | 4.0                               | 1.8%                            |
| Hiap Huat Holdings Berhad <sup>(5)</sup>       | 22                     | Pahang, Selangor                   | Dec-24             | 139.7                       | 19.4                       | 13.9%                    | 3.8                               | 2.7%                            |
| Pentas Flora Environmental <sup>(6)</sup>      | 18                     | Selangor                           | Dec-24             | 91.5                        | 2.5                        | 2.8%                     | 0.5                               | 0.6%                            |
| <b>5E Resources Group</b>                      | <b>34</b>              | <b>Johor</b>                       | <b>Dec-24</b>      | <b>80.1</b>                 | <b>36.4</b>                | <b>45.4%</b>             | <b>21.8</b>                       | <b>27.2%</b>                    |
| Krubong Recovery S/B <sup>(7)</sup>            | 23                     | Melaka                             | Dec-23             | 39.6                        | 2.3                        | 5.9%                     | (1.1)                             | (2.8%)                          |
| Tex Cycle Technology (M) Berhad <sup>(5)</sup> | 31                     | Selangor                           | Dec-24             | 36.2                        | 22.8                       | 63.0%                    | 16.3                              | 45.1%                           |
| Meridian Recycling S/B                         | 22                     | Kedah                              | Dec-24             | 29.6                        | 7.6                        | 25.8%                    | 4.7                               | 15.8%                           |
| J&T Naza Alam Murni S/B                        | 15                     | Selangor                           | Jun-24             | 27.1                        | 3.8                        | 13.9%                    | (1.0)                             | (3.8%)                          |
| Amita Naza S/B                                 | 15                     | Selangor                           | Jun-24             | 26.2                        | 11.0                       | 42.1%                    | 7.4                               | 28.1%                           |
| Estalco S/B                                    | 18                     | Johor                              | Sep-24             | 22.3                        | n.a.                       | n.a.                     | 0.7                               | 2.9%                            |
| Cenviro Recycling and Recovery S/B             | 20                     | Negeri Sembilan                    | Dec-24             | 21.7                        | 2.7                        | 12.3%                    | (1.3)                             | (5.8%)                          |
| SYP Recovery & Recycling S/B                   | 19                     | Melaka                             | Feb-25             | 21.2                        | 3.4                        | 16.1%                    | 1.2                               | 5.9%                            |
| Sage Promaster S/B                             | 14                     | Melaka                             | Dec-24             | 20.5                        | 9.0                        | 43.9%                    | 3.1                               | 15.3%                           |
| TES-AMM (Malaysia) S/B <sup>(8)</sup>          | 14                     | Johor, Penang                      | Dec-24             | 18.5                        | 7.3                        | 39.5%                    | 1.8                               | 10.0%                           |
| Alam Aliran Kualiti (M) S/B                    | 15                     | Penang                             | Dec-24             | 18.2                        | 11.6                       | 64.0%                    | 4.8                               | 26.4%                           |
| Greenverse S/B                                 | 14                     | Pahang                             | Dec-24             | 15.1                        | 3.9                        | 25.6%                    | (4.1)                             | (27.0%)                         |
| Victory Recovery Resources S/B                 | 18                     | Melaka                             | Oct-24             | 14.1                        | 3.2                        | 22.8%                    | 2.7                               | 19.3%                           |
| Southern Strength (M) S/B                      | 22                     | Johor                              | Dec-24             | 11.3                        | 5.8                        | 51.3%                    | 0.8                               | 6.6%                            |
| Safe & Clean Oil Recycle S/B                   | 52                     | Labuan                             | Dec-24             | 10.4                        | 7.6                        | 72.3%                    | (0.3)                             | (2.8%)                          |

FYE= Financial Year Ended; Rev= Revenue; GP= Gross Profit; PAT= Profit After Tax; LAT = Loss After Tax; mil= million; S/B= Sendirian Berhad; n.a.= not available. **(1)** Information relates to off-site recovery and/or off-site treatment facilities. **(2)** Latest audited financials from the Companies Commission of Malaysia, annual reports, and 5E Resources Group. **(3)** It may include other business activities, products or services at the group or company level. **(4)** A subsidiary of JAG Berhad, a listed entity on the ACE Market of Bursa Securities. **(5)** A listed entity on the ACE Market of Bursa Securities. **(6)** Pentas Flora Environmental Services S/B. **(7)** The company was an exempt private company for the financial year ended 31 December 2024. **(8)** A subsidiary of SK Inc., a listed entity on the Korea Stock Exchange.

**7. BARRIERS TO ENTRY**

- The barriers to entry in the scheduled waste management industry primarily depend on the facilities needed to manage the scheduled waste, which directly impacts the required capital investment.



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Barriers to entry for operators managing relatively **easy-to-treat** scheduled wastes are **low** due to the minimal capital investment, technical expertise, and operational resources required. Examples include e-waste, which can be managed manually, involving sorting, dismantling, and shredding. As at 10 March 2026, 90 companies were exclusively involved in e-waste management.

For operators managing a **wider range of scheduled wastes**, the entry barriers are **moderate**. This is primarily due to the higher capital investment required to establish transportation, treatment, recovery, and/or storage facilities, and the need for technical resources. Although land, buildings, and vehicles can be leased, specialised machinery, treatment/recovery systems, and auxiliary facilities are commonly purchased. As at 10 March 2026, 74 companies can handle more than 10 scheduled waste codes, of which 18 are allowed to manage over 30 types, including 5E Resources Group. These figures exclude operators of scheduled waste incinerators and secured landfills.

In contrast, the entry barriers for operators involved in scheduled waste **incineration or secured landfilling** are **high**. These activities require substantial capital investment for facility construction and specialised equipment, such as incinerators, and/or access to large tracts of land to accommodate landfill operations respectively. As at 10 March 2026, there were 16 scheduled waste incineration and 8 secured landfills operators in Malaysia, with 2 companies involved in both. Some of these facilities are designated for internal use only.

- The regulatory framework may form another barrier as operators are required to obtain various licences, such as facility and transportation licences, conduct comprehensive environmental impact assessments before commencing plant operations, as well as obtain approval from DoE for the specific scheduled waste codes they seek to handle and treat.

## 8. INDUSTRY SIZE AND SHARE

- The industry size of the scheduled waste management industry in Malaysia and the market share of 5E Resources Group are estimated as below:

| 2024 – GDP                            | Industry size <sup>(a) (1)</sup><br>(RM million)   | 5E Resources Group                                |                                   |
|---------------------------------------|----------------------------------------------------|---------------------------------------------------|-----------------------------------|
|                                       |                                                    | Revenue (RM million) <sup>(b) (2)</sup>           | Market share <sup>(3)</sup>       |
| Water, sewerage, and waste management | 11,628                                             | 68                                                | Less than 1%                      |
| 2024 – Scheduled waste                | Total quantity<br>(‘000 tonnes) <sup>(a) (4)</sup> | Quantity handled (‘000 tonnes) <sup>(b) (5)</sup> | Proportion handled <sup>(6)</sup> |
|                                       |                                                    |                                                   |                                   |
| Malaysia                              | 5,379                                              | 52                                                | 1%                                |

Source: (a) DoSM; (b) 5E Resources Group.

(1) GDP of the water, sewerage, and waste management industry in Malaysia.

(2) 5E Resources Group’s revenue from scheduled waste management services in Malaysia for the financial year ended 31 December 2024.

(3) ((2) divided by (1)) x 100%.

(4) The quantity of scheduled waste in Malaysia.

(5) Total scheduled waste managed by 5E Resources Group for the financial year ended 31 December 2024.

(6) ((5) divided by (4)) x 100%.

## 9. INDUSTRY OUTLOOK AND PROSPECTS

Some consideration factors that impact the outlook and prospects of the industry are as follows:

### Industry sustainability and growth

- The performance of the scheduled waste management industry in Malaysia is highly dependent upon the economic activities of key user industries such as manufacturing, mining and quarrying, healthcare, and construction services. A vibrant economic activity will lead to a higher generation of scheduled waste and thereby create opportunities for scheduled waste management operators.

**8. IMR REPORT**

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- Growth in the Malaysian economy and some of the major waste generation industries may provide opportunities for industry operators:
  - In 2026, the Malaysian economy is forecasted to grow between 4.0% and 4.5%, which will mainly be supported by sustained domestic and external demand. The growth is expected to be driven by private consumption, underpinned by civil servant salary adjustments, the continuation of targeted assistance programmes, and robust tourism activities in conjunction with the Visit Malaysia 2026 campaign. (*Source: MoF*)
  - In 2026, the utilities industry, including electrical, water, and waste management subsectors, is forecasted to expand by 1.7%, primarily backed by demand for electricity and water in the industrial and commercial segments, which is in line with the increase in industrial activities to meet domestic and external demand. The increase in data centre operations will also support the growth of the industry. (*Source: MoF*) Given that the utilities industry, especially power plants, is among the largest generators of scheduled waste, the expansion of the utilities industry will increase scheduled waste generation and drive demand for scheduled waste management services.
  - In 2026, the manufacturing industry is expected to further expand by 3.0%, particularly supported by the E&E and domestic-oriented industries. Growth in the E&E industry is anticipated to be driven by the strong demand from AI applications and digitalisations, while domestic-oriented industries such as food and beverage product is expected to expand further due to rising gastronomy activities. (*Source: MoF*)
- The introduction and implementation of the National Industrial Master Plan 2030 by MITI aimed at transforming Malaysia's manufacturing industry towards high-growth, high-value industries. It aims to boost Malaysia's manufacturing value-added, targeting a CAGR of 6.5% between 2022 and 2030. (*Source: MITI*)
- Growing awareness of the circular economy presents new opportunities for industry operators. In September 2024, MITI launched the Circular Economy Policy Framework to drive green growth within Malaysia's manufacturing sector (*Source: MITI*). Strengthening circular economy practices in Malaysia's manufacturing landscape could provide a competitive advantage for Malaysian exports, particularly in markets with tightening sustainability regulations.
- Under the 13th Malaysia Plan, the Malaysian Government aims to strengthen the implementation of the circular economy and improve national waste management by promoting mechanisms that facilitate its adoption, including scheduled waste management. Additionally, circular economy legislation will be introduced across industries to regulate activities throughout the entire value chain, from production to disposal. (*Source: Ministry of Economy (MoE)*) This initiative will present new opportunities for operators in the scheduled waste management industry.

**Industry threats and challenges**

- Nevertheless, a potential downturn in the Malaysian and global economy may impact domestic demand, negatively affecting manufacturing activities. This may reduce the demand for scheduled waste management services. Several downside risks include, among others, a slowdown in the economies of major trading partners, weaker market sentiment amid heightened uncertainties, breakdowns in trade negotiations, and escalating geopolitical tensions. (*Source: BNM*)
- The imposition of the United States (US) tariffs may create uncertainties for Malaysia's economy, particularly the E&E industry. Although certain Malaysia's semiconductor products exports are, as at the date of this report, exempt from reciprocal tariffs from the US, future developments remain uncertain. On 20 February 2026, the US announced a temporary 10% global tariff, effective 24 February 2026 for 150 days, with a subsequent proposal to increase the rate to 15%. The extent to which this temporary tariff will operate, considering existing country-specific tariff measures, remains unclear as of the date of this report. Changes to the tariff regime could deter investment in the E&E industry in Malaysia, posing downside risks to Malaysia's economic growth as well as adversely affecting the demand for scheduled waste management services due to reduced activities.

## 9. RISK FACTORS

**NOTWITHSTANDING THE PROSPECTS OF OUR GROUP AS OUTLINED IN THIS PROSPECTUS, YOU SHOULD CAREFULLY CONSIDER, IN ADDITION TO THE OTHER INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, THE FOLLOWING RISK FACTORS THAT MAY HAVE A SIGNIFICANT IMPACT ON OUR FUTURE PERFORMANCE BEFORE INVESTING IN OUR SHARES.**

### 9.1 RISKS RELATING TO OUR BUSINESS OPERATIONS

#### 9.1.1 **Our sustainability and financial performance may be adversely affected if we do not have the valid licences that are required to carry out our scheduled waste management business**

Our scheduled waste management services are regulated under the EQSWR 2005, part of the EQA 1974. To operate these services, we must maintain valid licences issued by the DOE, including licences for operating scheduled waste management facilities and for transporting specified type of scheduled waste with the trucks driven by the drivers permitted under the DOE licence. Without these licences, we cannot collect and transport the specified type of scheduled waste from our customers' premises to our facilities, nor operate our scheduled waste management facilities, which could negatively impact our business sustainability and financial performance.

As at the LPD, we have successfully obtained and maintained the necessary DOE licences to operate our scheduled waste management facilities (PLO 83 & 317 Facility and PLO 738 Facility), to manage a total of 34 types of scheduled waste, and to transport scheduled waste. Please refer to **Appendix I** of this Prospectus for further details on our licences.

These licences are subject to periodic review and audit by the DOE and must be renewed, as they are typically valid for only one year. If any of our licences to operate a scheduled waste management facility is not renewed, we must cease operations at the affected facility until the licence is renewed or a new licence is obtained. Similarly, if our licensed trucks and drivers fail to renew their licences, our collection and transportation activities may be hampered. Therefore, any failure to renew these licences would negatively impact our business operations and financial performance.

Our facilities and trucks are also subject to unannounced inspections by the DOE. The compliance standards during inspections may change over time. If a regulation breach is detected, we may face consequences ranging from a warning to penalties such as fines and / or suspension, non-renewal, or revocation of the relevant licences. For instance, we were fined RM67,000 in FYE 2022 pursuant to 74 compounds from DOE due to non-compliances under the EQA 1974, the EQSWR 2005 and / or the EQIER 2009 following 4 inspections conducted at PLO 738 Facility and PLO 83 & 317 Facility. There were no other actions taken by DOE against us in relation to these non-compliances. Please refer to **Section 7.23.10** of this Prospectus for further details of these non-compliances.

Since the issuance of our DOE licences, we have successfully renewed them on a continuing basis. However, we cannot assure that our DOE licences will continue to be renewed on time or at all, nor can we assure that our facilities and trucks will continue to pass future inspections and reviews.

**9. RISK FACTORS****9.1.2 We do not have long term recurrent revenue contracts with our customers and must continuously secure new orders from them**

During the Period Under Review and up to the LPD, we do not have long-term recurring revenue contracts with our customers that commit them to engaging our services or purchasing our products. While we do have service agreements with some customers, these agreements do not commit our customers to using our services, nor do they require us to accept any purchase orders from them.

All of our revenue during the Period Under Review and up to the LPD was derived from purchase orders for specific services and / or products. As a result, we must continuously secure new purchase orders in sufficient quantity and value to sustain our business. There is no assurance that we will be able to do so consistently in the future, and this may cause our revenue to fluctuate.

**9.1.3 Our collection and management of scheduled wastes are subject to a monthly maximum quantity as stipulated in our licences**

Each SW Code that we are licensed to collect and manage at our scheduled waste management facilities is subject to a monthly maximum quantity that is granted by the DOE and stipulated in our facility's respective licence. Please refer to **Section 7.5.1(e)** of this Prospectus for additional information on this monthly maximum quantity.

We monitor our collection of scheduled wastes collected through eSWIS as prior approval from DOE is required before any collection takes place. In addition, we have a designated personnel to monitor the daily quantity collected at our facilities as compared against the maximum quota granted.

If the actual quantity of scheduled wastes that we collect and process at any of our scheduled waste management facilities exceed the stipulated monthly maximum quantity, the scheduled waste management licence for that facility may be revoked, and we may be subject to a fine or other penalties. Since our scheduled waste management facilities received their DOE licences, we have never exceeded the monthly maximum quantity stipulated in these licences for any SW Code in any month. Nevertheless, we were often operating close to the monthly maximum quantity for SW 204 and SW 401 during the Period Under Review. There can be no guarantee that the monthly maximum quantity will not be exceeded in the future and lead to actions by DOE against us.

In addition, the maximum monthly quantity allowed for each SW Code may limit our growth, as we cannot exceed the stipulated amount even when opportunities arise. Although we can request for an increase in the maximum monthly quantity, the approval process takes time and depends on several factors, including our capacity to handle larger volumes. This delay could cause us to miss valuable business opportunities to grow our revenue or expand our operations.

Further, the monthly maximum quantity that we are licensed to collect and manage may be reduced by the DOE based on factors such as the design capacity, remaining economic life, and condition of the relevant machinery and equipment and the facility as a whole. Any reduction in the monthly maximum quantity may adversely affect our business sustainability and financial performance.

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**9. RISK FACTORS**

Since our scheduled waste management facilities received their respective DOE licences, the DOE has never reduced the monthly maximum quantity of scheduled wastes that we are licensed to collect and manage. However, in February 2020, the DOE approved our application with immediate effect, to increase our monthly maximum quantity for SW 401 following an increase in demand for our scheduled waste management services for SW 401 but correspondingly decreased our monthly maximum quantity for SW 402. We were not affected by the decrease in our monthly maximum quantity for SW 402 as we were not handling or storing SW 402 wastes exceeding the reduced limit when it became effective.

There can be no assurance that the monthly maximum quantity of scheduled wastes which we are licensed to collect and manage will maintain or increase to enable us to capture business opportunities to sustain or grow our business in the future.

**9.1.4 Our customers are mostly in manufacturing industries and we may be adversely affected by downturns in manufacturing industries**

During the Period Under Review, customers in manufacturing industries accounted for between 73.00% and 85.07% of our revenue. Please refer to **Section 7.2.5** of this Prospectus for additional information.

Downturns in manufacturing industries in Malaysia may reduce demand for scheduled waste management services and consequently adversely affect our financial performance and growth prospects. These downturns may be due to, among other factors, unfavourable economic and market conditions, adverse changes in government policy, and imposition of tariffs on goods manufactured in Malaysia. These factors are unpredictable and beyond our control. During the past 10 years up to the LPD, our operations have not been disrupted save for temporary suspension of operations from 18 March 2020 to 12 April 2020 pursuant to the Movement Control Order (which was not related to any downturns in manufacturing industries). The said temporary suspension of operations did not result in any material adverse impact on our operations and financial performance. We have also not experienced any reduction in demand for scheduled waste management services caused by downturns in the manufacturing industry in Malaysia which adversely impacted our business operations and financial performance.

Although we have a diversified customer base with customers operating in a variety of industries, there is no guarantee that a downturn in manufacturing industries as a whole or in any specific manufacturing industry will not adversely impact us.

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## 9. RISK FACTORS

### 9.1.5 Prolonged or major breakdowns of our scheduled waste management facilities and transport vehicles may disrupt our operations and adversely affect our financial performance

We rely on our scheduled waste management facilities and transport vehicles to provide our scheduled waste management services. This includes the 26 trucks that we own and operate for the provision of scheduled waste management services as at the LPD. Any prolonged or major breakdowns of our facilities and transport vehicles could disrupt our operations and negatively impact our financial performance. Although we regularly maintain our equipment, machinery, and vehicles, there is no guarantee that they will not experience prolonged or major breakdowns.

The cost and time required to repair damaged machinery, systems, or transport vehicles depend on several factors. These include the nature and extent of the damage, whether repairs can be carried out on-site, whether we can handle the repairs internally or need to engage external service providers, and the availability and cost of spare parts. In cases where repairs are not feasible or the costs are too high, we may need to replace entire systems, machinery, or vehicles. These repair or replacement costs together with the disruption to our operations caused by repair downtime could negative impact our financial performance.

For the past 10 years up to the LPD, we have not experienced any prolonged downtime or major breakdown of our scheduled waste recovery and recycling systems, machinery, or transport vehicles that disrupted our operations. Additionally, the repairs and maintenance costs have not materially impacted our financial performance, and we have not had to replace any major machinery, systems, or vehicles due to breakdowns. However, there is no assurance that we will not experience prolonged downtime or high repair and maintenance costs in the future, which could adversely affect our operations and financial performance. Likewise, we cannot assure that we will not need to replace any major machinery, systems, or transport vehicles due to breakdowns in the future.

### 9.1.6 We may experience workplace accidents and natural disasters that may adversely affect our operations and financial performance

The scheduled waste we handle is hazardous and can cause significant harm to both people and the environment if not properly managed. We face potential risks during the collection and transportation of scheduled waste between our customers' premises and our licensed facilities. Our trucks could be involved in accidents, resulting in spills that contaminate the environment or cause fires, which could damage property and endanger lives. In such cases, we would be required to clean up the affected area, which could be costly. Due to the hazardous nature of scheduled waste, our operations are also subject to risk of unexpected or dangerous conditions that may cause personal injuries or death, environmental damage and interruption of operations. Should any of these events occur, they may result in fines, penalties, suspension of licences, liability for compensation to affected parties, and could adversely impact our Group's reputation.

Since some of the scheduled waste we collect and manage is flammable, we also face the risk of fires. In the event of a workplace fire, our property, including machinery and equipment, could be damaged, rendering them unusable for an extended period. Such events would disrupt our operations and adversely impact our financial performance.

Similarly, our licensed facilities may be affected by natural disasters such as flooding or by prolonged interruptions in power and water supply, both of which would disrupt operations and negatively affect our financial performance.

## 9. RISK FACTORS

For the past 10 years up to the LPD, we have not experienced any significant transportation or workplace accidents, natural disasters, nor disruptions to operations at our facilities, save as disclosed below:

On 30 September 2025, a workplace accident occurred at our PLO 738 Facility, resulting in the death of 2 workers and hospitalisation of 1 worker. The accident was caused by the release of hazardous gas, i.e. hydrogen sulphide, arising from a chemical reaction in a wastewater pit used for the temporary storage of wastewater prior to treatment ("**Pit 6**"). Following the accident, the relevant authorities, namely DOSH, DOE, FRDM and the Royal Malaysia Police, conducted investigations and inspections at the PLO 738 Facility.

Subsequent to the inspection conducted by DOSH on 1 October 2025, 5ERSB was issued with 2 prohibition notices which mandate the immediate suspension of operations of Pit 6, and 3 improvement notices which set out the deficiencies identified in our Group's procedures. These notices require us to implement corrective actions within a prescribed timeframe to eliminate or mitigate the associated risks. Our Group has taken, among others, the following corrective actions and implemented enhancement measures to address the deficiencies identified and to prevent the recurrence of similar incidents:

- (i) enhanced our personal protective equipment requirements by requiring workers in the wastewater treatment plant area to wear portable hydrogen sulphide gas detector during operations to enable early detection of abnormal gas levels;
- (ii) installed fixed gas detectors at wastewater pit area for real-time monitoring of hazardous gas concentrations;
- (iii) enhanced our standard operating procedures to include flushing and cleaning the wastewater pits thoroughly after each use to ensure that no residual wastewater remains in the pit before transferring new wastewater into the pit; and
- (iv) increase the frequency of regular awareness and refresher training sessions to reinforce our employees' understanding of safety procedures and emergency response in relation to chemical handling and wastewater management.

Following DOSH's review on the actions or measures implemented by our Group, the improvement notices and prohibition notices were subsequently uplifted on 17 November 2025 and 18 November 2025 respectively.

As at the LPD, all the relevant authorities, save for DOSH, have completed their respective investigations / inspections. Apart from the notices issued by DOSH as described above, there were no fines / actions imposed / taken by the relevant authorities on our Group.

Notwithstanding that the investigation by DOSH is ongoing, its eventual outcome is not expected to result in any material adverse impact on our business operations and financial performance after taking consideration the following:

- (i) the ongoing investigation by DOSH has not caused any disruption to our day-to-day business operations, and the operating capacity of the PLO 738 Facility;
- (ii) our Promoters have provided written undertakings to settle any fines or penalties that may be imposed on our Group upon the conclusion of DOSH's investigation. Accordingly, any such fines or penalties, if imposed, will not have any financial impact on our Group; and

**9. RISK FACTORS**

- (iii) based on the review of precedent cases, our Solicitors for the IPO opined that monetary fines are the common outcome for industrial accidents (both fatal and non-fatal) involving employer offenses, while imprisonment terms are typically imposed only in default of payment of such fines. In this regard, the likelihood of imprisonment of any of our Directors pursuant to the outcome of DOSH's investigation is remote. Therefore, the outcome of DOSH's investigation is not expected to have any impact on the continuity of our Group's management and operations.

As a result of the abovementioned accident, our Group has incurred a total of approximately RM0.39 million for, among others, additional safety and prevention measures as well as engagement of third-party consultant and adviser to conduct chemical health risk assessment and assessment on all aspects of our Group's occupational safety and health practices respectively.

While the accident above has not resulted in any material adverse impact on our reputation, business operations and financial performance, there is no assurance that we will not experience vehicle accidents, workplace incidents, natural disasters, or prolonged interruptions in power and water supply, any of which could materially affect our operations and financial performance.

**9.1.7 Foreign workers constitute a large percentage of the workers at our scheduled waste management facilities**

Day-to-day operations at our scheduled waste management facilities require workers to carry out tasks such as the collection of wastes, sorting of collected wastes, handling wastes as well as recovered and recycled products within our facilities, and operating various scheduled waste recovery and recycling systems and machinery. During the Period Under Review and as at the LPD, we have not experienced any shortages of foreign workers. As at the LPD, we employ 121 workers for the abovementioned scopes under our logistics and production departments, out of whom 56 (46.28%) are foreign workers.

Foreign workers who work in Malaysia without the relevant approvals and permits may be fined, imprisoned, and / or deported. In addition, we may be liable for compound, fine, and other legal action if we employ foreign workers who do not have the relevant approvals and permits, or if they work outside of our Group while under our employment. These approvals and permits are valid for a specified period, and they must be renewed upon expiry.

During the Period Under Review and as at the LPD, all of the foreign workers that we employ possess the approvals and permits required to work in Malaysia. The employment of foreign workers is subject to certain regulations, and we have obtained all of the relevant approvals from the respective authorities and complied with all of the relevant regulations. Nevertheless, there can be no assurance that our foreign workers' approvals and permits will be renewed in the future. There can also be no assurance that the government will not impose additional fees, levies, regulations, or restrictions relating to the employment of foreign workers in Malaysia.

If the number of foreign workers we employ declines for any reason, there is no assurance that we will be able to hire enough Malaysian workers to fill the gap. This may lead to an increase in labour costs, as we could be required to pay higher wages to Malaysian workers. Such changes could adversely impact our business operations and financial performance.

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## 9. RISK FACTORS

### 9.1.8 Some of our licences are issued in the names of some of our employees, and if they leave our Group before the licences are transferred to other employees, we may have to suspend or cease some of our operations

As at the LPD, some of our licences were issued in the names of some of our employees. These licences can only be issued to an individual and cannot be issued to a company. Please refer to **Appendix I** of this Prospectus for additional details.

For instance, our licences under the PA 1952 and its subsidiary legislations are issued to Lim Te Hua, our Executive Director and CEO, for TS Heuls at Property No. 26, Ang Khoon Poh, our Head of R&D, for 5ERSB at PLO 738 Facility, and Lee Wah Kian, our Production Manager, for 5ERSB at PLO 317 Facility. These licences allow us to purchase, store, use, and / or sell specific chemicals. If the said employees leave our Group before the licences are transferred to other employees, our business operations may be impacted in the following ways:

- **Purchase, store and use sodium hydroxide** - The sodium hydroxide licence issued to Lee Wah Kian for 5ERSB at PLO 317 Facility allows us to purchase, store, and use sodium hydroxide, which is primarily used for pH balancing in wastewater treatment. Without this licence, we may be forced to suspend the operation of our wastewater treatment plant, which would also halt other scheduled waste management processes. This is because the wastewater from these operations must be treated before they can be discharged into the municipal drainage system. Affected processes include recovery of coolant, solvent, oil and e-waste (including the LVDH process), and recycling of acid, alkali and container. Suspending these operations would negatively impact both our business operations and financial performance.
- **Sell or pass on to third-party companies** - We require the poison licence issued to Ang Khoon Poh for 5ERSB at PLO 738 Facility to sell or pass on to third-party companies 3 types of chemicals recycled from our scheduled waste management processes, namely hydrochloric acid, sulphuric acid, and sodium hydroxide. Without this licence, we cannot sell or transfer these chemicals. While this would not have a significant impact on our financial performance, since revenue from the sale of these chemicals amounted to RM0.19 million, RM0.25 million, RM0.25 million and RM0.11 million for FYE 2022, FYE 2023, FYE 2024 and FPE 2025, respectively, it may require us to suspend services related to the recycling of these chemicals. This is because storing the recycled products would not be practical, as they are bulky and require specialised tanks or containers due to their caustic nature. Such a suspension would adversely affect our business operations and financial performance.
- **Import, store, and sell chemicals** - We also require the poison licence issued to Lim Te Hua for TS Heuls at Property No. 26 to import, store, and sell chemicals. Our revenue from selling these chemicals amounted to RM1.48 million, RM1.33 million, RM1.47 million and RM1.63 million for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively. If we do not possess this licence, TS Heuls will not be allowed to sell chemicals, which would materially affect our financial performance.

There can be no assurance that these employees will not leave our Group, and if they do there can be no assurance that we will be able to transfer the licence to another employee before they leave in a timely manner that does not disrupt our operations.

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**9. RISK FACTORS**

If the employment of the individuals holding the licences under the PA 1952 and its subsidiary legislations with our Group ceases, we will have to notify the Johor State Health Department, Ministry of Health on his cessation of employment for the revocation and cancellation of the existing licence, and further apply for a new licence to be issued to the alternative candidate as the responsible officer of the company. The alternative candidate must possess, at a minimum, a diploma in a science discipline related to chemistry, biology or physics. Prior to the issuance of the new poison licence, an interview in respect of the handling of poisons under PA 1952 will be conducted on the candidate. The issuance of the new licence under the PA 1952 and its subsidiary legislations will generally take approximately 2 weeks from the application.

**9.1.9 We are dependent on our Executive Directors and Key Senior Management team**

We are dependent on the experience, expertise, technical knowledge, and sales and marketing capability of our Executive Director and CEO, Lim Te Hua, and our Executive Director and COO, Shankar A/L Narasingam. We are also dependent on our Key Senior Management for the experience, expertise and technical knowledge in their respective areas of responsibility.

If we lose the services of one or more of our Executive Directors or Key Senior Management and are unable to engage a suitable replacement promptly, our day-to-day business operations, our financial performance, and the successful implementation of our business strategies may be adversely affected. Please refer to **Sections 5.1.2 and 5.4.2** of this Prospectus for the profiles of our Executive Directors and Key Senior Management.

**9.1.10 We must comply with the relevant environmental laws and regulations**

Our scheduled waste management operations must comply with the relevant environmental laws and regulations, including the collection and transportation of scheduled wastes from customers' premises to our facilities, the operation of our recovery and recycling systems and machinery, and the sale, disposal, or discharge of the products and byproducts. The gases and liquids that we discharge into the environment through our chimneys and from our wastewater treatment plant must comply with specific regulations and standards. We must engage third party licensed contractors to collect any scheduled waste that we cannot further process. Please refer to **Section 7.23** of this Prospectus for additional information relating to the relevant environmental laws.

The relevant environmental laws and regulations may change from time to time. If the laws and regulations become more stringent, we may need to install additional equipment and / or incur more costs for additional processes.

Any non-compliance with the relevant laws and regulations may lead to the authorities taking action against us, such as imposing penalties, fines, and suspending our operations. Our licences may also be suspended, revoked, or not renewed. In addition, we may incur costs to clean up environmental damages. The penalties and costs that we incur may disrupt our business operations, damage our reputation, and adversely affect our financial performance.

During the Period Under Review and up to the LPD, there were no non-compliances with the relevant environmental laws and regulations in relation to our business operations that resulted in material adverse impact to our business operations and financial performance. However, there can be no assurance that we will continue to comply with the relevant environmental laws and regulations in the future.

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## 9. RISK FACTORS

### 9.1.11 We are required to comply with the relevant health and safety laws and regulations

The operations at our scheduled waste management facilities are required to comply with the relevant health and safety laws and regulations. These laws and regulations concern the health and safety of our employees as they perform their jobs.

The relevant authorities may penalise us if an accident occurs that harms or injures our workers, or if we are found not to comply with the relevant health and safety laws and regulations. The penalty may be in the form of compound, fine, or suspension or restriction of part or all of the operations at the affected facility.

As set out in **Section 9.1.6** of this Prospectus, a workplace accident occurred at our PLO 738 Facility, resulting in the death of 2 workers and the hospitalisation of 1 worker on 30 September 2025. Save for the said accident, none of our employees were injured by workplace accidents at our scheduled waste management facilities during the Period Under Review and up to the LPD.

There has been no non-compliance with the relevant health and safety laws and regulations during the Period Under Review and up to the LPD. Nevertheless, there can be no assurance that workplace accidents will not harm our workers or that we will continue to comply with the relevant health and safety laws and regulations in the future.

### 9.1.12 Our insurance coverage may not fully cover the losses and liabilities that may arise from our business operations and are subject to renewal

Our business operations at the scheduled waste management facilities involve various risks and hazards, including but not limited to workplace accidents, industrial incidents, environmental liabilities, fires, floods, and other natural disasters. To mitigate the potential losses and liabilities arising from these risks, we maintain a range of insurance policies, including environmental liability insurance, fire insurance, public liability insurance, personal accident insurance, employer liability insurance, and vehicle insurance. As at the LPD, the total sum insured under our insurance policies is approximately RM88.75 million.

All of our insurance policies are for fixed terms and must be renewed upon expiration, which may result in changes to premiums, terms, deductibles, or claim limits. If premiums rise significantly or claim limits are reduced, we will either incur higher costs to maintain the same level of coverage or need to adjust our coverage. Our policies may also include a deductible, meaning we must cover a certain amount before the insurance pays, and / or a claim limit, the maximum amount the insurance will cover. If the loss arising from an event exceeds the claim limit, our financial performance could be adversely affected.

If we make claims against our insurance policies, our claim history may impact future premiums, whether for renewals or new policies.

During the Period Under Review and up to the LPD, we did not make any material claims against our insurance policies. However, there is no guarantee that we will not file claims in the future, nor can we ensure that our current insurance coverage will be sufficient to cover all potential risks and losses in the future.

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## 9. RISK FACTORS

### 9.1.13 There is no guarantee that we will be able to successfully implement our business strategies and plans

Our business strategies and plans include developing 2 new scheduled waste management facilities, namely PLO 321 Facility and the New Perak Facility. For further information on our business strategies and future plans, please refer to **Section 7.18** of this Prospectus.

The development of these new scheduled waste management facilities involves substantial capital investment, amounting to approximately RM87.50 million for PLO 321 Facility (funded by internally generated funds) and RM110.66 million for the New Perak Facility (funded by IPO proceeds and internally generated funds and / or bank borrowings), excluding land costs. There is a risk that the development of these facilities will take longer than anticipated and cost more than estimated. If the costs are higher than estimated, we may have to provide additional funding through borrowings or internally generated funds, which may adversely affect our financial position. There is also a risk that the scheduled waste management systems and equipment installed at these facilities will be less efficient than planned, resulting in lower capacity and / or higher operating costs than anticipated. In addition, there is a risk that we will not be able to secure sufficient customers for the New Perak Facility as we do not have any prior operational presence in the northern region of Peninsular Malaysia.

Further, our planned capacity increase, particularly in terms of the scheduled waste codes (SW Codes) quota at the PLO 321 Facility, which is located in the same state as our existing facilities, represents a significant expansion of our total capacity. In view of the foregoing, and together with the establishment of the New Perak Facility, there is a risk of over-expansion if the demand for our services does not grow in tandem with the increase in capacity. In such circumstances, we may be unable to recover our investment costs and the higher operating costs could adversely affect our financial performance.

Any delay or failure to implement our business strategies and plans may adversely affect our future financial performance and growth prospects.

### 9.1.14 We are exposed to credit risk from customers to whom we have extended credit

We are exposed to credit risk relating to the customers to whom we have extended credit. During the Period Under Review and up to the LPD, we deal with customers on cash or credit terms. The normal credit terms that we extend to our customers are between 30 days and 120 days from the invoice date. Other credit terms are assessed and approved on a case-by-case basis. Our trade receivables turnover period for FYE 2022, FYE 2023, FYE 2024 and FPE 2025 was 55 days, 45 days, 55 days and 58 days respectively, which are in line with our normal credit terms.

We may be required to make allowance for impairment losses on trade receivables and / or write off bad debts, either of which would adversely affect our financial performance, if a customer does not pay us within the stipulated credit period. During the Period Under Review, we had impairment losses on trade receivables of RM0.04 million and RM0.07 million in FYE 2024 and FPE 2025 respectively. There were no bad debts written off during the Period Under Review.

While the allowances for impairment losses on trade receivables and bad debts written off were not material for the Period Under Review, there can be no assurance that they would not adversely affect our financial performance in the future.

## 9. RISK FACTORS

### 9.2 RISKS RELATING TO OUR INDUSTRY

#### 9.2.1 We are subject to the risk of competition from other operators that provide similar services

We face competition from operators that provide scheduled waste management services. As at 10 March 2026, there were 373 licensed scheduled waste operators in Malaysia, out of which 74 are licensed to manage more than 10 SW Codes. (*Source: IMR Report*) As our customers can choose to engage other suitable licensed operators to collect their scheduled wastes, we have to compete against them in terms of, among other factors, pricing and payment terms. Our profitability may be materially affected if we have to lower our prices and / or extend our credit terms to match those offered by our competitors. Furthermore, we may lose customers if we cannot match our competitor's pricing and / or credit terms.

There can be no assurance that competition from existing operators and from new entrants in Malaysia will not have a material adverse effect on our business and financial performance.

#### 9.2.2 We are subject to risks related to changes in conditions in Malaysia as well as global events

Changes in the political, social, economic, and regulatory conditions in Malaysia 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, emergence of new epidemics or pandemics, environmental laws and regulations, 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, among others, geopolitical events, financial crises, and trade conflicts and sanctions.

In April 2025, the United States government imposed a baseline 10% tariff on most imported goods with higher tariffs for countries with significant trade surpluses. Certain products imported into the United States were exempted from these tariffs. In response to the tariffs imposed by the United States government, some countries, such as China, increased tariffs on imported goods originating from the United States. In October 2025, the Malaysia government and United States government entered into a reciprocal trade agreement under which most goods are subject to 19% tariff and some specified goods are exempted from the 19% tariff. These tariff rates are subject to change. During the Period Under Review and up to the LPD, none of our revenue was from the United States. However, we may be indirectly exposed as some of our customers in Malaysia manufacture products that are ultimately exported to the United States, and they may be adversely affected.

On 28 February 2026, the United States and Israel began carrying out airstrikes on Iran, and Iran responded by attacking other countries in the Middle East. Despite the increase of global crude oil prices following this conflict, we have not been adversely affected as of the LPD as our purchases of diesel and fuel oil have generally been on a decreasing trend during the Period Under Review (declining from 10.35% of our total purchases of materials and services for FYE 2022 to 4.99% for FPE 2025). We utilise recovered fuel oil from our processes to fuel our carbonisation and thermal oxidation processes. However, there can be no assurance that demand for our services and financial performance will not be adversely affected in the future if our customers' businesses are negatively impacted by global economic slowdown, an increase in energy prices, and/or uncertainty if this conflict is prolonged, intensifies, and/or widens to involve more countries. There can also be no assurance that an increase in crude oil prices will not adversely affect our costs and financial performance in the future.

**9. RISK FACTORS**

Changes in political, social, economic, and regulatory conditions in Malaysia, as well as global events, are beyond our control. We cannot assure that such changes and events will not materially affect our business operations and financial performance.

**9.3 RISKS RELATING TO OUR SHARES AND OUR LISTING****9.3.1 There is no prior market for our Shares**

Prior to our IPO, there has been no public market for our Shares. Accordingly, there can be no assurance that an active market for our Shares will develop upon our Listing or, if developed, that such market will be sustained.

Furthermore, notwithstanding that our IPO Price was determined after taking into consideration a number of factors including but not limited to our historical earnings, prospects and future plans and our financial and operating history, we cannot assure you that the price at which our Shares will be traded on the ACE Market upon or subsequent to our Listing will correspond to our IPO Price and that the market price of our Shares will not decline below the IPO Price or that an active market for our Shares will develop and continue upon or subsequent to our Listing.

**9.3.2 Our Share price and trading volume may be volatile**

The market price of our Shares may be highly volatile and could be subject to wide fluctuations in response to, among others, the following factors, some of which are beyond our control:

- (i) variation in our operating results;
- (ii) success or failure of our management in implementing business and growth strategies;
- (iii) changes in securities analysts' recommendations, perceptions or estimates of our financial performance;
- (iv) changes in conditions affecting the industry, general economic conditions or stock market sentiments or other events or factors;
- (v) changes in market valuations and share prices of companies with similar businesses to our Company that may be listed in Malaysia or anywhere else in the world;
- (vi) additions or departures of key management;
- (vii) fluctuations in stock market prices and volume;
- (viii) involvement in litigation; or
- (ix) changes in government policy, legislation or regulation.

The performance of Bursa Securities is also affected by external factors such as the performance of the regional and global stock exchanges, inflow or outflow of foreign funds. Sentiment is also largely driven by internal factors such as economic and political conditions of the country as well as the growth potential of the various sectors of the economy. These factors invariably contribute to the volatility of trading volumes on Bursa Securities, thus adding risks to the market price of our Shares.

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## 9. RISK FACTORS

### 9.3.3 Our Listing is exposed to risk that it may be aborted or delayed

Our Listing may be aborted or delayed due to possible occurrences of certain events, which include the following:

- (i) the selected investors fail to subscribe for their portion of our IPO Shares;
- (ii) our Underwriter exercising its rights under the Underwriting Agreement to discharge itself of its obligations under such agreement;
- (iii) we are unable to meet the minimum public shareholding spread requirement under the Listing Requirements of having at least 25.00% of the total number of our Shares for which our listing is sought being in the hands of a minimum number of 200 public shareholders holding not less than 100 Shares each at the point of our Listing; and / or
- (iv) the revocation of the approvals from the relevant authorities for our Listing for whatever reason.

Where prior to the issuance and allotment of our IPO Shares:

- (i) the SC issues a stop order pursuant to Section 245(1) of the CMSA, the applications for our IPO Shares shall be deemed to be withdrawn and cancelled. Our Company and Offerors, shall repay all monies paid in respect of the applications for our IPO Shares within 14 days of the stop order, failing which our Company and Offerors shall be liable to return such monies with interest at the rate of 10% per annum or at such other rate specified by the SC pursuant to Section 245(7)(a) of the CMSA; or
- (ii) our listing is aborted, investors will not receive any of our IPO Shares and all monies paid in respect of all applications for our IPO Shares will be refunded free of interest.

Where subsequent to the issuance and allotment of our IPO Shares:

- (i) the SC issues a stop order pursuant to Section 245(1) of the CMSA, any issue of our IPO Shares shall be deemed to be void and all monies received from the applicants shall be forthwith repaid and if any such money is not repaid within 14 days of the date of service of the stop order, our Company and Offerors shall be liable to return such monies with interest at the rate of 10% per annum or at such other rate specified by the SC pursuant to Section 245(7)(b) of the CMSA; or
- (ii) our Listing is aborted other than pursuant to a stop order by the SC under Section 245(1) of the CMSA, a return of monies to our shareholders could only be achieved by way of a cancellation of share capital as provided under the Act and its related rules. Such cancellation can be implemented by either:
  - (a) the sanction of our shareholders by special resolution in a general meeting, consent by our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya, in which case there can be no assurance that such monies can be returned within a short period of time or at all under such circumstances; or
  - (b) the sanction of our shareholders by special resolution in a general meeting supported by a solvency statement from our Directors in accordance with the Act.

**9. RISK FACTORS****9.3.4 Future sale or issuance of our Shares could adversely affect our Share price**

Any future sale, issuance or availability of our Shares can have an adverse effect on our Share price. The sale of a significant amount of our Shares in the public market after our IPO, or the perception that such sales may occur, could adversely affect the market price of our Shares. These factors also affect our ability to raise funds from the issuance of additional equity securities.

If our Promoters and / or substantial shareholders sell, or are perceived as intending to sell, a substantial amount of our Shares in the public market following the expiry of the moratorium period, this may result in a dampening effect on our Share price.

**9.3.5 Our future fund-raising exercise may result in dilution of your shareholdings**

Our capital requirements are dependent on, amongst others, the scale of our business operations, the availability of resources for attracting, maintaining and enlarging our customer base and the need to maintain and expand our service offering. Thus, we may need additional capital expenditure for future expansions and / or investments. An issue of new Shares or other securities to raise funds for these purposes will dilute shareholders' equity interest and may, in case of a rights issue, require additional investments by shareholders.

**9.3.6 There is no certainty of dividend payments to our shareholders**

Our ability to pay dividends to our shareholders is dependent on, among others, our financial performance, cash flow position, capital requirements and other obligations. This will in turn depend on certain factors which are beyond our control such as the general economic conditions, overall demand for our scheduled waste management services and our ability to successfully implement our intended business and growth strategies. Deterioration of these factors could have an adverse impact on our financial performance, consequently affecting our ability to pay dividends to our shareholders. As such, there is no certainty that we will be able to pay dividends to our shareholders in the future.

Please refer to **Section 12.10** of this Prospectus for further details on our dividend policy.

**9.3.7 Our Promoters and substantial shareholders will be able to exert significant influence over our Company and their interests may not be aligned with those of our other shareholders**

Our Promoters and substantial shareholders will collectively hold approximately 70.23% of our enlarged number of issued Shares upon our Listing. As a result, they will be able to effectively control the business direction and management of our Group including the election of Directors, the timing and quantum of dividends as well as any significant corporate actions. They will have significant influence on the outcome of certain matters requiring the vote of our shareholders, unless they are required to abstain from voting either by law or by relevant regulatory authorities.

Further, the interests of our Promoters and substantial shareholders might differ from those of our other shareholders. In the event that our Promoters and substantial shareholders cause us to pursue strategic objectives that conflict with the interests of our other shareholders, our other shareholders could be disadvantaged and their interests could be damaged. Any conflict of interest between our Promoters and substantial shareholders and our other shareholders may also materially and adversely affect aspects such as the decision and implementation of our business plans, which may in turn affect our operations and prospects.



**10. RELATED PARTY TRANSACTIONS**

Pursuant to the Listing Requirements, subject to the exemptions, generally a “related party transaction” is a transaction entered into by a listed corporation or its subsidiary which involves the interest, direct or indirect, of a related party. A “related party” is defined as a director, major shareholder or person connected with such director or major shareholder (including a director or major shareholder within the preceding 6 months before the transaction was entered into) as per Rule 10.02 of the Listing Requirements. “Major shareholder” means a shareholder with a shareholding of 10% or more (or 5% or more where such person is the largest shareholder in the company) of all the voting shares in the company as per Rule 1.01 of the Listing Requirements.

Upon our Listing, we may be required to seek our shareholders’ approval each time we enter into a material related party transaction in accordance with Rule 10.08 of the Listing Requirements. However, if the related party transactions are 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 and the interested person shall abstain from voting on resolution(s) pertaining to the respective transaction.

Under the Listing Requirements, related party transactions may be aggregated to determine its materiality if the transactions occurred within a 12-month period, are entered into with the same party or with parties related to one another or if the transactions involved the acquisition or disposal of securities or interests in one corporation / asset or of various parcels of land contiguous to each other.

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## 10. RELATED PARTY TRANSACTIONS

### 10.1 RELATED PARTY TRANSACTIONS

Save for the Acquisition of 5ERSB and as disclosed below, we have not entered into any related party transactions with our related parties for the Period Under Review and up to the LPD:

| No. | Transacting parties    | Interested persons and nature of relationship when the transactions were entered into                      | Nature of transaction                                                    | Transaction value                    |                                    |                    |                                      |                                         |
|-----|------------------------|------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------|------------------------------------|--------------------|--------------------------------------|-----------------------------------------|
|     |                        |                                                                                                            |                                                                          | FYE 2022<br>RM'000                   | FYE 2023<br>RM'000                 | FYE 2024<br>RM'000 | FPE 2025<br>RM'000                   | November<br>2025 up to<br>LPD<br>RM'000 |
| 1.  | 5ERSB and 5E Singapore | <u>Loo Sok Ching, Lim Te Hua and Shankar A/L Narasingam</u><br>Shareholders and directors of 5E Singapore. | Professional fees paid by 5ERSB on behalf of 5E Singapore <sup>(1)</sup> | 2,564<br>(3.58% of our Group's NA)   | 233<br>(0.27% of our Group's NA)   | -                  | -                                    | -                                       |
| 2.  |                        | <u>Wong Kim Fatt, Ban Kim Wah and GreenEdge</u><br>Shareholders of 5E Singapore.                           | Advances from 5E Singapore to 5ERSB <sup>(2)</sup>                       | 26,240<br>(36.66% of our Group's NA) | 2,393<br>(2.80% of our Group's NA) | -                  | -                                    | -                                       |
| 3.  |                        |                                                                                                            | Repayment by 5E Singapore to 5ERSB <sup>(3)</sup>                        | 1,356<br>(1.89% of our Group's NA)   | -                                  | -                  | -                                    | -                                       |
| 4.  |                        |                                                                                                            | Capitalisation of amount owing to 5E Singapore <sup>(4)</sup>            | -                                    | -                                  | -                  | 25,836<br>(17.97% of our Group's NA) | -                                       |

**10. RELATED PARTY TRANSACTIONS**

| No. | Transacting parties   | Interested persons and nature of relationship when the transactions were entered into                                                                                  | Nature of transaction                                                   | Transaction value               |                                  |                    |                    |                                      |
|-----|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|---------------------------------|----------------------------------|--------------------|--------------------|--------------------------------------|
|     |                       |                                                                                                                                                                        |                                                                         | FYE 2022<br>RM'000              | FYE 2023<br>RM'000               | FYE 2024<br>RM'000 | FPE 2025<br>RM'000 | November 2025 up to<br>LPD<br>RM'000 |
| 5.  | 5ERSB and 5E Holdings | <u>Loo Sok Ching, Lim Te Hua and Shankar A/L Narasingam</u><br>Directors of 5E Holdings and shareholders of 5E Singapore, which is the holding company of 5E Holdings. | Professional fees paid by 5ERSB on behalf of 5E Holdings <sup>(5)</sup> | 29<br>(0.04% of our Group's NA) | -                                | -                  | -                  | -                                    |
| 6.  |                       | <u>Wong Kim Fatt, Ban Kim Wah and GreenEdge</u><br>Shareholders of 5E Singapore, which is the holding company of 5E Holdings.                                          | Repayment by 5E Holdings to 5ERSB <sup>(6)</sup>                        | -                               | 163<br>(0.19% of our Group's NA) | -                  | -                  | -                                    |

**10. RELATED PARTY TRANSACTIONS**

| No. | Transacting parties          | Interested persons and nature of the relationship when the transactions were entered into                                                                                                                                                                                            | Nature of transaction                                                                 | Transaction value                     |                                       |                                       |                                       |                                        |
|-----|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|----------------------------------------|
|     |                              |                                                                                                                                                                                                                                                                                      |                                                                                       | FYE 2022<br>RM'000                    | FYE 2023<br>RM'000                    | FYE 2024<br>RM'000                    | FPE 2025<br>RM'000                    | 1 November 2025 up to<br>LPD<br>RM'000 |
| 7.  | 5ERSB and Wentel Engineering | <b>Ban Kim Wah</b><br>Director and shareholder of Wentel Engineering Holdings, which is the holding company of Wentel Engineering.                                                                                                                                                   | Provision of scheduled waste management services to Wentel Engineering <sup>(6)</sup> | 181<br>(0.28% of our Group's revenue) | 164<br>(0.21% of our Group's revenue) | 175<br>(0.22% of our Group's revenue) | 129<br>(0.19% of our Group's revenue) | 67                                     |
|     |                              | <b>Loo Sok Ching and Wong Kim Fatt</b><br>Shareholders of Wentel Engineering Holdings, which is the holding company of Wentel Engineering. They are also persons connected with Wong Chun Wei (child of Loo Sok Ching and Wong Kim Fatt), a director of Wentel Engineering Holdings. |                                                                                       |                                       |                                       |                                       |                                       |                                        |
|     |                              | <b>Wang Sze Min and Siow Chin How</b><br>Directors of Wentel Engineering Holdings, which is the holding company of Wentel Engineering.                                                                                                                                               |                                                                                       |                                       |                                       |                                       |                                       |                                        |
|     |                              | <b>Wang Han Lin</b><br>Person connected with Soo Wee Loon (by virtue of them being the partners of Messrs Wang & S.B. Wong), a director of Wentel Engineering Holdings, which is the holding company of Wentel Engineering.                                                          |                                                                                       |                                       |                                       |                                       |                                       |                                        |

**10. RELATED PARTY TRANSACTIONS**

| No. | Transacting parties                                                 | Interested persons and nature of relationship when the transactions were entered into                                                                                                                                                                                                                                                                                                                                                         | Nature of transaction                                                            | Transaction value                             |                                                     |                                                     |                                                     |                                           |
|-----|---------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|-------------------------------------------|
|     |                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                  | FYE 2022<br>RM'000                            | FYE 2023<br>RM'000                                  | FYE 2024<br>RM'000                                  | FPE 2025<br>RM'000                                  | 1 November<br>2025 up to<br>LPD<br>RM'000 |
| 8.  | 5ERSB and Wencor                                                    | <b><u>Loo Sok Ching and Wong Kim Fatt</u></b><br>Directors and shareholders of Wencor. They are also persons connected with Wong Ying Wei (child of Loo Sok Ching and Wong Kim Fatt), a director of Wencor.                                                                                                                                                                                                                                   | Repayment of payments made by Wencor on behalf of 5ERSB <sup>(7)</sup>           | 5<br>(Less than 0.01% of our Group's NA)      | -                                                   | -                                                   | -                                                   | -                                         |
| 9.  |                                                                     | <b><u>Wong Ying Wei</u></b><br>Wong Ying Wei was a director of 5ERSB from 21 April 2016 up to 3 May 2023. She is also a director of Wencor.                                                                                                                                                                                                                                                                                                   | Provision of scheduled waste management services to Wencor <sup>(6)</sup>        | 4<br>(Less than 0.01% of our Group's revenue) | 3<br>(Less than 0.01% of our Group's revenue)       | 5<br>(Less than 0.01% of our Group's revenue)       | 5<br>(Less than 0.01% of our Group's revenue)       | 3                                         |
| 10. | 5ERSB and Golden Oriental Realty Sdn Bhd ("Golden Oriental Realty") | <b><u>Loo Sok Ching and Wong Kim Fatt</u></b><br>Directors and shareholders of Golden Oriental Realty. They are also persons connected with Wong Ying Wei and Wong Chun Wei (children of Loo Sok Ching and Wong Kim Fatt), both being directors of Golden Oriental Realty.<br><br><b><u>Wong Ying Wei</u></b><br>Wong Ying Wei was a director of 5ERSB from 21 April 2016 up to 3 May 2023. She is also a director of Golden Oriental Realty. | Engagement of Golden Oriental Realty for hostel cleaning services <sup>(8)</sup> | *                                             | 2<br>(Less than 0.01% of our Group's cost of sales) | 2<br>(Less than 0.01% of our Group's cost of sales) | 1<br>(Less than 0.01% of our Group's cost of sales) | -                                         |

## 10. RELATED PARTY TRANSACTIONS

Notes:

\* Less than RM500.

- (1) This transaction was not conducted on arm's length basis as the outstanding amount arising from the professional fees paid by 5ERSB on behalf of 5E Singapore was interest-free. As at the LPD, the outstanding amount has been fully settled by 5E Singapore. Our Group will not enter into any transaction of such nature moving forward.
- (2) This transaction was not conducted on arm's length basis as the advances provided were interest-free. As at the LPD, these advances have been fully settled by our Group via capitalisation, details of which are as set out in **Section 6.2.1** of this Prospectus. Our Group will not enter into any transaction of such nature moving forward.
- (3) The repayment was pursuant to the professional fees paid by 5ERSB on behalf of 5E Singapore in FYE 2021. The said payment on behalf was not conducted on arm's length basis as the outstanding amount arising therefrom was interest-free. Our Group will not enter into any transaction of such nature moving forward.
- (4) This transaction was not conducted on arm's length basis as the issue price of RM1 per ordinary share in 5ERSB pursuant to the capitalisation of amount owing to 5E Singapore is significantly lower than the NA per ordinary share in 5ERSB as at 31 December 2023 (being the latest audited financial information at the relevant time) of approximately RM79.00. Nevertheless, our Group will not enter into any transaction of such nature moving forward.
- (5) The payment of professional fees by 5ERSB on behalf of 5E Holdings was not conducted on arm's length basis as the outstanding amount arising there from was interest-free. The outstanding amount totalling RM0.16 million, which included an outstanding amount arising from similar payment on behalf by 5ERSB in FYE 2021 of RM0.13 million, has been fully settled by 5E Holdings in FYE 2023. Our Group will not enter into any transaction of such nature moving forward.
- (6) This transaction was conducted on arm's length basis and on normal commercial terms which were not unfavourable to our Group. This transaction was carried out in our Group's ordinary course of business in line with the range of service fees charged to other third-party customers.
- (7) The repayment was pursuant to stamp duty paid by Wencor on behalf of 5ERSB. The said payment on behalf was not conducted on arm's length basis as the outstanding amount arising therefrom was interest-free.
- (8) This transaction was conducted on arm's length basis and on normal commercial terms which were not unfavourable to our Group as the service fees charged by Golden Oriental Realty were comparable to those of third-party service providers. Nevertheless, our Group will not engage Golden Oriental Realty for such services moving forward.

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**10. RELATED PARTY TRANSACTIONS**

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Our Board has confirmed that there are no other material related party transactions that we had entered into with our related parties but not yet effected up to the date of this Prospectus.

Save for the provision of scheduled waste management services to Wentel Engineering and Wencor (collectively, “**Continuing RPTs**”), there are no subsisting transactions with our related parties after our Listing. The terms of the Continuing RPTs will be reviewed by our ARMC and our Board, and we shall seek the relevant approvals from our shareholders to enter into such recurrent related party transactions at a general meeting, if required under the Listing Requirements.

Upon our Listing, our ARMC will review the terms of any related party transactions (including any recurrent related party transactions) and ensure that they are conducted on an arm’s length basis and on terms not more favourable to the related parties than those generally available to the public and are not detrimental to our minority shareholders. We will make disclosures in our annual report of the aggregate value of recurrent related party transactions entered into by us based on the nature of transactions made, names of the related parties involved and their relationship with our Group during the financial year and in the annual reports for the subsequent financial years.

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**10. RELATED PARTY TRANSACTIONS****10.2 OTHER TRANSACTIONS****10.2.1 Transactions which are unusual in their nature or conditions**

There were no transactions that are unusual in nature or conditions, involving goods, services, tangible or intangible assets, to which our Group was a party during the Period Under Review and up to the LPD.

**10.2.2 Amount due from / to our related parties****(i) Amount due from our related parties**

|                                                      | As at<br>31<br>December<br>2022<br>RM'000 | As at<br>31<br>December<br>2023<br>RM'000 | As at<br>31<br>December<br>2024<br>RM'000 | As at<br>31<br>October<br>2025<br>RM'000 | As at<br>LPD<br>RM'000 |
|------------------------------------------------------|-------------------------------------------|-------------------------------------------|-------------------------------------------|------------------------------------------|------------------------|
| Amount due from Directors                            | -                                         | -                                         | -                                         | -                                        | -                      |
| Amount due from other related parties <sup>(1)</sup> | 163                                       | -                                         | -                                         | -                                        | -                      |
| <b>Total</b>                                         | <b>163</b>                                | -                                         | -                                         | -                                        | -                      |

Note:

- (1) Comprising outstanding amount arising from professional fees paid by 5ERSB on behalf of 5E Holdings in FYE 2021 of RM0.13 million and FYE 2022 of RM0.03 million.

**(ii) Amount due to our related parties**

|                                                    | As at<br>31<br>December<br>2022<br>RM'000 | As at<br>31<br>December<br>2023<br>RM'000 | As at<br>31<br>December<br>2024<br>RM'000 | As at<br>31<br>October<br>2025<br>RM'000 | As at<br>LPD<br>RM'000 |
|----------------------------------------------------|-------------------------------------------|-------------------------------------------|-------------------------------------------|------------------------------------------|------------------------|
| Amount due to Directors                            | -                                         | -                                         | -                                         | -                                        | -                      |
| Amount due to other related parties <sup>(1)</sup> | 23,676                                    | 25,836                                    | 25,836                                    | -                                        | -                      |
| <b>Total</b>                                       | <b>23,676</b>                             | <b>25,836</b>                             | <b>25,836</b>                             | -                                        | -                      |

Note:

- (1) Comprising advances from 5E Singapore to 5ERSB.



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**10. RELATED PARTY TRANSACTIONS**

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**10.2.3 Financial assistance from / to our related parties**

There are no financial assistance (including guarantees of any kind) made by our Group to or for the benefit of any of our related parties for the Period Under Review and up to the LPD.

As part of the terms of the banking and credit facilities extended to our Group, some of the Directors and shareholders of our Group have jointly and severally provided personal guarantees to the financial institutions and financing party extending these facilities, i.e., Public Bank Berhad, Mercedes-Benz Services Malaysia Sdn Bhd and Affin Bank Berhad ("**Financiers**").

In conjunction with our Listing, we have applied to the Financiers for a release and / or discharge of the personal guarantees. As at the LPD, we have received approval from the Financiers for the said release of personal guarantees subject to our Group replacing them with a corporate guarantee from our Company. In view of this, we will replace the aforesaid personal guarantees with a corporate guarantee from our Company within 6 months upon listing.

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**10. RELATED PARTY TRANSACTIONS****10.3 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS****10.3.1 ARMC review**

Our ARMC will review related party transactions and conflict of interest situations that may arise within our Group including any transaction, procedure or course of conduct that raises questions of management integrity. Our ARMC will also maintain and periodically review the adequacy of the procedures and processes established by our Company to monitor related party transactions and conflicts of interest. It also sets the procedures and processes to ensure that transactions are carried out in the best interest of our Company on normal commercial terms that are industry norms and not more favourable to the related party than those generally available to third parties dealing at arm's length, and are not to the detriment of the interest of our Company's minority shareholders. Among others, the related parties and parties who are in a position of conflict with the interest of our Group will be required to abstain from deliberations on the transactions.

All reviews by our ARMC will be reported to our Board for its further action.

**10.3.2 Our Group's policy on related party transactions**

Related party transactions by their nature, involve conflict of interest between our Group and the related parties with whom our Group has entered into such transactions. Any such related party transactions may individually and in aggregate have conflicts of interest.

Any related party transactions shall be reviewed by our ARMC to ensure that they are carried out on normal commercial terms which are not more favourable to the related parties than those generally available to the public dealing at arm's length with our Group and are not detrimental to our minority shareholders.

In addition, we have adopted a comprehensive corporate governance framework that meets best practice principles to mitigate any potential conflict of interest situation, and intend for the framework to be guided by the Listing Requirements and MCCG upon our Listing. The procedures which may form part of the framework include, amongst other things, the following:

- (i) our Board shall ensure that half of our Board members are independent directors and will undertake an annual assessment on our independent directors;
- (ii) our Directors will be required to immediately make full disclosure of any direct / indirect interest that they may have in any business enterprise that is engaged in or proposed to be engaged in a transaction with our Group, whether or not they believe it is a material transaction. Upon such disclosure, the interested director shall be required to abstain from deliberations and voting on any resolution related to the related party transaction; and
- (iii) all existing or potential related party transactions would have to be disclosed by the interested party for management reporting. Our management will propose the transaction to our ARMC for evaluation and assessment who would in turn, make a recommendation to our Board for deliberation and approval.

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# 11. CONFLICT OF INTEREST

## 11.1 INTEREST IN SIMILAR BUSINESS AND IN BUSINESSES OF OUR CUSTOMERS OR SUPPLIERS

As at the LPD, save as disclosed below, none of our Directors or substantial shareholders has any interest, direct or indirect, in any businesses or corporations which are carrying on a similar trade as our Group or which are the customers and / or suppliers of our Group:

| Name of company    | Principal activities                                                                                                                 | Nature of transaction                                         | Nature of interest                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------|--------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Wentel Engineering | Principally involved in the fabrication of semifinished metal products, fabrication of metal parts and assembly of finished products | Provision of scheduled waste management services by our Group | <ul style="list-style-type: none"> <li>Loo Sok Ching, Wong Kim Fatt and Ban Kim Wah are substantial shareholders of Wentel Engineering Holdings, which is the holding company of Wentel Engineering.</li> <li>Loo Sok Ching and Wong Kim Fatt are the parents of Wong Chun Wei, an Executive Director of Wentel Engineering Holdings.</li> <li>Ban Kim Wah is the Non-Independent Non-Executive Chairman of Wentel Engineering Holdings.</li> <li>Wang Sze Min and Siow Chin How are Independent Non-Executive Directors of Wentel Engineering Holdings.</li> <li>Wang Han Lin is a person connected with Soo Wee Loon (by virtue of them being the partners of Messrs Wang &amp; S.B. Wong), an Independent Non-Executive Director of Wentel Engineering Holdings.</li> </ul> |
| Wencor             | Engaged in supply chain management of vacuum cleaner spare parts and manufacturing of plastic injection moulding                     | Provision of scheduled waste management services by our Group | <ul style="list-style-type: none"> <li>Loo Sok Ching and Wong Kim Fatt are directors and substantial shareholders of Wencor. They are also the parents of Wong Ying Wei, a director of Wencor.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

**11. CONFLICT OF INTEREST**

Our Board is of the view that any potential conflict of interest situation which may arise through the aforesaid interests has been mitigated on the following basis:

- (i) In the conduct of our Group's business activities, Wentel Engineering and Wencor engage our Group to provide scheduled waste management services. For the Period Under Review, the revenue contribution from Wentel Engineering and Wencor represents less than 0.30% and 0.01% of our Group's total revenue respectively. In view thereof, Wentel Engineering and Wencor are not major customers of our Group and our Group is not dependent on them;
- (ii) Wong Kim Fatt and Ban Kim Wah are solely our substantial shareholders, while Loo Sok Ching is our Non-Independent Non-Executive Chairperson (since May 2025) and a substantial shareholder. They do not have any managerial or executive position in our Group. As such, they do not deal with our Group's day-to-day operations, including any acquisition of customers for our scheduled waste management services;
- (iii) Our transactions with Wentel Engineering and Wencor are required to comply with our Related Party Transactions Policy and Procedures which stipulate that, among others, the pricing for these transactions must be determined based on our Group's business practices and policies as well as competitive prices of similar products and services in the open market. These transactions are also required to be deliberated upon by both our ARMC and Board, and subsequently approved by our Board, where participation is restricted to non-conflicted Directors; and
- (iv) In view that Wentel Engineering Holdings is a company listed on the ACE Market, any related party transactions between Wentel Engineering and our Group are similarly subject to Wentel Engineering Holdings' Related Party Transactions Policy and Procedures. This provides an additional layer of governance on the transactions between our Group and Wentel Engineering.

Our Directors will declare to our ARMC and Board 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 ARMC will then evaluate if such a Director's involvement gives rise to an actual or potential conflict of interest with our Group's business based on the disclosure provided by such Director. After a determination has been made on whether there is an actual or potential conflict of interest of a Director, our ARMC will then report its findings to our Board. Our Board, upon reviewing the recommendation by our ARMC, will engage in deliberation, review the matter and decide on the next course of action. When a potential conflict of interest is disclosed, our ARMC and Board will carefully evaluate the situation and may consider various feedback and actions to address the matter.

Where a Director has disclosed a conflict of interest, the conflicted Director shall abstain from any discussion of our Board and Board committees relating to the subject of the conflict of interest and the conflicted Director shall not vote or in any way attempt to influence the discussion of, or voting on, the matter at issue. The conflicted Director may however at the request of the Chairperson of our Board and Board committees be present at our Board and Board committees' meetings for the purposes of answering any questions.

In circumstances where a Director is determined 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 fiduciary responsibility to our Group, our ARMC may take necessary disciplinary actions, such as reassignment, termination, or other appropriate measures.

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**11. CONFLICT OF INTEREST**

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**11.2 DECLARATION BY THE ADVISERS**

- (i) TA Securities has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as the Principal Adviser, Sponsor, Underwriter and Placement Agent for our IPO;
- (ii) Crowe Malaysia PLT has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as the Auditors and Reporting Accountants for our IPO;
- (iii) David Lai & Tan has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as the Solicitors for our IPO; and
- (iv) Vital Factor has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as the IMR for our IPO.

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**12. FINANCIAL INFORMATION****12.1 HISTORICAL FINANCIAL INFORMATION****12.1.1 Historical combined statements of profit or loss and other comprehensive income**

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

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

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

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**12. FINANCIAL INFORMATION**Notes:

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

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

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

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**12. FINANCIAL INFORMATION****12.1.2 Historical combined statements of financial position**

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

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

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



**12. FINANCIAL INFORMATION**

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

Notes:

(1) Mainly include:

- (i) rental deposit of RM0.52 million for the PLO 321 Facility land prior to our acquisition in October 2024 as well as utility deposits of RM0.21 million as at 31 December 2022;
  - (ii) rental deposit of RM0.52 million for the PLO 321 Facility land prior to our acquisition in October 2024, utility deposits of RM0.30 million and security deposits paid to suppliers of RM0.63 million as at 31 December 2023;
  - (iii) utility deposits of RM0.30 million and security deposits paid to suppliers of RM0.38 million as at 31 December 2024; and
  - (iv) utility deposits of RM0.38 million, security deposits paid to suppliers of RM0.49 million, prepayment of listing expenses of RM2.53 million as well as RM8.80 million paid as purchase consideration for the acquisition of Lot 13416 & 13417 as at 31 October 2025. As the acquisition has yet to complete as at 31 October 2025, the purchase consideration paid was classified under other receivables instead of PPE.
- (2) Refers to 5E Holdings, which was 5ERSB's immediate holding company during FYE 2022, FYE 2023, FYE 2024 and FPE 2025.
  - (3) The lease liabilities (under non-current liabilities) were nil as at 31 December 2024 following the derecognition of lease liability for the PLO 321 Facility land pursuant to the completion of the acquisition of the said land in October 2024.
  - (4) Mainly include capital expenditure payable / accrued for PLO 321 Facility, accruals and provisions for salaries, bonuses and / or statutory payments, and utilities payable.
  - (5) Refers to 5E Singapore, which was 5ERSB's ultimate holding company during FYE 2022, FYE 2023, FYE 2024 and FPE 2025. The amount due to 5E Singapore was arising from the advances received. As at the LPD, the outstanding amount has been fully settled by our Group via capitalisation, further details of which are set out in **Section 6.2.1** of this Prospectus.

**12. FINANCIAL INFORMATION****12.1.3 Historical combined statements of cash flows**

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

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

**12. FINANCIAL INFORMATION**

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

Notes:

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

**12. FINANCIAL INFORMATION****12.2 CAPITALISATION AND INDEBTEDNESS**

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

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

Notes:

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

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

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

## 12. FINANCIAL INFORMATION

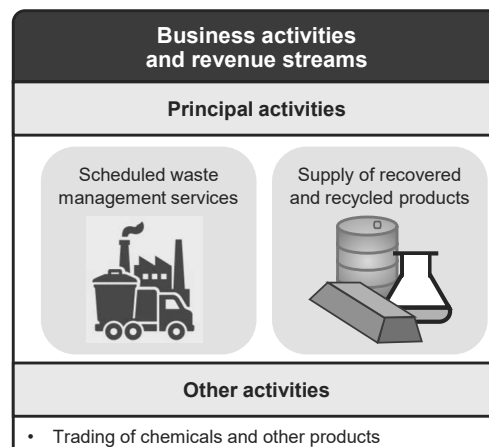
### 12.3 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

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

#### 12.3.1 Overview of our business operations

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

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

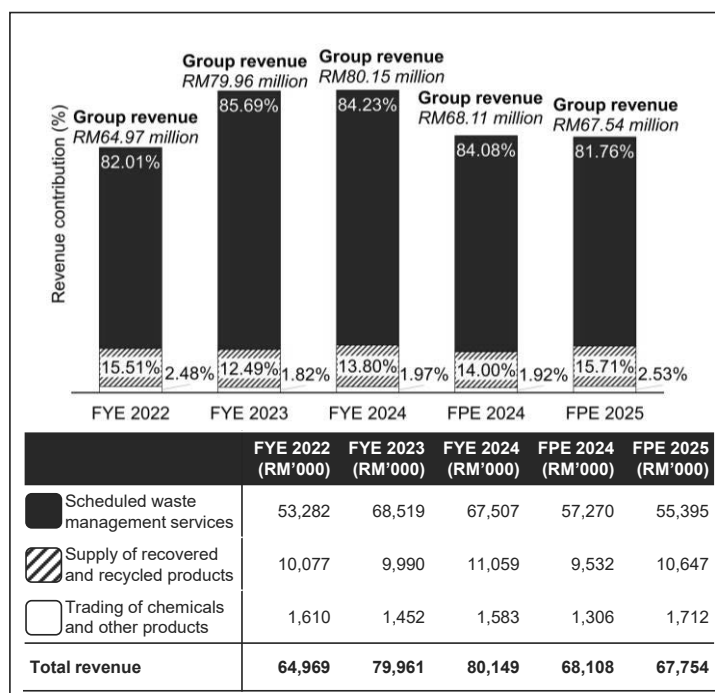


Please refer to **Section 7.2** of this Prospectus for further information on our business operations.

#### 12.3.2 Overview of our financial results

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

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



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

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

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

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**12. FINANCIAL INFORMATION**

**(ii) Revenue by geographical markets**

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

**Notes:**

- (1) Based on customers' invoice address.
- (2) Other states comprised Kedah, Kelantan, Kuala Lumpur, Negeri Sembilan, Pahang, Perlis, Pulau Pinang, and Terengganu.
- (3) Other countries comprised Australia, Japan, and Singapore. All of the customers from these countries are for our supply of recovered and recycled products segment.

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**12. FINANCIAL INFORMATION****(iii) Collection volume of scheduled wastes**

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

Note:

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

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

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

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**12. FINANCIAL INFORMATION****Comparison between FYE 2023 and FYE 2022**

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

**Provision of scheduled waste management services**

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

**Supply of recovered and recycled products**

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

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

**Trading of chemicals and other products**

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

**Comparison between FYE 2024 and FYE 2023**

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

**Provision of scheduled waste management services**

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

**12. FINANCIAL INFORMATION****Supply of recovered and recycled products**

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

**Trading of chemicals and other products**

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

**Comparison between FPE 2025 and FPE 2024**

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

**Provision of scheduled waste management services**

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

**Supply of recovered and recycled products**

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

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

**Trading of chemicals and other products**

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

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**12.3.4 Cost of Sales**

**(i) Cost of sales by cost components**

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

**(ii) Cost of sales by business activities**

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

**Note:**

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

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Our cost of sales mainly consists of the following:

- **Material costs**

Our material costs comprised the following:

- Scheduled wastes which contain recoverable or recyclable materials with high value. Examples of such wastes include silver paste, metal dross, and certain spent or contaminated metals, solvents, oils, containers, and e-wastes.
- Chemicals including demulsifying agents, coagulants, flocculants, disinfectants, and nutrient which are essential for scheduled waste recovery and recycling processes such as waste coolant and oil recycling, as well as wastewater treatment.
- Diesel and fuel oil which are used as primary heat sources for our thermal oxidation and carbonisation processes.
- Consumables such as filters and activated carbon filters which are used to remove solid particles and VOCs from fluids.
- Products purchased for trading including acids, other chemicals, industrial alcohol, laboratory consumables and containers.

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

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

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

- **Subcontracted services**

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

- Sludge disposal services where we engage third-party licensed contractors to collect and further treat the sludge that we generate as a result of our scheduled waste management operations;
- Collection of recycled usable materials with low immediate economic value where we engage third-party companies to collect and remove them from our facilities;

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- Logistic services where we engage third-party licensed logistics service providers to collect scheduled waste from our customers' premises before transporting the scheduled waste to our facilities;
- On-site sorting, labelling and loading services which comprised third-party contractors to carry out the sorting, labelling and loading of scheduled wastes at our customers' premises.

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

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

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

- **Direct labour costs**

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

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

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

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

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- **Overhead costs**

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

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

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

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

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

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## 12. FINANCIAL INFORMATION

### 12.3.5 GP and GP margin by business activities

|                                                        | Audited       |               |                     |               |               |                     |
|--------------------------------------------------------|---------------|---------------|---------------------|---------------|---------------|---------------------|
|                                                        | FYE 2022      |               |                     | FYE 2023      |               |                     |
|                                                        | GP<br>RM'000  | %             | GP<br>margin<br>(%) | GP<br>RM'000  | %             | GP<br>margin<br>(%) |
| Provision of scheduled waste management services       | 25,724        | 86.38         | 48.28               | 37,240        | 93.54         | 54.35               |
| Supply of recovered and recycled products              | 3,001         | 10.08         | 29.78               | 1,511         | 3.80          | 15.13               |
| Trading of chemicals and other products <sup>(1)</sup> | 1,054         | 3.54          | 65.47               | 1,061         | 2.66          | 73.07               |
| <b>Total GP / GP margin</b>                            | <b>29,779</b> | <b>100.00</b> | <b>45.84</b>        | <b>39,812</b> | <b>100.00</b> | <b>49.79</b>        |
|                                                        |               |               |                     | <b>36,421</b> | <b>100.00</b> | <b>45.44</b>        |

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

**Note:**

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



**12. FINANCIAL INFORMATION****Comparison between FYE 2023 and FYE 2022**

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

**Provision of scheduled waste management services**

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

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

**Supply of recovered and recycled products**

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

**Trading of chemicals and other products**

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

**Comparison between FYE 2024 and FYE 2023**

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

**Provision of scheduled waste management services**

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

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

**12. FINANCIAL INFORMATION****Supply of recovered and recycled products**

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

**Trading of chemicals and other products**

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

**Comparison between FPE 2025 and FPE 2024**

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

**Provision of scheduled waste management services**

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

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

**Supply of recovered and recycled products**

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

**Trading of chemicals and other products**

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

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

## 12. FINANCIAL INFORMATION

### 12.3.6 Finance and other operating income

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

Notes:

\* Less than RM500 or 0.01%.

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

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**12. FINANCIAL INFORMATION**

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**Comparison between FYE 2023 and FYE 2022**

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

**Comparison between FYE 2024 and FYE 2023**

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

**Comparison between FPE 2025 and FPE 2024**

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

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## 12. FINANCIAL INFORMATION

### 12.3.7 Administrative expenses

|                       | Audited      |               |              |               | Unaudited    |               | Audited      |               |
|-----------------------|--------------|---------------|--------------|---------------|--------------|---------------|--------------|---------------|
|                       | FYE 2022     |               | FYE 2023     |               | FYE 2024     |               | FPE 2025     |               |
|                       | RM'000       | %             | RM'000       | %             | RM'000       | %             | RM'000       | %             |
| Staff costs           | 4,461        | 70.31         | 6,250        | 76.87         | 5,267        | 74.43         | 2,480        | 56.17         |
| Depreciation          | 483          | 7.61          | 480          | 5.90          | 551          | 7.79          | 438          | 9.92          |
| Others <sup>(1)</sup> | 1,401        | 22.08         | 1,401        | 17.23         | 1,258        | 17.78         | 1,497        | 33.91         |
| <b>Total</b>          | <b>6,345</b> | <b>100.00</b> | <b>8,131</b> | <b>100.00</b> | <b>7,076</b> | <b>100.00</b> | <b>4,415</b> | <b>100.00</b> |

**Note:**

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

#### **Comparison between FYE 2023 and FYE 2022**

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

#### **Comparison between FYE 2024 and FYE 2023**

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

#### **Comparison between FPE 2025 and FPE 2024**

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

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

## 12. FINANCIAL INFORMATION

### 12.3.8 Selling and distribution expenses

|                                                  | Audited      |               |              | Unaudited     |              |               |
|--------------------------------------------------|--------------|---------------|--------------|---------------|--------------|---------------|
|                                                  | FYE 2022     |               | FYE 2023     |               | FYE 2024     |               |
|                                                  | RM'000       | %             | RM'000       | %             | RM'000       | %             |
| Staff costs and commission Others <sup>(1)</sup> | 3,229        | 96.39         | 2,888        | 94.07         | 2,412        | 94.89         |
|                                                  | 121          | 3.61          | 182          | 5.93          | 130          | 5.11          |
| <b>Total</b>                                     | <b>3,350</b> | <b>100.00</b> | <b>3,070</b> | <b>100.00</b> | <b>2,542</b> | <b>100.00</b> |
|                                                  |              |               |              |               | <b>1,671</b> | <b>91.41</b>  |
|                                                  |              |               |              |               | <b>157</b>   | <b>8.59</b>   |
|                                                  |              |               |              |               | <b>1,828</b> | <b>100.00</b> |

**Note:**

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

#### **Comparison between FYE 2023 and FYE 2022**

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

#### **Comparison between FYE 2024 and FYE 2023**

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

#### **Comparison between FPE 2025 and FPE 2024**

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

## 12. FINANCIAL INFORMATION

### 12.3.9 Finance costs

|                      | Audited    |               |            |               | Unaudited  |               | Audited   |               |
|----------------------|------------|---------------|------------|---------------|------------|---------------|-----------|---------------|
|                      | FYE 2022   |               | FYE 2023   |               | FYE 2024   |               | FPE 2025  |               |
|                      | RM'000     | %             | RM'000     | %             | RM'000     | %             | RM'000    | %             |
| Interest expense on: |            |               |            |               |            |               |           |               |
| Term loans           | 86         | 18.18         | -          | -             | 15         | 3.95          | 41        | 74.54         |
| Hire purchase        | -          | -             | 6          | 1.11          | 20         | 5.26          | 13        | 23.64         |
| Lease liabilities    | 387        | 81.82         | 536        | 98.89         | 345        | 90.79         | 1         | 1.82          |
| <b>Total</b>         | <b>473</b> | <b>100.00</b> | <b>542</b> | <b>100.00</b> | <b>380</b> | <b>100.00</b> | <b>55</b> | <b>100.00</b> |

#### Comparison between FYE 2023 and FYE 2022

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

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

#### Comparison between FYE 2024 and FYE 2023

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

#### Comparison between FPE 2025 and FPE 2024

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

**12. FINANCIAL INFORMATION****12.3.10 PBT, taxation and PAT**

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

**Comparison between FYE 2023 and FYE 2022**

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

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

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

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

**Comparison between FYE 2024 and FYE 2023**

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

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

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



**12. FINANCIAL INFORMATION**

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**Comparison between FPE 2025 and FPE 2024**

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

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

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

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**12. FINANCIAL INFORMATION****12.4 SIGNIFICANT FACTORS AFFECTING OUR GROUP'S OPERATIONS AND FINANCIAL PERFORMANCE****(i) Ability to continuously secure new orders from customers**

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

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

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

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

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

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**12. FINANCIAL INFORMATION****(iv) Impact of interest rates fluctuations**

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

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

**(v) Impact of inflation**

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

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

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

**12.5 LIQUIDITY AND CAPITAL RESOURCES****(i) Working capital**

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

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

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

**12. FINANCIAL INFORMATION****(ii) Cash flow**

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

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

**12. FINANCIAL INFORMATION****(a) Net cash flow from operating activities****FYE 2022**

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

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

**FYE 2023**

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

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

**FYE 2024**

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

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

**FPE 2025**

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

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

**12. FINANCIAL INFORMATION****(b) Net cash flow for investing activities****FYE 2022**

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

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

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

**FYE 2023**

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

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

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

**FYE 2024**

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

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

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

**FPE 2025**

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

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

**12. FINANCIAL INFORMATION****(c) Net cash flow from / for financing activities****FYE 2022**

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

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

**FYE 2023**

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

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

**FYE 2024**

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

**FPE 2025**

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

**(iii) Borrowings**

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

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

**Notes:**

- (1) Term loan to finance the acquisition of the PLO 83 Facility.
- (2) Hire purchase liabilities to finance the purchase of 2 vehicles.
- (3) Calculated based on total borrowings divided by total equity.

**12. FINANCIAL INFORMATION**

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

|                                         | RM'000       |
|-----------------------------------------|--------------|
| Floating rate borrowings <sup>(1)</sup> | 1,623        |
| Fixed rate borrowings <sup>(2)</sup>    | 307          |
| <b>Total</b>                            | <b>1,930</b> |

Notes:

(1) Comprised term loan.

(2) Comprised hire purchase liabilities.

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

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

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

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

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**12. FINANCIAL INFORMATION****(iv) Financial instrument, treasury policies and objectives**

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

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

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

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

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

**(v) Material litigation and contingent liabilities****(a) Material litigation**

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

**(b) Contingent liabilities**

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

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**12. FINANCIAL INFORMATION****(vi) Material capital commitment**

Our capital commitment as at the LPD is as follows:

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

Notes:

- (1) The total cost for the renovation of PLO 83 & 317 Facility is RM1.85 million and as at the LPD, RM1.83 million has been paid and the remaining RM0.02 million will be paid progressively upon completion of works. The renovation works such as the construction of on-site detention tanks and associated drainage works, provision of road markings, and modification of awnings, are undertaken in relation to the amalgamation of the 2 parcels of land. The renovation works are expected to be completed by March 2026 and this do not affect our operations at the PLO 83 & 317 Facility.
- (2) The total cost of setting up PLO 321 Facility (Phase 2) is RM72.00 million and as at the LPD, RM25.52 million has been paid and the remaining RM46.48 million will be paid progressively upon completion of works.

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**12. FINANCIAL INFORMATION****(vii) Capital expenditures and divestitures****Capital expenditures**

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

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

**Notes:**

- (1) Funded via internally-generated funds.
- (2) Funded via a combination of internally generated funds and bank borrowings.
- (3) Funded via a combination of internally-generated funds and the proceeds raised from the SGX Listing for FYE 2022 to FYE 2024, and internally generated funds for FPE 2025, and 1 November 2025 up to the LPD.
- (4) The capital expenditure for assets under construction and leasehold land is in relation to the establishment of the PLO 321 Facility and New Perak Facility which are in-progress. Kindly refer to **Section 12.5(vi)** of this Prospectus for further details on the respective capital commitment for both facilities.

**FYE 2022**

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

**FYE 2023**

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

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

**12. FINANCIAL INFORMATION**

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**FYE 2024**

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

**FPE 2025**

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

- RM15.15 million for assets under construction arising from both machinery and equipment for, as well as construction works on, PLO 321 Facility; and
- RM1.17 million for the acquisition of Property No.31.

**From 1 November 2025 up to the LPD**

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

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**12. FINANCIAL INFORMATION****Capital divestitures**

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

|                | <b>FYE<br/>2022</b> | <b>FYE<br/>2023</b> | <b>FYE<br/>2024</b> | <b>FPE<br/>2025</b> | <b>1<br/>November<br/>2025 up to<br/>the LPD</b> |
|----------------|---------------------|---------------------|---------------------|---------------------|--------------------------------------------------|
|                | <b>RM'000</b>       | <b>RM'000</b>       | <b>RM'000</b>       | <b>RM'000</b>       | <b>RM'000</b>                                    |
| Motor vehicles | -                   | (1)250              | -                   | 111                 | -                                                |
| <b>Total</b>   | <b>-</b>            | <b>250</b>          | <b>-</b>            | <b>111</b>          | <b>-</b>                                         |

Note:

(1) Based on cost value.

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

**12.6 KEY FINANCIAL RATIOS**

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

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

Notes:

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

**12. FINANCIAL INFORMATION**

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

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

**(i) Trade receivables turnover period**

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

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

Note:

(1) Computed as follows:

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

Note:

\* Net of loss allowance

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

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

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

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

**12. FINANCIAL INFORMATION**

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

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

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

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

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

**(ii) Trade payables turnover period**

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

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

**12. FINANCIAL INFORMATION**Note:

(1) Computed as follows:

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

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

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

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

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

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

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



**12. FINANCIAL INFORMATION****(iii) Inventory turnover period**

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

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

Note:

(1) Computed as follows:

|                   | <b>Audited</b>  |                 |                 |                 |
|-------------------|-----------------|-----------------|-----------------|-----------------|
|                   | <b>FYE 2022</b> | <b>FYE 2023</b> | <b>FYE 2024</b> | <b>FPE 2025</b> |
|                   | <b>RM'000</b>   | <b>RM'000</b>   | <b>RM'000</b>   | <b>RM'000</b>   |
| Opening inventory | 499             | 540             | 414             | 414             |
| Closing inventory | 540             | 414             | 414             | 702             |
| Average inventory | 520             | 477             | 414             | 558             |

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

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

**12. FINANCIAL INFORMATION****(iv) Current ratio**

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

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

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

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

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

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**12. FINANCIAL INFORMATION****(v) Gearing ratio**

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

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

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

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

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

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**12. FINANCIAL INFORMATION****12.7 ACCOUNTING POLICIES AND AUDIT QUALIFICATION**

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

**12.8 TREND ANALYSIS**

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

- (i) known trends, demands, commitments, events or uncertainties that have had, or that we reasonably expect to have, a material favourable or unfavourable impact on our financial performance, position, operations, liquidity and capital resources, save as disclosed in this section, and **Sections 7 and 9** of this Prospectus;
- (ii) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group, save as disclosed in this section, and **Sections 7 and 9** of this Prospectus;
- (iii) known trends, demands, commitments, events or uncertainties that had resulted in a material impact on our revenue and / or profits, save as disclosed in this section, and **Sections 7 and 9** of this Prospectus; and
- (iv) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our Group's historical combined financial statements not indicative of the future financial performance and position, save as disclosed in this section, **Sections 7 and 9** of this Prospectus.

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

**12.9 ORDER BOOK**

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

**12.10 DIVIDEND POLICY**

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

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

**12. FINANCIAL INFORMATION**

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

- (i) the level of our cash, gearing, return on equity and retained earnings;
- (ii) our expected financial performance;
- (iii) our working capital requirements;
- (iv) our investment plans;
- (v) any material impact of tax laws and other regulatory requirements; and
- (vi) any restrictive covenants contained in our current and future financing arrangements.

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

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

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

**Notes:**

- (1) The dividends were funded entirely from internally generated funds.
- (2) Computed based on dividends paid divided by PAT.

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

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

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

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

**12.11 SIGNIFICANT CHANGES**

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

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**13. ACCOUNTANTS' REPORT**

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**5E RESOURCES HOLDINGS BERHAD**

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

**Accountants' Report on the  
Financial Information**

### 13. ACCOUNTANTS' REPORT



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

**11 MAR 2026**

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

**Dear Sirs/Madam,**

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

#### **OPINION**

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

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

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

#### **BASIS FOR OPINION**

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

**13. ACCOUNTANTS' REPORT***Independence and Other Ethical Responsibilities*

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

**DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL INFORMATION**

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

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

**REPORTING ACCOUNTANTS' RESPONSIBILITY FOR THE AUDIT OF FINANCIAL INFORMATION**

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

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

- Identify and assess the risks of material misstatement of the combined financial information of the Group, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.



**13. ACCOUNTANTS' REPORT****REPORTING ACCOUNTANTS' RESPONSIBILITY FOR THE AUDIT OF FINANCIAL INFORMATION (CONT'D)**

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

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

**OTHER MATTERS**

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

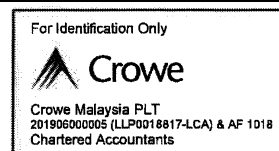
**RESTRICTION ON DISTRIBUTION AND USE**

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

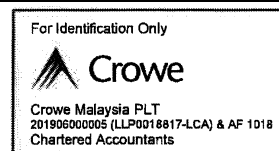
**Crowe Malaysia PLT**  
201906000005 (LLP0018817-LCA) & AF 1018  
Chartered Accountants

Kuala Lumpur

**Lean Wei Ee**  
03827/05/2026 J  
Chartered Accountant

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****COMBINED STATEMENTS OF FINANCIAL POSITION**

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****COMBINED STATEMENTS OF FINANCIAL POSITION (CONT'D)**

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



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

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

**13. ACCOUNTANTS' REPORT**

**5E RESOURCES HOLDINGS BERHAD**  
**COMBINED STATEMENTS OF CHANGES IN EQUITY**



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

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

**13. ACCOUNTANTS' REPORT**

**5E RESOURCES HOLDINGS BERHAD**

**COMBINED STATEMENTS OF CHANGES IN EQUITY (CONT'D)**



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

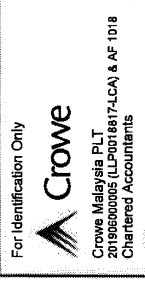
The annexed notes form an integral part of these financial statements.

**13. ACCOUNTANTS' REPORT**

**5E RESOURCES HOLDINGS BERHAD**

**COMBINED STATEMENTS OF CHANGES IN EQUITY (CONT'D)**

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



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

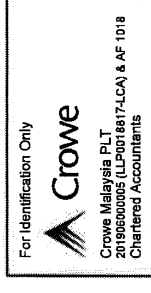




13. ACCOUNTANTS' REPORT

5E RESOURCES HOLDINGS BERHAD

COMBINED STATEMENTS OF CASH FLOWS (CONT'D)



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

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



**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****COMBINED STATEMENTS OF CASH FLOWS (CONT'D)**

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

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****COMBINED STATEMENTS OF CASH FLOWS (CONT'D)****RECONCILIATION OF CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES**

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

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

**13. ACCOUNTANTS' REPORT**

**5E RESOURCES HOLDINGS BERHAD**

**COMBINED STATEMENTS OF CASH FLOWS (CONT'D)**

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



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

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

**13. ACCOUNTANTS' REPORT**

**5E RESOURCES HOLDINGS BERHAD**

**COMBINED STATEMENTS OF CASH FLOWS (CONT'D)**

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



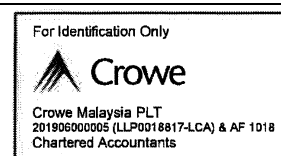
| Audited                                          | At<br>1 January<br>RM'000 | Cash<br>(outflow)/<br>inflows<br>RM'000 | <----- Non-cash changes -----> |                               |                        |                                 |                                     | At<br>31 October<br>RM'000 |
|--------------------------------------------------|---------------------------|-----------------------------------------|--------------------------------|-------------------------------|------------------------|---------------------------------|-------------------------------------|----------------------------|
|                                                  |                           |                                         | Interest<br>paid<br>RM'000     | Interest<br>expense<br>RM'000 | New<br>lease<br>RM'000 | Lease<br>modification<br>RM'000 | Issuance of<br>new shares<br>RM'000 |                            |
| 31 October 2025                                  |                           |                                         |                                |                               |                        |                                 |                                     |                            |
| Amount due to former<br>ultimate holding company | 25,836                    | -                                       | -                              | -                             | -                      | -                               | (25,836)                            | -                          |
| Term loans                                       | 1,900                     | (277)                                   | (41)                           | 41                            | -                      | -                               | -                                   | 1,623                      |
| Hire purchase liabilities                        | 389                       | (82)                                    | (13)                           | 13                            | -                      | -                               | -                                   | 307                        |
| Lease liabilities                                | 19                        | (19)                                    | (1)                            | 1                             | -                      | -                               | -                                   | -                          |
|                                                  | 28,144                    | (378)                                   | (55)                           | 55                            | -                      | -                               | (25,836)                            | 1,930                      |

**Unaudited**

**31 October 2024**

|                                                  |        |       |       |     |   |         |   |        |
|--------------------------------------------------|--------|-------|-------|-----|---|---------|---|--------|
| Amount due to former<br>ultimate holding company | 25,836 | -     | -     | -   | - | -       | - | 25,836 |
| Term loans                                       | 2,250  | (299) | (5)   | 5   | - | -       | - | 1,951  |
| Hire purchase liabilities                        | 482    | (78)  | (17)  | 17  | - | -       | - | 404    |
| Lease liabilities                                | 9,963  | (76)  | (344) | 344 | - | (9,862) | - | 25     |
|                                                  | 38,531 | (453) | (366) | 366 | - | (9,862) | - | 28,216 |

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****1. GENERAL INFORMATION**

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

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

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

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

- (a) 5E Resources Sdn. Bhd. ("5ERSB"), which was incorporated on 26 July 2006 in Malaysia, as a private limited company and is principally engaged in the provision of scheduled waste management services and supply of recovered and recycled products.
- (b) TS Heuls Chemical & Engineering Sdn. Bhd. ("TSHSB"), which was incorporated on 10 July 1997 in Malaysia, as a private limited company and is principally engaged in trading of chemicals and other products.
- (c) 5E Resources Northern Sdn. Bhd. ("5ERNSB"), which was incorporated on 7 March 2025 in Malaysia, as a private limited company and is principally engaged in the provision of scheduled waste management services and supply of recovered and recycled products.
- (d) The registered office and principal place of business of 5ERHB, 5ERSB, TSHSB and 5ERNSB are as follows:

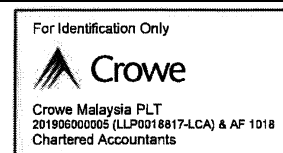
|                             |   |                                                                                                                        |
|-----------------------------|---|------------------------------------------------------------------------------------------------------------------------|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

Notes:

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

(Collectively defined as "the Group")



**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****1. GENERAL INFORMATION (CONT'D)****1.1 RESTRUCTURING EXERCISE**

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

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

**1.2 LISTING SCHEME**

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

**(i) Public Issue**

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

- 192,500,000 Issue Shares, representing approximately 12.50% of the enlarged issued share capital of the Company, are reserved for private placement to Bumiputera investors approved by the Ministry of Investment, Trade and Industry of Malaysia;
- 35,000,000 Issue Shares, representing approximately 2.27% of the enlarged issued share capital of the Company, are reserved for eligible Directors, employees and persons who have contributed to the success of the Group; and
- 77,000,000 Issue Shares, representing approximately 5.00% of the enlarged issued share capital of the Company, are reserved for application by the Malaysian Public by way of balloting.

**(ii) Offer for Sale**

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

**(iii) Listing**

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

**13. ACCOUNTANTS' REPORT**

**5E RESOURCES HOLDINGS BERHAD**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS**

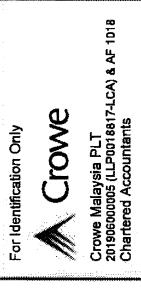
**1. GENERAL INFORMATION (CONT'D)**

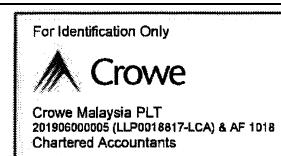
**1.3 SHARE CAPITAL**

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

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

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



**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****2. BASIS OF PREPARATION**

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

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

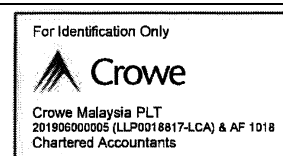
(i) No financial statements are available for 5ERHB as 5ERHB was incorporated on 19 May 2025.

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

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

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

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****2. BASIS OF PREPARATION (CONT'D)**

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

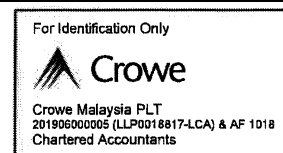
All material intra-group transactions and balances have been eliminated on combination.

- 2.1 The combined financial statements of the Group have been prepared under the historical cost convention and modified to include other basis of valuation as disclosed in other sections of the material accounting policy information, and in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and Prospectus Guidelines issued by the Securities Commission Malaysia.
- 2.2 The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial period:-

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

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

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****3. MATERIAL ACCOUNTING POLICY INFORMATION****3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS***Key Sources of Estimation Uncertainty*

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

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

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

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

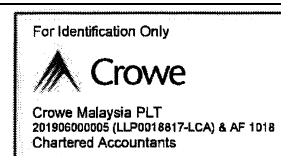
Significant assumptions are used to estimate the total estimated time period which affect the accuracy of revenue recognition based on the percentage-of-completion. In making these estimates, management has relied on past experience.

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

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

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

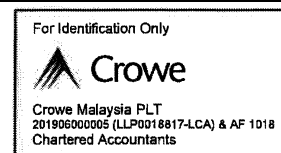
The Group reviews annually the estimated useful lives of property, plant and equipment based on the factors that include asset utilisation, internal technical evaluation, technological changes, environmental factors and anticipated use of the assets. It is possible that the Group's future results could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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)***Key Sources of Estimation Uncertainty (Cont'd)***(c) Impairment of trade receivables**

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

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

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****3.2 FINANCIAL INSTRUMENTS****(a) Financial Assets**Financial Assets Through Profit or Loss

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

Financial Assets at Amortised Cost

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

**(b) Financial Liabilities**Financial Liabilities Through Profit or Loss

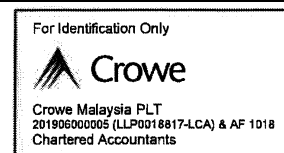
The financial liabilities are initially measured at fair value. Subsequent to the initial recognition, the financial liabilities are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest expense.

Financial Liabilities at Amortised Cost

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

**(c) Equity**Ordinary Shares

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****3.3 PROPERTY, PLANT AND EQUIPMENT**

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

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

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

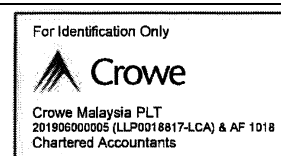
|                                |                |
|--------------------------------|----------------|
| Buildings                      | 40 - 50 years  |
| Plant and equipment            | 3 - 10 years   |
| Furniture and office equipment | 2.5 - 10 years |
| Motor vehicles                 | 5 years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

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

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

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



**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****3.4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES****(a) Short-term Leases and Leases of Low-value Assets**

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

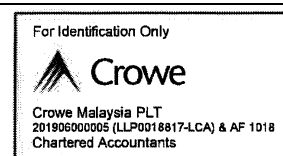
**(b) Right-of-use Assets**

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

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

**(c) Lease Liabilities**

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****3.5 INVENTORIES**

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

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

**3.6 REVENUE FROM CONTRACTS WITH CUSTOMERS**Scheduled waste management services

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

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

Supply of recovered and recycled products and trading of chemical products

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

**3.7 REVENUE FROM OTHER SOURCES AND OTHER OPERATING INCOME****(a) Interest Income**

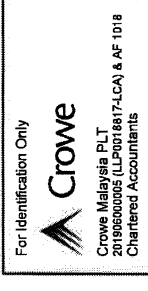
Interest income is recognised on an accrual basis using the effective interest method.

**13. ACCOUNTANTS' REPORT**

**5E RESOURCES HOLDINGS BERHAD**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS**

**4. PROPERTY, PLANT AND EQUIPMENT**



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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

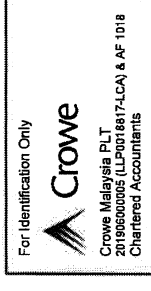
| <b>Audited</b>                        | <b>Buildings<br/>RM'000</b> | <b>Plant and<br/>equipment<br/>RM'000</b> | <b>Furniture<br/>and office<br/>equipment<br/>RM'000</b> | <b>Motor<br/>vehicles<br/>RM'000</b> | <b>Assets<br/>under<br/>construction<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|---------------------------------------|-----------------------------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

**13. ACCOUNTANTS' REPORT**

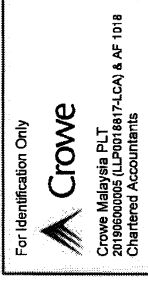
**5E RESOURCES HOLDINGS BERHAD**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS**

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



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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

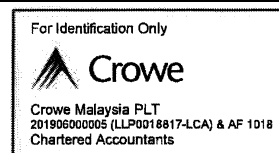
Bank borrowings (Note 14) are secured on buildings of the Group with carrying amounts of RM1,741,000 (31.12.2024: RM1,813,000; 31.12.2023: RM1,900,000; 31.12.2022: RM1,987,000).

Purchase of property, plant and equipment

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

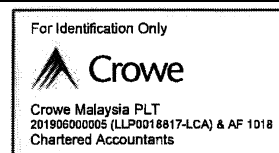
|                                                                       | <b>Audited<br/>31 December<br/>2022<br/>RM'000</b> | <b>Audited<br/>31 December<br/>2023<br/>RM'000</b> | <b>Audited<br/>31 December<br/>2024<br/>RM'000</b> | <b>Unaudited<br/>31 October<br/>2024<br/>RM'000</b> | <b>Audited<br/>31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



**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****5. RIGHT-OF-USE ASSETS**

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



**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****5. RIGHT-OF-USE ASSETS (CONT'D)**

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

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

**6. INVENTORIES**

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****7. TRADE AND OTHER RECEIVABLES**

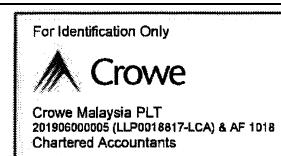
|                      | <b>Audited<br/>31 December<br/>2022<br/>RM'000</b> | <b>Audited<br/>31 December<br/>2023<br/>RM'000</b> | <b>Audited<br/>31 December<br/>2024<br/>RM'000</b> | <b>Audited<br/>31 October<br/>2025<br/>RM'000</b> |
|----------------------|----------------------------------------------------|----------------------------------------------------|----------------------------------------------------|---------------------------------------------------|
| Trade receivables    | 8,620                                              | 11,644                                             | 12,906                                             | 13,581                                            |
| Less: Loss allowance | (189)                                              | (153)                                              | (195)                                              | (261)                                             |
|                      | <u>8,431</u>                                       | <u>11,491</u>                                      | <u>12,711</u>                                      | <u>13,320</u>                                     |
| Sundry receivables   | 2                                                  | -                                                  | -                                                  | 11                                                |
| Deposits             | 907                                                | 1,455                                              | 698                                                | 884                                               |
| Prepayment           | 86                                                 | 230                                                | 450                                                | 12,713                                            |
|                      | <u>9,426</u>                                       | <u>13,176</u>                                      | <u>13,859</u>                                      | <u>26,928</u>                                     |

Movement of loss allowance is as follows:

|                                                      |              |              |              |              |
|------------------------------------------------------|--------------|--------------|--------------|--------------|
| Balance as at 1 January                              | (194)        | (189)        | (153)        | (195)        |
| Decrease/(Increase) during the financial year/period | 5            | 36           | (42)         | (66)         |
| Balance as at 31 December/31 October                 | <u>(189)</u> | <u>(153)</u> | <u>(195)</u> | <u>(261)</u> |

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

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****8. AMOUNT DUE FROM FORMER IMMEDIATE HOLDING COMPANY**

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

**9. AMOUNT DUE FROM A RELATED COMPANY**

|                                           | <b>Audited<br/>31 December<br/>2022<br/>RM'000</b> | <b>Audited<br/>31 December<br/>2023<br/>RM'000</b> | <b>Audited<br/>31 December<br/>2024<br/>RM'000</b> | <b>Audited<br/>31 October<br/>2025<br/>RM'000</b> |
|-------------------------------------------|----------------------------------------------------|----------------------------------------------------|----------------------------------------------------|---------------------------------------------------|
| Amount due from a related company - trade | 18                                                 | 4                                                  | -                                                  | 27                                                |

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

**10. SHORT-TERM DEPOSITS**

|                                    | <b>Audited<br/>31 December<br/>2022<br/>RM'000</b> | <b>Audited<br/>31 December<br/>2023<br/>RM'000</b> | <b>Audited<br/>31 December<br/>2024<br/>RM'000</b> | <b>Audited<br/>31 October<br/>2025<br/>RM'000</b> |
|------------------------------------|----------------------------------------------------|----------------------------------------------------|----------------------------------------------------|---------------------------------------------------|
| Fixed deposits with licensed banks | 489                                                | 85                                                 | -                                                  | -                                                 |

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

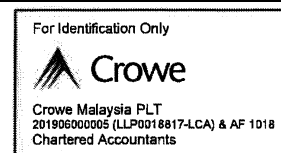
**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****11. CASH AND CASH EQUIVALENTS**

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

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

**12. SHARE CAPITAL**

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****12. SHARE CAPITAL (CONT'D)**

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

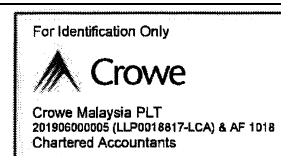
The holders of ordinary shares are entitled to receive dividends as and when declared by the Companies and are entitled to one vote per ordinary share at meetings of the Companies. The ordinary shares have no par value.

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

- (i) Issuance of 25,836,371 new ordinary shares by capitalising the amount due to former ultimate holding company of RM25,836,371;
- (ii) Issuance of 1 new ordinary shares at RM1.00 each for a cash consideration of RM1; and
- (iii) Issuance of 10,000 new ordinary shares at RM0.10 each for a cash consideration of RM1,000.

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

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****13. OTHER RESERVES**

|                                          | Other<br>reserve<br>RM'000 |
|------------------------------------------|----------------------------|
| <b>Audited</b>                           |                            |
| <b>31 December 2022</b>                  |                            |
| At beginning and end of financial year   | 4,445                      |
| <b>Audited</b>                           |                            |
| <b>31 December 2023</b>                  |                            |
| At beginning and end of financial year   | 4,445                      |
| <b>Audited</b>                           |                            |
| <b>31 December 2024</b>                  |                            |
| At beginning and end of financial year   | 4,445                      |
| <b>Audited</b>                           |                            |
| <b>31 October 2025</b>                   |                            |
| At beginning and end of financial period | 4,445                      |

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

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****14. BORROWINGS**

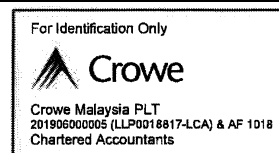
|                              | <b>Audited<br/>31 December<br/>2022<br/>RM'000</b> | <b>Audited<br/>31 December<br/>2023<br/>RM'000</b> | <b>Audited<br/>31 December<br/>2024<br/>RM'000</b> | <b>Audited<br/>31 October<br/>2025<br/>RM'000</b> |
|------------------------------|----------------------------------------------------|-----------------------------------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

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

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

**15. LEASE LIABILITIES**

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

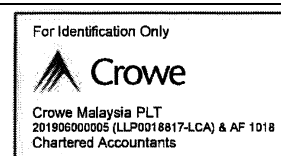
**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****16. DEFERRED TAX LIABILITIES**

|                            | <b>Audited<br/>31 December<br/>2022<br/>RM'000</b> | <b>Audited<br/>31 December<br/>2023<br/>RM'000</b> | <b>Audited<br/>31 December<br/>2024<br/>RM'000</b> | <b>Audited<br/>31 October<br/>2025<br/>RM'000</b> |
|----------------------------|----------------------------------------------------|----------------------------------------------------|----------------------------------------------------|---------------------------------------------------|
| Subject to income tax      |                                                    |                                                    |                                                    |                                                   |
| - deferred tax liabilities | 1,850                                              | 1,350                                              | 1,726                                              | 1,726                                             |

The movements are as follows:

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



**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****16. DEFERRED TAX LIABILITIES (CONT'D)**

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

**17. TRADE AND OTHER PAYABLES**

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

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

**18. AMOUNT DUE TO FORMER ULTIMATE HOLDING COMPANY**

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



13. ACCOUNTANTS' REPORT

5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

19. REVENUE (CONT'D)

Revenue recognised in relation to contract liabilities:

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

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

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

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

## 20. FINANCE COSTS

Interest expenses on:

- term loans
- hire purchase liabilities
- lease liabilities

13. ACCOUNTANTS' REPORT

5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

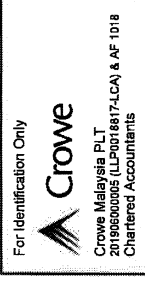
21. NET IMPAIRMENT (GAINS)/LOSSES ON FINANCIAL ASSETS



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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****22. PROFIT BEFORE TAXATION**

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****22. PROFIT BEFORE TAXATION (CONT'D)**

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

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





**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****23. INCOME TAX EXPENSE (CONT'D)****(b) Numerical Reconciliation of Income Tax Expense:**

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

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

13. ACCOUNTANTS' REPORT

5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

24. EARNINGS PER SHARE



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

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



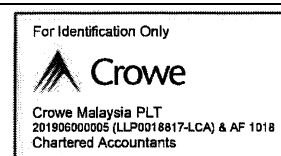
### **13. ACCOUNTANTS' REPORT**

**5E RESOURCES HOLDINGS BERHAD**

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

**25. DIVIDENDS (CONT'D)**

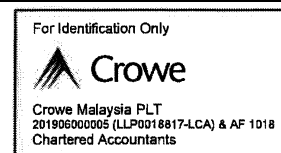
|                                                                                              | <----- Audited ----->              | 2023   | 2024   | Unaudited                | Audited                  |
|----------------------------------------------------------------------------------------------|------------------------------------|--------|--------|-------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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****26. KEY MANAGEMENT PERSONNEL COMPENSATION**

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

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

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

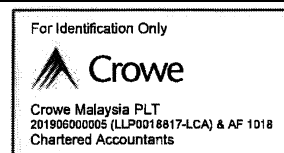
**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****27. SIGNIFICANT RELATED PARTY DISCLOSURES**

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

**(a) Related party relationship**

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

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

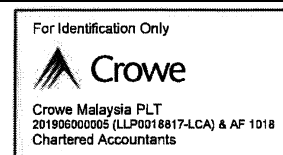
**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****27. SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)**

## (b) Related party transactions

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

**28. CONTINGENT LIABILITIES**

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****29. OPERATING SEGMENTS**

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

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

- (i) Scheduled waste management services
- (ii) Supply of recovered and recycled products
- (iii) Trading of chemicals and other products

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

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

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



**13. ACCOUNTANTS' REPORT**

**5E RESOURCES HOLDINGS BERHAD**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS**

**29. OPERATING SEGMENTS (CONT'D)**

29.1 BUSINESS SEGMENTS

| <b>Audited<br/>31 December 2022</b> | <b>Scheduled<br/>waste<br/>management<br/>services<br/>RM'000</b> | <b>Supply of<br/>recovered and<br/>recycled<br/>products<br/>RM'000</b> | <b>Trading of<br/>chemicals<br/>and other<br/>products<br/>RM'000</b> | <b>Consolidation<br/>adjustments<br/>RM'000</b> | <b>The Group<br/>RM'000</b> |
|-------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------------|-----------------------------|
| <b>Revenue</b>                      |                                                                   |                                                                         |                                                                       |                                                 |                             |
| External revenue                    | 53,282                                                            | 10,077                                                                  | 1,610                                                                 | -                                               | 64,969                      |
| Inter-segment revenue               | -                                                                 | 1                                                                       | 2,103                                                                 | (2,104)                                         | -                           |
| <b>Total revenue</b>                | <b>53,282</b>                                                     | <b>10,078</b>                                                           | <b>3,713</b>                                                          | <b>(2,104)</b>                                  | <b>64,969</b>               |

**Results**

|                               |               |
|-------------------------------|---------------|
| Segments profit               | 20,011        |
| Finance costs                 | 473           |
| <b>Profit before taxation</b> | <b>20,484</b> |

Other information

|                                                    |       |
|----------------------------------------------------|-------|
| Depreciation of property, plant and equipment      | 2,512 |
| Depreciation of right-of-use assets                | 810   |
| Interest income                                    | (803) |
| Interest expenses                                  | 473   |
| Property, plant and equipment written off          | 92    |
| Reversal of impairment losses on trade receivables | (5)   |

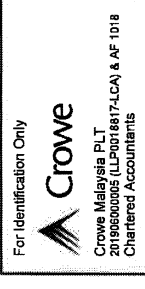
**13. ACCOUNTANTS' REPORT**

**5E RESOURCES HOLDINGS BERHAD**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS**

**29. OPERATING SEGMENTS (CONT'D)**

29.1 BUSINESS SEGMENTS (CONT'D)



| <b>Audited<br/>31 December 2023</b> | <b>Scheduled<br/>waste<br/>management<br/>services<br/>RM'000</b> | <b>Supply of<br/>recovered and<br/>recycled<br/>products<br/>RM'000</b> | <b>Trading of<br/>chemicals<br/>and other<br/>products<br/>RM'000</b> | <b>Consolidation<br/>adjustments<br/>RM'000</b> | <b>The Group<br/>RM'000</b> |
|-------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------------|-----------------------------|
| <b>Revenue</b>                      |                                                                   |                                                                         |                                                                       |                                                 |                             |
| External revenue                    | 68,519                                                            | 9,990                                                                   | 1,452                                                                 | -                                               | 79,961                      |
| Inter-segment revenue               | -                                                                 | 1                                                                       | 1,844                                                                 | (1,845)                                         | -                           |
| <b>Total revenue</b>                | <b>68,519</b>                                                     | <b>9,991</b>                                                            | <b>3,296</b>                                                          | <b>(1,845)</b>                                  | <b>79,961</b>               |

**Results**

|                               |               |
|-------------------------------|---------------|
| Segments profit               | 29,582        |
| Finance costs                 | 542           |
| <b>Profit before taxation</b> | <b>30,124</b> |

Other information

|                                                    |         |
|----------------------------------------------------|---------|
| Depreciation of property, plant and equipment      | 2,699   |
| Depreciation of right-of-use assets                | 710     |
| Interest income                                    | (1,796) |
| Interest expenses                                  | 542     |
| Property, plant and equipment written off          | 4       |
| Gain on disposal of property, plant and equipment  | (84)    |
| Reversal of impairment losses on trade receivables | (36)    |
| Unrealised gain on foreign exchange                | (97)    |

**13. ACCOUNTANTS' REPORT**

**5E RESOURCES HOLDINGS BERHAD**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS**

**29. OPERATING SEGMENTS (CONT'D)**

**29.1 BUSINESS SEGMENTS (CONT'D)**

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

**13. ACCOUNTANTS' REPORT**

**5E RESOURCES HOLDINGS BERHAD**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS**

**29. OPERATING SEGMENTS (CONT'D)**

**29.1 BUSINESS SEGMENTS (CONT'D)**



| <b>Audited<br/>31 October 2025</b> | <b>Scheduled<br/>waste<br/>management<br/>services<br/>RM'000</b> | <b>Supply of<br/>recovered and<br/>recycled<br/>products<br/>RM'000</b> | <b>Trading of<br/>chemicals<br/>and other<br/>products<br/>RM'000</b> | <b>Consolidation<br/>adjustments<br/>RM'000</b> | <b>The Group<br/>RM'000</b> |
|------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------------|-----------------------------|
| <b>Revenue</b>                     |                                                                   |                                                                         |                                                                       |                                                 |                             |
| External revenue                   | 55,395                                                            | 10,647                                                                  | 1,712                                                                 | -                                               | 67,754                      |
| Inter-segment revenue              | -                                                                 | -                                                                       | 1,497                                                                 | (1,497)                                         | -                           |
| <b>Total revenue</b>               | <b>55,395</b>                                                     | <b>10,647</b>                                                           | <b>3,209</b>                                                          | <b>(1,497)</b>                                  | <b>67,754</b>               |

**Results**

|                               |               |
|-------------------------------|---------------|
| Segments profit               | 26,879        |
| Finance costs                 | 55            |
| <b>Profit before taxation</b> | <b>26,934</b> |

Other information

|                                                   |         |
|---------------------------------------------------|---------|
| Depreciation of property, plant and equipment     | 3,426   |
| Depreciation of right-of-use assets               | 702     |
| Interest income                                   | (1,522) |
| Interest expenses                                 | 55      |
| Impairment losses on trade receivables            | 65      |
| Loss on disposal of property, plant and equipment | 20      |
| Property, plant and equipment written off         | 2       |
| Unrealised gain on foreign exchange               | (109)   |

**13. ACCOUNTANTS' REPORT**

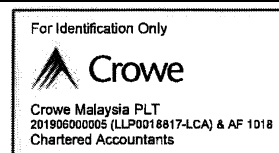
**5E RESOURCES HOLDINGS BERHAD**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS**

**29. OPERATING SEGMENTS (CONT'D)**

29.1 BUSINESS SEGMENTS (CONT'D)

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****29. OPERATING SEGMENTS (CONT'D)****29.2 GEOGRAPHICAL INFORMATION**

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

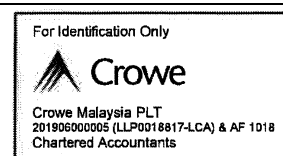
**29.3 MAJOR CUSTOMERS**

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

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

**30. CAPITAL COMMITMENTS**

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****31. FINANCIAL RISK MANAGEMENT**

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

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

**(a) Credit risk**

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

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

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

**Credit risk concentration profile**

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

**Maximum exposure to credit risk**

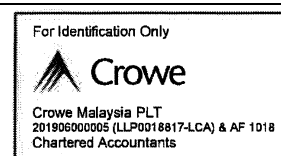
As of the end of the reporting date, the maximum exposure to credit risk arising from financial assets is limited to the carrying amounts in the statements of financial position.

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

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

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

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****31. FINANCIAL RISK MANAGEMENT (CONT'D)****(a) Credit risk (Cont'd)****(ii) Trade receivables**

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

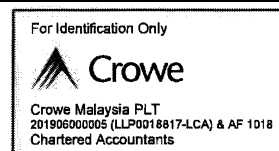
To measure the expected credit losses, these receivables have been grouped based on days past due. The expected loss rates are based on the payment profiles of sales over a period of 24 months and the corresponding credit losses experienced within this period. The historical loss rates are adjusted to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

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

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

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



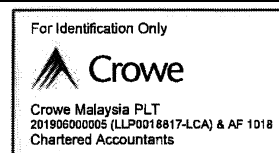
**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****31. FINANCIAL RISK MANAGEMENT (CONT'D)**

## (a) Credit risk (Cont'd)

Impairment of financial assets (Cont'd)

## (ii) Trade receivables (Cont'd)

| <b>Audited</b>                          | Current | 1 - 90<br>days<br>overdue | 91 - 180<br>days<br>overdue | More than<br>180 days<br>overdue | Total  |
|-----------------------------------------|---------|---------------------------|-----------------------------|----------------------------------|--------|
| <b>31 December 2023</b>                 |         |                           |                             |                                  |        |
| Expected loss rate (%)                  | 0.4     | 1                         | 24                          | 100                              |        |
| Gross carrying amount (RM'000):         |         |                           |                             |                                  |        |
| - external trade receivables            | 5,865   | 5,505                     | 274                         | -                                | 11,644 |
| - intercompany trade receivable         | 4       | -                         | -                           | -                                | 4      |
| Less: Loss allowance                    | (24)    | (64)                      | (65)                        | -                                | (153)  |
| Carrying amount (net of loss allowance) | 5,845   | 5,441                     | 209                         | -                                | 11,495 |
| <b>Audited</b>                          | Current | 1 - 90<br>days<br>overdue | 91 - 180<br>days<br>overdue | More than<br>180 days<br>overdue | Total  |
| <b>31 December 2024</b>                 |         |                           |                             |                                  |        |
| Expected loss rate (%)                  | 0.3     | 0.9                       | 14.5                        | 100                              |        |
| Gross carrying amount (RM'000):         |         |                           |                             |                                  |        |
| - external trade receivables            | 7,100   | 4,996                     | 802                         | 8                                | 12,906 |
| - intercompany trade receivable         | -       | -                         | -                           | -                                | -      |
| Less: Loss allowance                    | (24)    | (47)                      | (116)                       | (8)                              | (195)  |
| Carrying amount (net of loss allowance) | 7,076   | 4,949                     | 686                         | -                                | 12,711 |

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****31. FINANCIAL RISK MANAGEMENT (CONT'D)**

## (a) Credit risk (Cont'd)

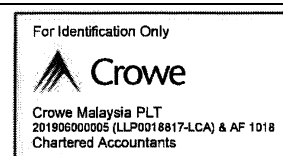
Impairment of financial assets (Cont'd)

## (ii) Trade receivables (Cont'd)

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

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

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****31. FINANCIAL RISK MANAGEMENT (CONT'D)****(b) Cash flow and fair value interest rate risk**

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

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

|                          | <b>Audited<br/>31 December<br/>2022<br/>RM'000</b> | <b>Audited<br/>31 December<br/>2023<br/>RM'000</b> | <b>Audited<br/>31 December<br/>2024<br/>RM'000</b> | <b>Audited<br/>31 October<br/>2025<br/>RM'000</b> |
|--------------------------|----------------------------------------------------|----------------------------------------------------|----------------------------------------------------|---------------------------------------------------|
| Variable rate borrowings | 2,613                                              | 2,250                                              | 1,900                                              | 1,623                                             |

**Sensitivity**

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

|                                                        | <b>Audited<br/>31 December<br/>2022<br/>RM'000</b> | <b>Audited<br/>31 December<br/>2023<br/>RM'000</b> | <b>Audited<br/>31 December<br/>2024<br/>RM'000</b> | <b>Audited<br/>31 October<br/>2025<br/>RM'000</b> |
|--------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|----------------------------------------------------|---------------------------------------------------|
| Interest rates<br>- increase by<br>100 basis<br>points | 20                                                 | 17                                                 | 14                                                 | 12                                                |

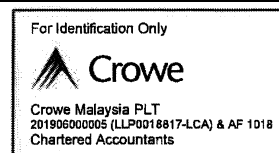
An analysis by maturities is provided in Note 31(c) below.

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****31. FINANCIAL RISK MANAGEMENT (CONT'D)****(c) Liquidity risk**

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

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

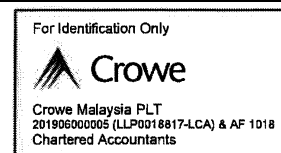
| <b>Audited</b>                                      | On demand/<br>within<br>1 year<br>RM'000 | Between<br>2 - 5 years<br>RM'000 | Over<br>5 years<br>RM'000 | Total<br>contractual<br>amount<br>RM'000 |
|-----------------------------------------------------|------------------------------------------|----------------------------------|--------------------------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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****31. FINANCIAL RISK MANAGEMENT (CONT'D)**

## (c) Liquidity risk (Cont'd)

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

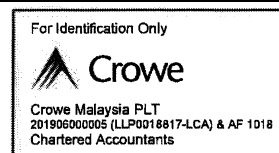
|                             | On demand/<br>within<br>1 year<br>RM'000 | Between<br>2 - 5 years<br>RM'000 | Over<br>5 years<br>RM'000 | Total<br>contractual<br>amount<br>RM'000 |
|-----------------------------|------------------------------------------|----------------------------------|---------------------------|------------------------------------------|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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****31. FINANCIAL RISK MANAGEMENT (CONT'D)****(d) Fair values**

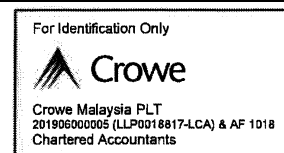
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- (ii) Level 2 - Valuation techniques for the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- (iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****31. FINANCIAL RISK MANAGEMENT (CONT'D)****(e) Financial instruments by categories**

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****31. FINANCIAL RISK MANAGEMENT (CONT'D)**

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

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



13. ACCOUNTANTS' REPORT



5E RESOURCES HOLDINGS BERHAD

NOTES TO THE COMBINED FINANCIAL STATEMENTS

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(g) Fair value information

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

31.12.2022

Financial liability  
Borrowings

|  | Fair Value of Financial Instruments Carried at Fair Value |         |         | Fair Value of Financial Instruments not Carried at Fair Value |         |         | Total Fair Value | Carrying Amount |
|--|-----------------------------------------------------------|---------|---------|---------------------------------------------------------------|---------|---------|------------------|-----------------|
|  | Level 1                                                   | Level 2 | Level 3 | Level 1                                                       | Level 2 | Level 3 |                  |                 |
|  | RM'000                                                    | RM'000  | RM'000  | RM'000                                                        | RM'000  | RM'000  | RM'000           | RM'000          |
|  | -                                                         | -       | -       | -                                                             | 2,613   | -       | 2,613            | 2,613           |

31.12.2023

Financial liability  
Borrowings

|  | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 | Total Fair Value | Carrying Amount |
|--|---------|---------|---------|---------|---------|---------|------------------|-----------------|
|  | RM'000  | RM'000  | RM'000  | RM'000  | RM'000  | RM'000  | RM'000           | RM'000          |
|  | -       | -       | -       | -       | 2,732   | -       | 2,732            | 2,732           |

31.12.2024

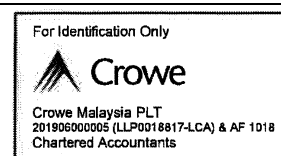
Financial liability  
Borrowings

|  | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 | Total Fair Value | Carrying Amount |
|--|---------|---------|---------|---------|---------|---------|------------------|-----------------|
|  | RM'000  | RM'000  | RM'000  | RM'000  | RM'000  | RM'000  | RM'000           | RM'000          |
|  | -       | -       | -       | -       | 2,289   | -       | 2,289            | 2,289           |

31.10.2025

Financial liability  
Borrowings

|  | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 | Total Fair Value | Carrying Amount |
|--|---------|---------|---------|---------|---------|---------|------------------|-----------------|
|  | RM'000  | RM'000  | RM'000  | RM'000  | RM'000  | RM'000  | RM'000           | RM'000          |
|  | -       | -       | -       | -       | 1,930   | -       | 1,930            | 1,930           |

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****31. FINANCIAL RISK MANAGEMENT (CONT'D)**

- (g) Fair value information (Cont'd)

**Fair Value of Financial Instruments Not Carried at Fair Value**

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

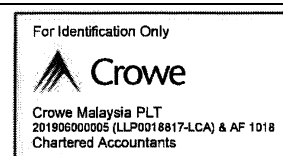
- (i) The fair value of Group's term loan that carrying floating interest rates are determined appropriated their carrying amount as it is repriced to market interest rate on or near the reporting date.
- (ii) The fair value of hire purchase liabilities that carry fixed interest rates are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting date.

|            | <b>Audited<br/>31 December<br/>2022<br/>%</b> | <b>Audited<br/>31 December<br/>2023<br/>%</b> | <b>Audited<br/>31 December<br/>2024<br/>%</b> | <b>Audited<br/>31 October<br/>2025<br/>%</b> |
|------------|-----------------------------------------------|-----------------------------------------------|-----------------------------------------------|----------------------------------------------|
| Term loans | 4.17                                          | 4.42                                          | 4.42                                          | 4.42                                         |

**32. CAPITAL RISK MANAGEMENT**

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

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE COMBINED FINANCIAL STATEMENTS****33. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD****(a) Restructuring Exercise**

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

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

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

**(b) Declaration of Dividend**

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

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

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

**13. ACCOUNTANTS' REPORT****5E RESOURCES HOLDINGS BERHAD****STATEMENT BY DIRECTORS**

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

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



Lim Te Hua



Shankar A/L Narasingam

**STATUTORY DECLARATION**

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

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

Before me




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



**11 MAR 2026**

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

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

Dear Sirs

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

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

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

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

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

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



### THE BOARD OF DIRECTORS' RESPONSIBILITIES

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

### REPORTING ACCOUNTANTS' INDEPENDENCE AND QUALITY CONTROL

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

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

### REPORTING ACCOUNTANTS' RESPONSIBILITIES

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

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

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

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



### REPORTING ACCOUNTANTS' RESPONSIBILITIES (CONT'D)

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

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

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

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

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

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

### OPINION

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

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



**OTHER MATTER**

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

Yours faithfully

A handwritten signature in black ink, appearing to read "Onn".

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

Kuala Lumpur

A handwritten signature in black ink, appearing to read "Lean Wei Ee".

**Lean Wei Ee**  
03827/05/2026 J  
Chartered Accountant

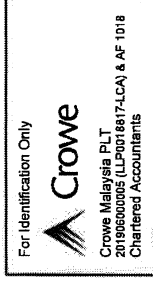


**14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION**

Registration No: 202501022128 (1623541-K)

**5E RESOURCES HOLDINGS BERHAD**

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



**APPENDIX A**

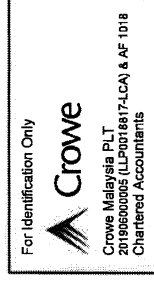
|                                   | Note | Audited<br>As at<br>31 October<br>2025<br>RM'000 | Adjustment<br>For Material<br>Subsequent<br>Event<br>RM'000 | Pro Forma I<br>After<br>Adjustment<br>For Material<br>Subsequent<br>Event<br>RM'000 | Pre-IPO<br>Exercise<br>RM'000 | Pro Forma II<br>After Pro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

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

Registration No: 202501022128 (1623541-K)

**5E RESOURCES HOLDINGS BERHAD**

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

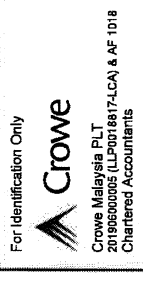


**APPENDIX A**

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

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

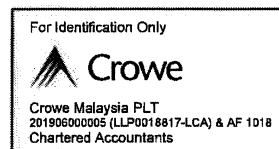
Registration No: 202501022128 (1623541-K)

**5E RESOURCES HOLDINGS BERHAD****PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2025 (CONT'D)****APPENDIX A**

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

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

Registration No: 202501022128 (1623541-K)

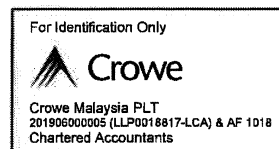
**APPENDIX A****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 OCTOBER 2025****1. ABBREVIATIONS**

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

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

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

Registration No: 202501022128 (1623541-K)

**APPENDIX A****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2025 (CONT'D)****2. INTRODUCTION**

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

**3. BASIS OF PREPARATION**

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

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

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

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

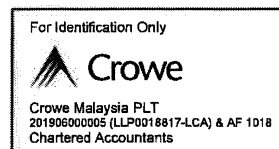
**4. MATERIAL SUBSEQUENT EVENT****Declaration of dividend**

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

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

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

Registration No: 202501022128 (1623541-K)



**APPENDIX A**

**5E RESOURCES HOLDINGS BERHAD**

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

**5. LISTING SCHEME**

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

**5.1 Pre-IPO Exercise**

**Acquisition**

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

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

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

**5.2 Public Issue**

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

**5.3 Offer for Sale**

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

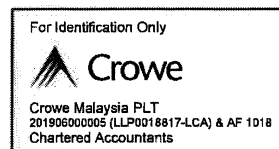
The Offer for Sale does not have any impact on the Pro Forma Combined Statements of Financial Position as at 31 October 2025.

**5.4 Listing**

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

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

Registration No: 202501022128 (1623541-K)

**APPENDIX A****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 OCTOBER 2025 (CONT'D)****5. LISTING SCHEME (CONT'D)****5.5 Utilisation of Proceeds**

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

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

**Notes:**

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

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

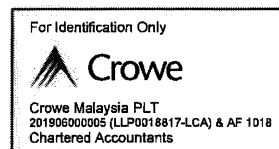
- (2) The new machinery and equipment to be purchased and installed at the New Perak Facility include wastewater treatment plant, rotary kiln, spent battery recovery system, waste acid and alkaline recycling system, waste solvent recovery system, waste oil recovery system and storage tanks as well as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

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

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

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

Registration No: 202501022128 (1623541-K)



**APPENDIX A**

**5E RESOURCES HOLDINGS BERHAD**

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

**5. LISTING SCHEME (CONT'D)**

**5.5 Utilisation of Proceeds (Cont'd)**

*Notes (Cont'd):*

- (4) As at latest practicable date of the Prospectus, the Group did not enter into any contractual binding arrangements or issued any purchase orders in relation to the above purposes. Accordingly, the use of proceeds is not reflected in the Pro Forma Combined Statements of Financial Position.
- (5) The estimated listing expenses of RM1,280,000 are assumed to be directly attributable to the Public Issue will be set off against share capital. The remaining estimated listing expenses of RM5,120,000 are assumed to be attributable to the Listing and as such, will be expensed to the Statement of Profit or Loss and Other Comprehensive Income.

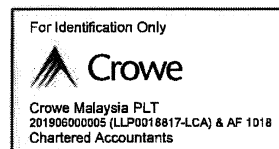
As at 31 October 2025, the Group has paid RM2,046,661 of listing expenses, which have been recognised as prepayments.

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



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

Registration No: 202501022128 (1623541-K)



**APPENDIX A**

**5E RESOURCES HOLDINGS BERHAD**

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

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

**6.1 Pro Forma I**

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

**6.2 Pro Forma II**

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

**6.3 Pro Forma III**

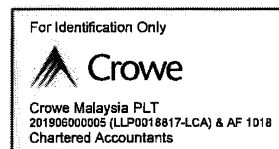
Pro Forma III incorporates the effects of Pro Forma II and the Public Issue as set out in Note 5.2 above.

**6.4 Pro Forma IV**

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

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

Registration No: 202501022128 (1623541-K)

**APPENDIX A****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 OCTOBER 2025 (CONT'D)****7. EFFECTS ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION****7.1 Movement in trade and other receivables**

RM'000

As at 31 October 2025/As per Pro Forma I, II and III 26,928

Pursuant to Adjustment for Pro Forma IV:  
- Estimated listing expenses (2,525)

As per Pro Forma IV 24,403

**7.2 Movement in cash and cash equivalents**

RM'000

As at 31 October 2025 51,181

Pursuant to Adjustment for Pro Forma I:  
- Declaration of dividend # (6,622)

As per Pro Forma I and II 44,559

Pursuant to Adjustment for Pro Forma III:  
- Proceeds from Public Issue 79,170

As per Pro Forma III 123,729

Pursuant to Adjustment for Pro Forma IV:  
- Estimated listing expenses ^ (4,353)

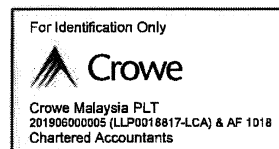
As per Pro Forma IV 119,376

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

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

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

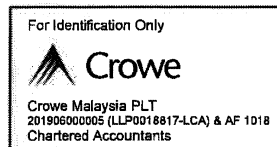
Registration No: 202501022128 (1623541-K)

**APPENDIX A****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 OCTOBER 2025 (CONT'D)****7. EFFECTS ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION  
(CONT'D)****7.3 Movement in share capital and invested capital**

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

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

Registration No: 202501022128 (1623541-K)

**APPENDIX A****5E RESOURCES HOLDINGS BERHAD****NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 OCTOBER 2025 (CONT'D)****7. EFFECTS ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION  
(CONT'D)****7.4 Movement in merger reserve**

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

**7.5 Movement in retained profits**

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

**7.6 Movement in trade and other payables**

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

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

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Registration No: 202501022128 (1623541-K)

**5E RESOURCES HOLDINGS BERHAD**

**APPROVAL BY THE BOARD OF DIRECTORS**

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

**11 MAR 2026**

On behalf of the Board of Directors,



Lim Te Hua



Shankar A/L Narasingam

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**15. STATUTORY AND OTHER GENERAL INFORMATION**

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**15.1 SHARE CAPITAL**

- (i) No securities will be allotted, issued or offered on the basis of this Prospectus later than 6 months after the date of this Prospectus.
- (ii) As at the date of this Prospectus, we only have 1 class of shares, namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.
- (iii) None of our Group's share capital is under option or agreed conditionally or unconditionally to be put under any option as at the date of this Prospectus.
- (iv) No person has been or is entitled to be given an option to subscribe for any share, stock, debenture or other security of our Group, except for the Pink Form Allocation.
- (v) There is no scheme involving our Directors and employees in the capital of our Group, except for the Pink Form Allocation.
- (vi) Save as disclosed in **Sections 4.3, 6.4 and 6.5** of this Prospectus, no shares, debentures, warrants, options, convertible securities or uncalled capital of our Group have been issued or are proposed to be issued as fully or partly paid-up, in cash or otherwise than in cash, within the 3 years preceding the date of this Prospectus.
- (vii) Our Group does not have any outstanding convertible securities, options, warrants or uncalled capital as at the date of this Prospectus.

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**15. STATUTORY AND OTHER GENERAL INFORMATION****15.2 EXTRACT OF OUR CONSTITUTION**

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

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

**(i) Transfer of securities****Clause 30 – Transfer in writing**

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

**Clause 31 – Transfer of securities**

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

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

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

**Clause 33(a) - Refusal to register**

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

**Clause 34 – Suspension of registration**

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

**15. STATUTORY AND OTHER GENERAL INFORMATION****(ii) Remuneration of directors****Clause 101 – Directors’ remuneration**

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

- (i) salaries payable to executive Director(s) may not include a commission on or percentage of turnover;
- (ii) fees payable to non-executive Directors shall be a fixed sum and not by way of a commission on or percentage of profits or turnover;
- (iii) fees of Directors and any benefits payable to Directors shall be subject to annual shareholders’ approval at a general meeting; and
- (iv) any fee paid to an Alternate Director shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

**Clause 102 – Reimbursement of expenses**

- (a) The Directors shall be entitled to be reimbursed for all travelling or expenses as may be incurred in attending meetings of the Directors or of any committee of the Directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors. In addition to the foregoing, a Director shall be entitled to such reasonable fixed allowance as may be determined by the Directors in respect of any attendance at any meeting and / or the performance of any duty or other things required of him as a Director.
- (b) If any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) as may be determined by the Board provided that in the case of non-executive Directors, the said remuneration shall not include a commission on or percentage of profits or turnover. In the case of an executive Director, such fee may be either in addition to or in substitution for any director’s fees payable to him from time to time.

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**15. STATUTORY AND OTHER GENERAL INFORMATION****Clause 128 – Remuneration of chief executive, executive Director, managing Director**

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

**(iii) Voting and borrowing powers of Directors****Clause 78 – Chairman's casting vote**

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

**Clause 106 – Directors' borrowing powers**

- (a) Subject to the Act and the Listing Requirements, the Directors may exercise all the powers of the Company to do all or any of the following for any debt, liability, or obligation of the Company or of any related party (as defined in Section 7 of the Act):
- (i) borrow money;
  - (ii) mortgage or charge its undertaking, property, and uncalled capital, or any part of the undertaking, property and uncalled capital;
  - (iii) issue debentures and other securities whether outright or as security;
  - (iv) lend and advance money or give credit to any person or company;
  - (v) guarantee and give guarantees or indemnities for the payment of money or the performance of contracts or obligations by any person or company; and / or
  - (vi) secure or undertake in any way the repayment of moneys lent or advanced to or the liabilities incurred by any person or company; and otherwise to assist any person or of any related party (as defined in Section 7 of the Act).
- (b) The Directors shall not borrow any money or mortgage or charge any of the Company's or the subsidiaries' undertaking, property or any uncalled capital, or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.

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**15. STATUTORY AND OTHER GENERAL INFORMATION****Clause 120 – Votes by majority and chairman of the meeting to have a casting vote**

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

**Clause 123 – Restriction on voting**

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

**Clause 124 – Power to vote**

A Director may vote in respect of:

- (i) any arrangement for giving the Director himself or any other Directors any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company;
  - (ii) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part, under a guarantee or indemnity or by the deposit of a security;
  - (iii) any contract by the Director himself to subscribe for or underwrite shares or debentures of the Company; or
  - (iv) any contract or arrangement with any other company in which he is interested only as an officer of the Company or as a holder of shares or other securities in that company.
- (iv) **Changes to share capital or variation of class rights and rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights**

**Clause 6 – Class of shares**

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

**15. STATUTORY AND OTHER GENERAL INFORMATION****Clause 7 – Allotment of shares**

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

- (i) in the case of shares, other than ordinary shares, no special rights shall be attached until the same has been expressed in this Constitution and in the resolution creating the same;
- (ii) no shares shall be issued which shall have the effect of transferring a controlling interest in the Company without the prior approval of the Members in general meetings;
- (iii) every issue of shares or options to employees and / or Directors of the Company and / or its subsidiaries under an employee share option scheme shall be approved by the Members in general meeting;
- (iv) no Director shall participate in a scheme that involves a new issuance of shares or options unless the Members in a general meeting have approved the specific allotment to be made to such Director; and
- (v) except in the case of an issue of Securities on a pro-rata basis to all Members, or, pursuant to a back-to-back placement or a Dividend Reinvestment Scheme undertaken in compliance with the Listing Requirements, there shall be no issuance and allotment of Securities to a Director, major shareholder, chief executive or person connected with any Director, major shareholder or chief executive (hereinafter referred to as the “interested Director”, “interested major shareholder”, “interested chief executive” or “interested person connected with a Director, major shareholder or chief executive” respectively) unless the Members in a general meeting have approved the specific allotment to be made to such aforesaid interested Director, interested major shareholder, interested chief executive or interested person connected with a Director, major shareholder or chief executive, as the case may be. In this Constitution, “major shareholder”, “chief executive”, “person connected with any Director, major shareholder or chief executive” and “Dividend Reinvestment Scheme” shall have the meaning ascribed thereto in the Listing Requirements.

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**15. STATUTORY AND OTHER GENERAL INFORMATION****Clause 8 – Rights of preference shareholders**

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

- (i) the same rights as ordinary shareholders as regards to receiving notices, reports and audited accounts and attending general meetings of the Company; and
- (ii) the right to vote at any meeting convened for the purpose of reducing the capital of the Company or on a proposal to wind up or during the winding up of the Company, or sanctioning a sale of the whole of the Company's undertaking, property or business, or where any resolution to be submitted to the meeting directly affects their rights and privileges, or when the dividend on the preference shares or part of the dividend is in arrears for more than six (6) months.

**Clause 10 - Variation of class rights**

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

- (i) the consent in writing of the holders of not less than seventy-five per centum (75%) of the total voting rights of the Members in that class; or
- (ii) the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting, the provisions of this Constitution relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two (2) persons holding or representing by proxy at least one-third of the number of the issued shares of the class (excluding any shares of that class held as treasury shares) and that any holder of shares of the class present in person or by proxy may demand a poll and shall be entitled on a poll to one (1) vote for every such share held by him. For adjourned meetings, the quorum is one (1) person present holding shares of such class. To every such special resolution, the provisions of Section 292 of the Act shall with such adaptations as are necessary, apply.

**Clause 11 – Ranking of class rights**

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

**15. STATUTORY AND OTHER GENERAL INFORMATION**

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**Clause 42 – Person entitled may receive dividends etc**

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

**Clause 54 – Rights of stock holders**

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

**Clause 56 – Power to increase capital**

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

**Clause 57 – Issue of new shares to Members**

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

**15. STATUTORY AND OTHER GENERAL INFORMATION**

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

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

**Clause 59 – Power to alter capital**

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

- (i) consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived;
- (ii) convert all or any of its paid-up shares into stock and reconvert that stock into fully-paid shares;
- (iii) subdivide its shares or any of its shares, such that whatever is in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided share is derived; or
- (iv) cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.

**Clause 60 – Power to reduce capital**

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

**Clause 61 – Purchase by the Company of its own shares**

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

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**15. STATUTORY AND OTHER GENERAL INFORMATION**

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**Clause 149 – Payment of dividends**

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

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**15. STATUTORY AND OTHER GENERAL INFORMATION****15.3 LIMITATION ON THE RIGHT TO OWN SECURITIES**

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

**15.4 MATERIAL CONTRACTS**

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

- (i) sale and purchase agreement dated 20 June 2024 for the acquisition of PLO 321 Facility land by 5ERSB from Kumpulan Kendaraan Malaysia Berhad (Registration No. 197401000686 (17729-V)) for a total purchase price of RM13.00 million which has been fully paid by 5ERSB. This acquisition has been completed on 9 October 2024. Please refer to **Section 7.19** of this Prospectus for further details of PLO 321 Facility;
- (ii) sale and purchase agreement dated 2 April 2025 for the acquisition of Property No. 31 by TS Heuls from Connie Tay Choon Meng and Tan Siew Tain for a total purchase price of RM1.05 million which has been fully paid by TS Heuls. This acquisition has been completed on 16 September 2025. Please refer to **Section 7.19** of this Prospectus for further details of Property No. 31;
- (iii) sale and purchase agreement dated 8 April 2025 for the acquisition of Lot 13416 & 13417 by 5ERNSB from Chie Yat Holding Sdn Bhd (Registration No.: 201901010279 (1319607-X)) for a total purchase price of RM8.80 million which has been fully paid by 5ERNSB. This acquisition has been completed on 5 January 2026. Please refer to **Section 7.19** of this Prospectus for further details of Lot 13416 & 13417;
- (iv) conditional share sale agreement dated 15 August 2025 entered into between our Company and vendors of 5ERSB (i.e., Wong Kim Fatt, Loo Sok Ching, Lim Te Hua, Shankar A/L Narasingam, Ban Kim Wah and GreenEdge) for the Acquisition of 5ERSB, details of which are as set out in **Section 6.2.2** of this Prospectus; and
- (v) the Underwriting Agreement.

**15.5 MATERIAL LITIGATION**

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

**15.6 PUBLIC TAKE-OVERS**

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

- (i) public take-over offers by third parties in respect of our Shares; and
- (ii) public take-over offers by us in respect of other companies' shares.



**15. STATUTORY AND OTHER GENERAL INFORMATION****15.7 LETTERS OF CONSENT**

- (i) The written consents of our Principal Adviser, Sponsor, Underwriter and Placement Agent, Company Secretaries, Solicitors for our IPO, Share Registrar and Issuing House for the inclusion in this Prospectus of their names in the form and context in which they appear in this Prospectus have been given before the issuance of this Prospectus and have not subsequently been withdrawn.
- (ii) The written consent of the Auditors and Reporting Accountants for the inclusion in this Prospectus of their name, the Accountants' Report and the Reporting Accountants' Report on the Compilation of Pro Forma Statements of Financial Position in the form and context in which they are included in this Prospectus has been given before the issuance of this Prospectus and has not subsequently been withdrawn.
- (iii) The written consent of the IMR for the inclusion in this Prospectus of its name, the IMR Report and all references thereto in the form and context in which they are included in this Prospectus has been given before the issuance of this Prospectus and has not subsequently been withdrawn.

**15.8 DOCUMENTS AVAILABLE FOR INSPECTION**

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

- (i) the Constitution of our Company;
- (ii) the IMR Report as included in **Section 8** of this Prospectus;
- (iii) the Accountants' Report as included in **Section 13** of this Prospectus;
- (iv) the Reporting Accountants' Report on the Compilation of Pro Forma Statements of Financial Position as included in **Section 14** of this Prospectus;
- (v) the material contracts as referred to in **Section 15.4** of this Prospectus;
- (vi) the letters of consent as referred to in **Section 15.7** of this Prospectus; and
- (vii) the audited financial statements of:
  - (a) 5E Resources for the financial period from 19 May 2025 (date of incorporation) to 31 October 2025;
  - (b) 5ERSB for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025;
  - (c) TS Heuls for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025; and
  - (d) 5ERNBSB for the financial period from 7 March 2025 (date of incorporation) to 31 October 2025.

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**15. STATUTORY AND OTHER GENERAL INFORMATION**

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**15.9 RESPONSIBILITY STATEMENTS**

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

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

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**16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE**

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

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

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

**16.1 OPENING AND CLOSING OF APPLICATIONS**

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

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

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

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

**Late Applications will not be accepted.**

**16.2 METHODS OF APPLICATIONS****16.2.1 Application for our IPO Shares by the Malaysian Public and Eligible Persons**

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

| Types of application and category of investors | Application method                                                                                                                                               |
|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (a) Applications by the Malaysian Public:      |                                                                                                                                                                  |
| (i) Individuals                                | <ul style="list-style-type: none"> <li>• White Application Form; or</li> <li>• Electronic Share Application; or</li> <li>• Internet Share Application</li> </ul> |
| (ii) Non-Individuals                           | White Application Form only                                                                                                                                      |
| (b) Applications by Eligible Persons:          | Pink Application Form only                                                                                                                                       |

**16.2.2 Application by selected investors via private placement**

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

**16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE**

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

**16.3 ELIGIBILITY****16.3.1 General**

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

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

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

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

**16.3.2 Application by the Malaysian Public**

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

- (i) You must be one of the following:
  - (a) A Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares;
  - (b) A corporation / institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors / trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
  - (c) A superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia;
- (ii) You must not be a director or employee of our Issuing House or an immediate family member of a director or employee of our Issuing House; and
- (iii) You must submit Applications by using only one of the following methods:
  - (a) White Application Form;
  - (b) Electronic Share Application; or
  - (c) Internet Share Application.

**16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE****16.3.3 Application by Eligible Persons**

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

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

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

**16.4 PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS**

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

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

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

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

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

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

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

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

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

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

## **16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE**

### **16.5 PROCEDURES FOR APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS**

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

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

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

### **16.6 PROCEDURES FOR APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS**

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

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

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

### **16.7 AUTHORITY OF OUR BOARD AND OUR ISSUING HOUSE**

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

- (i) reject Applications which:
  - (a) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
  - (b) are illegible, incomplete or inaccurate; or
  - (c) are accompanied by an improperly drawn up, or improper form of, remittance; or
- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (iii) bank in all Application monies (including those from unsuccessful / partially successful applicants) which would subsequently be refunded, where applicable (without interest), in accordance with **Section 16.9** below.

**16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE**

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

**16.8 OVER / UNDER-SUBSCRIPTION**

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

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

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

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

**16.9 UNSUCCESSFUL / PARTIALLY SUCCESSFUL APPLICANTS**

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

**16.9.1 For applications by way of Application Forms**

- (i) The Application monies or the balance of it, as the case may be, will be refunded to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary / registered post to your last address maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.
- (ii) If your Application is rejected because you did not provide a CDS account number, your Application monies will be refunded via banker's draft sent by ordinary / registered post to your address as stated in the NRIC or any official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.

**16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE**

- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by our Issuing House as per items (i) and (ii) above (as the case may be).
- (iv) Our Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or by issuance of banker's draft sent by ordinary post / registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

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

- (i) Our Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited (without interest) into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from our Issuing House.
- (ii) You may check your account on the 5<sup>th</sup> Market Day from the balloting date.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by our Issuing House by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institutions will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from our Issuing House.

**16.10 SUCCESSFUL APPLICANTS**

If you are successful in your Application:

- (i) Our IPO Shares allotted to you will be credited into your CDS Account.
- (ii) A notice of allotment will be despatched to you at your last address maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our IPO Shares issued / offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and the Rules.



**16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE**

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

**16.11 ENQUIRIES**

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

| <b>Mode of application</b>   | <b>Parties to direct the enquiries</b>                                                                           |
|------------------------------|------------------------------------------------------------------------------------------------------------------|
| Application Form             | Issuing House Enquiry Services Telephone at +603-2783 9299                                                       |
| Electronic Share Application | Participating Financial Institution                                                                              |
| Internet Share Application   | Internet Participating Financial Institution, Participating Securities Firm and Authorised Financial Institution |

The results of the allocation of IPO Shares derived from successful balloting will be made available to the public at the Issuing House website at <https://srmy.vistra.com>, within **1 Market Day** after the balloting date.

You may also check the status of your Application at the above website, **5 Market Days** after the balloting date or by calling your respective ADA during office hours at the telephone number as stated in the list of ADAs set out in **Section 12** of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.

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## APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

Our Group maintains a master licence monitoring list to track the renewal dates of all licences held by our Group and has assigned persons-in-charge from the relevant departments to monitor and ensure timely renewal of the respective licences.

The details of our major approvals, licences, certificates and permits applicable to our business operations as at the LPD are as set out below:

| No. | Company | Description of licence / certificate                                                                                                         | Issuing authority<br>Certificate /<br>Registration /<br>Licence /<br>Permit no. | Commencement date / Expiry date      | Major conditions imposed                                                                                                                                                                                                                                                                                                                                                                                                                                        | Compliance status |
|-----|---------|----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| 1.  | 5ERSB   | Business premise and advertisement licence for off-site recovery facility for scheduled wastes, storage and office for PLO 83 & 317 Facility | PGCC<br><br><u>Licence no.:</u><br>LA033002839                                  | 1 January 2026 /<br>31 December 2026 | (a) The licence must be renewed between 1 September and 31 December each year. Penalty will be imposed between 1 January and 31 March of the subsequent year and cancellation will be effected on 1 April.<br><br>(b) Approval of the licence is subject to compliance with all legislations, bylaws, regulations and orders currently or will be enforced by PGCC including any additional licensing conditions that may be imposed by PGCC from time to time. | Noted             |
| 2.  | 5ERSB   | Business premise and advertisement licence for recycled waste storage warehouse (not scheduled wastes) and office for PLO 321 Facility       | PGCC<br><br><u>Licence no.:</u><br>L0816131                                     | 1 January 2026 /<br>31 December 2026 | (a) The licence must be renewed between 1 September and 31 December each year. Penalty will be imposed between 1 January and 31 March of the subsequent year and cancellation will be effected on 1 April.<br><br>(b) Approval of the licence is subject to compliance with all legislations, bylaws, regulations and orders currently or will be enforced by PGCC including any additional licensing conditions that may be imposed by PGCC from time to time. | Noted             |

## APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

[illegible]

**APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS**

| No. | Company | Description of licence / certificate | Issuing authority<br>Certificate /<br>Registration /<br>Licence /<br>Permit no. | Commencement<br>date / Expiry<br>date | Major conditions imposed                                                                                                                                                                                                     | Compliance<br>status |
|-----|---------|--------------------------------------|---------------------------------------------------------------------------------|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
|     |         |                                      |                                                                                 |                                       | (c) The composition of the board of directors of the company shall generally reflect the equity structure of the company and the MITI shall be notified regarding the appointment and any changes in its board of directors. | Noted                |
|     |         |                                      |                                                                                 |                                       | (d) The company must recruit and train Malaysians so as to be able to reflect the multi-racial composition of the state's population for all positions.                                                                      | Noted                |
|     |         |                                      |                                                                                 |                                       | (e) The company's production (based on 1 work shift) of 'hydraulic oil' and 'lubricating oil' cannot exceed 1,838 MT per year. Any expansion of capacity must obtain the approval of the Secretary General, MITI first.      | Noted                |
|     |         |                                      |                                                                                 |                                       | (f) The company is not allowed to import waste for recycling from abroad. The company can only recycle domestic waste including from Free Industrial Zones / Licensed Manufacturing Warehouses.                              | Noted                |
|     |         |                                      |                                                                                 |                                       | (g) The company must submit to the Secretary General, MITI or other authorities that he directed, all necessary data and information about the company.                                                                      | Noted                |

**APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS**

| No. | Company | Description of licence / certificate | Issuing authority<br>Certificate /<br>Registration /<br>Licence /<br>Permit no. | Commencement<br>date / Expiry<br>date | Major conditions imposed                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Compliance<br>status |
|-----|---------|--------------------------------------|---------------------------------------------------------------------------------|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
|     |         |                                      |                                                                                 |                                       | (h) The company must also take appropriate measures including installing devices to prevent air, water and noise pollution as well as 'radiation hazards' in accordance with the EQA 1974.                                                                                                                                                                                                                                                                                             | Complied             |
|     |         |                                      |                                                                                 |                                       | (i) It is the responsibility of the company to determine that it achieves adequate safety quality and the highest production standards for all its products. These standards shall at least comply with enterprise standards where such standards exist. The goods produced by this company must reach the quality accepted by the Government of Malaysia.                                                                                                                             | Noted                |
|     |         |                                      |                                                                                 |                                       | (j) The company shall as far as possible appoint companies owned by Malaysians to distribute its products in the domestic market and shall also appoint Bumiputera distributors to distribute at least 30% of its sales in the domestic market. The selection and appointment of Bumiputera distributors must be done after consultation with the Secretary General, MITI. The appointment of foreign companies as distributors must first be approved by the Secretary General, MITI. | Noted                |
|     |         |                                      |                                                                                 |                                       | (k) The company must obtain site approval and prior written permission from the Department of Environment before this project is implemented.                                                                                                                                                                                                                                                                                                                                          | Complied             |

## APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

| No. | Company | Description of licence / certificate | Issuing authority<br>Certificate /<br>Registration /<br>Licence /<br>Permit no. | Commencement<br>date / Expiry<br>date | Major conditions imposed                                                                                                                                                                                                                                                                            | Compliance<br>status                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            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|     |         |                                      |                                                                                 |                                       | (l) The company must comply with the regulations regarding the safety of the petroleum industry as stated in the Petroleum (Safety Measures) Act 1984.<br><br>(m) The company must implement its projects as approved and in accordance with the laws and other regulations stipulated in Malaysia. | Complied<br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br><br>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**APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS**

| No. | Company | Description of licence / certificate                                                                                                 | Issuing authority<br>Certificate /<br>Registration /<br>Licence /<br>Permit no. | Commencement<br>date / Expiry<br>date | Major conditions imposed                                                                                                                                                                                                                                                                                                                                                                                                                                     | Compliance<br>status |
|-----|---------|--------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
|     |         |                                                                                                                                      |                                                                                 |                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                      |
|     |         | Water<br>Processors<br>Chemical                                                                                                      |                                                                                 |                                       | (e) MOF shall have the right to conduct an inspection or audit at any time without prior notification. Failure to comply with the conditions of registration and/or sector code may result in the registration of the company being suspended/cancelled and the company, its shareholders and directors may be subject to disciplinary proceedings or blacklisted without any notice being given if it is determined that the information provided is false. | Noted                |
|     |         | 221002<br>Services /<br>Cleaning and<br>Treatment<br>Services /<br>Cleaning Area                                                     |                                                                                 |                                       | (f) A company that is newly registered is not allowed to make any changes to its shareholders or directors within a period of 6 months from the date of registration.                                                                                                                                                                                                                                                                                        | Noted                |
|     |         | 221006<br>Services /<br>Cleaning and<br>Treatment<br>Services /<br>Cleaning<br>Beaches /<br>Rivers /<br>Directions /<br>Dams / Lakes |                                                                                 |                                       | (g) Failure of 5ERSB to renew its registration after 1 year from the expiry of this registration may result in the company's registration with the MOF being cancelled and automatically removed from the ePerolehan System. In such circumstances, the company is required to make a new application.                                                                                                                                                       | Noted                |
|     |         | 221008<br>Services /<br>Cleaning and<br>Treatment<br>Services /<br>Disposal and<br>Treatment of<br>Scheduled<br>Waste                |                                                                                 |                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                      |

## APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

| No. | Company | Description of licence / certificate                                                                                                                                                                     | Issuing authority<br>Certificate /<br>Registration /<br>Licence /<br>Permit no.                                                            | Commencement<br>date / Expiry<br>date          | Major conditions imposed                                                                                                                                                                                                                                                                                                                                                                                                                                   | Compliance<br>status |
|-----|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| 7.  | 5ERSB   | Certificate of Registration (Form B) for the installation of electrical equipment with aggregate installed power of 11 kV / 1700 kW for PLO 738 Facility                                                 | Energy Commission Malaysia<br><b>Registration no.:</b><br>ST(SJB)P/S/JHR/0<br>3493                                                         | 1 April 2023 /<br>31 March 2026 <sup>(1)</sup> | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                        | N/A                  |
| 8.  | 5ERSB   | Licence for provision of collection services for commercial, industrial and institutional solid waste which includes residual waste and recyclable waste, garden waste, bulky waste for PLO 738 Facility | National Solid Waste Management Department, Ministry of Housing and Local Government<br><b>Licence no.:</b><br>JPSPN202503049<br>25767CIIR | 6 January 2026 /<br>5 January 2029             | (a) The licence must not be falsified, amended or have any changes made from the original approval.<br><br>(b) The grant of a licence shall be personal to the licensee and the license may not be assigned, sublicensed or transferred to any other person except with the prior written approval.                                                                                                                                                        | Noted<br><br>Noted   |
| 9.  | 5ERSB   | Wholesaler's Poisons Licence (Type B Licence) granted to Ang Khoon Poh of 5ERSB at PLO 738 Facility to import, store and sell the following poisons (not being Group A poison) by wholesale:             | Johor State Health Department, Ministry of Health<br><b>Licence no.:</b><br>JB0142/2026                                                    | 1 January 2026 /<br>31 December 2026           | (a) For premises that have storage facilities, the sale of poisons is only allowed to be carried out at the address as stated in the licence. For premises that operate as business offices or have declared as not having storage facilities, it is not allowed to store poison at any time.<br><br>(b) For licence holders who deal with 'Boric Acid' and 'Sodium Borate', both of these poisons are not allowed to be used / sold in the food industry. | Noted<br><br>Noted   |





## APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

| No. | Company | Description of licence / certificate                                                                                                                                                                                     | Issuing authority<br>Certificate /<br>Registration /<br>Licence /<br>Permit no.               | Commencement<br>date / Expiry<br>date | Major conditions imposed                                                                                                                                                                                                                                         | Compliance<br>status            |
|-----|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|
|     |         | (iv) Sodium hydroxide 12% and over (Part II only); and<br><br>(v) Sulphuric acid (9% w/w and over)                                                                                                                       |                                                                                               |                                       |                                                                                                                                                                                                                                                                  |                                 |
| 11. | 5ERSB   | Permit granted to Lee Wah Kian of 5ERSB at PLO 317 Facility to purchase, store and use sodium hydroxide up to a maximum of 51,000 kg of liquid sodium hydroxide for the purposes of water treatment and scrubber process | Johor State Health Department,<br>Ministry of Health<br><br><b>Permit no.:</b><br>JC0252/2026 | 1 January 2026 /<br>31 December 2026  | (a) Purchases are allowed from local sources only.<br><br>(b) Purchases are not allowed to exceed the approved quantity.<br><br>(c) The disposal of poisons must be carried out in accordance with the procedures set out under the EQA 1974 and the EQSWR 2005. | Noted<br><br>Noted<br><br>Noted |
| 12. | 5ERSB   | Permit for the purchase and storage of diesel oil (EURO 2M) (not subsidized) at PLO 317 Facility up to 5,000 litres only                                                                                                 | KPDN<br><br><b>Permit no.:</b><br>PBKB/2024/B/J-000652                                        | 21 August 2024 /<br>20 August 2027    | 5ERSB is allowed to purchase and store the scheduled item listed in the license only.                                                                                                                                                                            | Noted                           |
| 13. | 5ERSB   | Permit for the purchase and storage of diesel oil (EURO 2M) (not subsidized) at PLO 738 Facility up to 20,000 litres only                                                                                                | KPDN<br><br><b>Permit no.:</b><br>PBKB/2024/B/J-000651                                        | 16 August 2024 /<br>15 August 2027    | 5ERSB is allowed to purchase and store the scheduled item listed in the license only.                                                                                                                                                                            | Noted                           |

## APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

| No. | Company | Description of licence / certificate                                                                                                                                | Issuing authority<br>Certificate /<br>Registration /<br>Licence /<br>Permit no. | Commencement<br>date / Expiry<br>date   | Major conditions imposed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Compliance<br>status                                                    |
|-----|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| 14. | 5ERSB   | Licence for the operation of scrap business granted to Lim Te Hua of 5ERSB to trade in second-hand goods at PLO 738 Facility                                        | Royal Malaysia<br>Police<br><br><u>Licence no.:</u><br>254582                   | 2 January 2026 /<br>31 December<br>2026 | Trading of bronze, copper and lead is not allowed.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Noted                                                                   |
| 15. | 5ERSB   | Manufacturing Licence for 5ERSB at PLO 317 Facility for 'Recycled Mixed Oil', 'Recycled Silicon Powder', 'Recycled Solvent' and 'Treated N-Methylpyrrolidone (NMP)' | MITI<br><br><u>Licence no.:</u><br>A 025776                                     | 16 April 2024 /<br>Nil                  | <p>(a) 5ERSB shall notify MITI and MIDA of any sale of shares in 5ERSB.</p> <p>(b) 5ERSB shall comply with the minimum Capital Investment Per Employee Ratio (CIPE) of RM140,000.</p> <p>(c) The full-time workforce of 5ERSB shall consist of at least 80% Malaysian citizens. Employment of foreign workers will be subject to the applicable policy at the time.</p> <p>(d) 5ERSB shall submit information regarding its investment performance and project implemented under ICA 1975 and the Malaysian Industrial Development Authority (Incorporation) Act 1965 when required by MIDA. Failing to submit such information might result in the company:</p> <ul style="list-style-type: none"> <li>being found guilty of an offence and is liable to a fine not exceeding RM1,000 or to imprisonment for a term not exceeding three months or to both and he is also liable to a further fine not exceeding</li> </ul> | <p>Noted</p> <p>Complied</p> <p>Exempted<sup>(2)</sup></p> <p>Noted</p> |

**APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS**

| No. | Company | Description of licence / certificate                                                                                                                                                                               | Issuing authority<br>Certificate /<br>Registration /<br>Licence /<br>Permit no. | Commencement<br>date / Expiry<br>date | Major conditions imposed                                                                                                                                                                                                                                                                                                                                                | Compliance<br>status                                       |
|-----|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|
|     |         |                                                                                                                                                                                                                    |                                                                                 |                                       | <p>RM500 for every day during which such default continues; or</p> <ul style="list-style-type: none"> <li>being held liable for an offence for furnishing statements or information that is false or misleading in any material form which can result in a fine of not more than RM2,000 or imprisonment for a term not exceeding six months or both.</li> </ul>        |                                                            |
|     |         |                                                                                                                                                                                                                    |                                                                                 |                                       | <p>(e) 5ERSB is not allowed to import waste materials / residues for recycling from abroad. 5ERSB may only recycle the waste materials in the country only, including from Free Industrial Zones / Licenced Manufacturing Warehouses.</p>                                                                                                                               | Noted                                                      |
|     |         |                                                                                                                                                                                                                    |                                                                                 |                                       | <p>(f) 5ERSB shall implement its projects as approved and comply with any laws and regulations of Malaysia.</p>                                                                                                                                                                                                                                                         | Complied                                                   |
| 16. | 5ERSB   | Manufacturing Licence for PLO 738 Facility for 'Recycled Mixed Oil', 'Recycled Solvent', 'Treated N-Methylpyrrolidone (NMP)', 'Recycled Sodium Lauryl Ester Sulphate (SLES) Flake' and 'Recycled Synthetic Rubber' | MITI<br><br><u><b>Licence no.:</b></u><br>A 025777                              | 16 April 2024 /<br>Nil                | <p>(a) 5ERSB shall notify MITI and MIDA of any sale of shares in 5ERSB.</p> <p>(b) 5ERSB shall comply with the minimum Capital Investment Per Employee Ratio (CIPE) of RM140,000.</p> <p>(c) The full-time workforce of 5ERSB shall consist of at least 80% Malaysian citizens. Employment of foreign workers will be subject to the applicable policy at the time.</p> | <p>Noted</p> <p>Complied</p> <p>Exempted<sup>(2)</sup></p> |

**APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS**

| No. | Company | Description of licence / certificate | Issuing authority<br>Certificate /<br>Registration /<br>Licence /<br>Permit no. | Commencement<br>date / Expiry<br>date | Major conditions imposed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Compliance<br>status      |
|-----|---------|--------------------------------------|---------------------------------------------------------------------------------|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
|     |         |                                      |                                                                                 |                                       | <p>(d) 5ERSB shall submit information regarding its investment performance and project implemented under ICA 1975 and the Malaysian Industrial Development Authority (Incorporation) Act 1965 when required by MIDA. Failing to submit such information might result in the company:</p> <ul style="list-style-type: none"> <li>being found guilty of an offence and is liable to a fine not exceeding RM1,000 or to imprisonment for a term not exceeding three months or to both and he is also liable to a further fine not exceeding RM500 for every day during which such default continues; or</li> <li>being held liable for an offence for furnishing statements or information that is false or misleading in any material form which can result in a fine of not more than RM2,000 or imprisonment for a term not exceeding six months or both.</li> </ul> <p>(e) 5ERSB is not allowed to import waste materials / residues for recycling from abroad. 5ERSB may only recycle the waste materials in the country only, including from Free Industrial Zones / Licenced Manufacturing Warehouses.</p> | <p>Noted</p> <p>Noted</p> |

## APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS

| No. | Company | Description of licence / certificate                                                                                                                      | Issuing authority<br>Certificate /<br>Registration /<br>Licence /<br>Permit no. | Commencement<br>date / Expiry<br>date | Major conditions imposed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Compliance<br>status                                                    |
|-----|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
|     |         |                                                                                                                                                           |                                                                                 |                                       | (f) 5ERSB shall implement its projects as approved and comply with any laws and regulations of Malaysia.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Complied                                                                |
| 17. | 5ERSB   | Manufacturing Licence for PLO 83 Facility for 'Recycled Mixed Oil', 'Recycled Silicon Powder', 'Recycled Solvent' and 'Treated N-Methylpyrrolidone (NMP)' | MITI<br><br><u>Licence no.:</u><br>A 026464                                     | 12 February 2025<br>/ Nil             | <p>(a) 5ERSB shall notify MITI and MIDA of any sale of shares in 5ERSB.</p> <p>(b) 5ERSB shall comply with the minimum Capital Investment Per Employee Ratio (CIPE) of RM140,000.</p> <p>(c) The full-time workforce of 5ERSB shall consist of at least 80% Malaysian citizens. Employment of foreign workers will be subject to the applicable policy at the time.</p> <p>(d) 5ERSB shall submit information regarding its investment performance and project implemented under ICA 1975 and the Malaysian Industrial Development Authority (Incorporation) Act 1965 when required by MIDA. Failing to submit such information might result in the company:</p> <ul style="list-style-type: none"> <li>being found guilty of an offence and is liable to a fine not exceeding RM1,000 or to imprisonment for a term not exceeding three months or to both and he is also liable to a further fine not exceeding RM500 for every day during which such default continues; or</li> </ul> | <p>Noted</p> <p>Complied</p> <p>Exempted<sup>(2)</sup></p> <p>Noted</p> |

**APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS**

| No. | Company | Description of licence / certificate                                                                          | Issuing authority<br>Certificate /<br>Registration /<br>Licence /<br>Permit no. | Commencement<br>date / Expiry<br>date | Major conditions imposed                                                                                                                                                                                                                                                                                                                                                                      | Compliance<br>status |
|-----|---------|---------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
|     |         |                                                                                                               |                                                                                 |                                       | <ul style="list-style-type: none"> <li>being held liable for an offence for furnishing statements or information that is false or misleading in any material form which can result in a fine of not more than RM2,000 or imprisonment for a term not exceeding six months or both.</li> </ul>                                                                                                 | Noted                |
|     |         |                                                                                                               |                                                                                 |                                       | (e) 5ERSB is not allowed to import waste materials / residues for recycling from abroad. 5ERSB may only recycle the waste materials in the country only, including from Free Industrial Zones / Licenced Manufacturing Warehouses.                                                                                                                                                            | Noted                |
|     |         |                                                                                                               |                                                                                 |                                       | (f) 5ERSB shall implement its projects as approved and comply with any laws and regulations of Malaysia.                                                                                                                                                                                                                                                                                      | Noted                |
| 18. | 5ERSB   | Operator's Licence issued to 5ERSB for its vehicles under carrier 'C' ("Operator's Licence C") <sup>(3)</sup> | APAD<br><br><b>Licence no.:</b><br>742213K(LC)                                  | 11 August 2025 /<br>8 November 2030   | <p>(a) This licence is subject to the conditions as set out in the Service Level Requirements (<i>Keperluan Tahap Perkhidmatan</i>) issued by APAD (effective 1 February 2025) which shall be considered as part of and read together with the Operator's Licence.</p> <p>(b) An application for renewal must be made at least 3 to 6 months before the expiry of the Operator's Licence.</p> | Noted                |

**APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS**

| No. | Company | Description of licence / certificate                                                                          | Issuing authority<br>Certificate /<br>Registration /<br>Licence /<br>Permit no. | Commencement<br>date / Expiry<br>date         | Major conditions imposed                                                                                                                                                                                                                                                                                                                                                                 | Compliance<br>status |
|-----|---------|---------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| 19. | 5ERSB   | Operator's Licence issued to 5ERSB for its vehicles under carrier 'A' ("Operator's Licence A") <sup>(4)</sup> | APAD<br><br><u>Licence no.:</u><br>200601022459<br>(LA)                         | 2 October 2022 /<br>29 February 2028          | (a) This licence is subject to the conditions as set out in the Service Level Requirements ( <i>Keperluan Tahap Perkhidmatan</i> ) issued by APAD (effective 1 February 2025) which shall be considered as part of and read together with the Operator's Licence.<br><br>(b) An application for renewal must be made at least 3 to 6 months before the expiry of the Operator's Licence. | Noted                |
| 20. | 5ERSB   | Fire Certificate for PLO 83 & 317 Facility                                                                    | FRDM<br><br><u>Certificate no.:</u><br>JBPM: JH/7/151/20<br>25                  | 19 May 2025 /<br>18 May 2026 <sup>(5)</sup>   | Nil                                                                                                                                                                                                                                                                                                                                                                                      | N/A                  |
| 21. | 5ERSB   | Fire Certificate for PLO 321 Facility                                                                         | FRDM<br><br><u>Certificate no.:</u><br>JBPM: JH/9/025/20<br>25                  | 8 April 2025 /<br>7 April 2026 <sup>(6)</sup> | Nil                                                                                                                                                                                                                                                                                                                                                                                      | N/A                  |
| 22. | 5ERSB   | Fire Certificate for PLO 738 Facility                                                                         | FRDM<br><br><u>Certificate no.:</u><br>JBPM: JH/7/257/20<br>25                  | 18 July 2025 /<br>17 July 2026 <sup>(7)</sup> | Nil                                                                                                                                                                                                                                                                                                                                                                                      | N/A                  |



**APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS**

| No. | Company | Description of licence / certificate                                                 | Issuing authority<br>Certificate /<br>Registration /<br>Licence /<br>Permit no. | Commencement<br>date / Expiry<br>date            | Major conditions imposed | Compliance<br>status |
|-----|---------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|--------------------------------------------------|--------------------------|----------------------|
| 23. | 5ERSB   | Certificate of fitness for a unit of air compressor receiver at PLO 317 Facility     | DOSH Johor<br><u>Registration no.</u><br>JH-PMT-13096                           | 17 January 2025 /<br>8 April 2026 <sup>(8)</sup> | Nil                      | N/A                  |
| 24. | 5ERSB   | Certificate of fitness for a unit of vacuum liquid nitrogen tank at PLO 738 Facility | DOSH Johor<br><u>Registration no.</u><br>JH-PMT-30751                           | 10 March 2026 /<br>9 June 2027                   | Nil                      | N/A                  |
| 25. | 5ERSB   | Certificate of fitness for a unit of vertical air receiver tank at PLO 738 Facility  | DOSH Johor<br><u>Registration no.</u><br>JH-PMT-93433                           | 28 April 2025 /<br>25 June 2026 <sup>(9)</sup>   | Nil                      | N/A                  |
| 26. | 5ERSB   | Certificate of fitness for a unit of vertical air receiver tank at PLO 738 Facility  | DOSH Johor<br><u>Registration no.</u><br>JH-PMT-93434                           | 28 April 2025 /<br>25 June 2026 <sup>(9)</sup>   | Nil                      | N/A                  |
| 27. | 5ERSB   | Certificate of fitness for a unit of monorail crane at PLO 317 Facility              | DOSH Johor<br><u>Registration no.</u><br>JH-PMA-91613                           | 17 January 2025 /<br>8 April 2026 <sup>(8)</sup> | Nil                      | N/A                  |
| 28. | 5ERSB   | Certificate of fitness for a unit of drum lifter at PLO 738 Facility                 | DOSH Johor<br><u>Registration no.</u><br>JH-PMA-94674                           | 28 April 2025 /<br>25 June 2026 <sup>(9)</sup>   | Nil                      | N/A                  |

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| No. | Company | Description of licence / certificate                                              | Issuing authority<br>Certificate /<br>Registration /<br>Licence /<br>Permit no. | Commencement<br>date / Expiry<br>date         | Major conditions imposed  | Compliance<br>status  |
|-----|---------|-----------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------|---------------------------|-----------------------|
| 29. | 5ERSB   | Certificate of fitness for a unit of monorail crane at PLO 738 Facility           | DOSH Johor<br><b>Registration no.</b><br>JH-PMA-93835                           | 3 February 2026 /<br>2 May 2027               | Nil                       | N/A                   |
| 30. | 5ERSB   | Certificate of fitness for a unit of electrical steam boiler at PLO 738 Facility  | DOSH Johor<br><b>Registration no.</b><br>JH-PMD-1977                            | 10 March 2026 /<br>9 June 2027                | Nil                       | N/A                   |
| 31. | 5ERSB   | Off-site recovery facility licence for scheduled wastes for PLO 83 & 317 Facility | DOE<br><b>Licence no.</b><br>003892                                             | 1 May 2025 /<br>30 April 2026 <sup>(10)</sup> | Please refer to Note (11) | Noted and<br>complied |
| 32. | 5ERSB   | Off-site recovery facility licence for scheduled wastes for PLO 738 Facility      | DOE<br><b>Licence no.</b><br>006769                                             | 1 May 2025 /<br>30 April 2026 <sup>(10)</sup> | Please refer to Note (11) | Noted and<br>complied |

**APPENDIX I – MAJOR APPROVALS, LICENCES, CERTIFICATES AND PERMITS**

| No. | Company | Description of licence / certificate                                                                                                                 | Issuing authority<br>Certificate /<br>Registration /<br>Licence /<br>Permit no. | Commencement<br>date /<br>Expiry<br>date      | Major conditions imposed  | Compliance<br>status  |
|-----|---------|------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------|---------------------------|-----------------------|
| 33. | 5ERSB   | Licence for designated carrier and vehicles for the purpose of collection, transfer and transportation of scheduled wastes for PLO 83 & 317 Facility | DOE<br><u>Licence no.</u><br>003893                                             | 1 May 2025 /<br>30 April 2026 <sup>(10)</sup> | Please refer to Note (12) | Noted and<br>complied |
| 34. | 5ERSB   | Licence for designated carrier and vehicles for the purpose of collection, transfer and transportation of scheduled wastes for PLO 738 Facility      | DOE<br><u>Licence no.</u><br>006770                                             | 1 May 2025 /<br>30 April 2026 <sup>(10)</sup> | Please refer to Note (12) | Noted and<br>complied |

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### Notes:

- (1) Despite the validity of the existing certificate of registration, 5ERSB has obtained the renewed Certificate of Registration (Form B) for the installation of electrical equipment with aggregate installed power of 11 kV / 1700 kW for PLO 738 Facility issued by the Energy Commission Malaysia with the validity period from 1 April 2026 to 31 March 2028.
- (2) Pursuant to an article issued by MIDA on 16 December 2024 (<https://www.mida.gov.my/mida-news/miti-suspension-of-foreign-worker-ratio-in-manufacturingextended-until-multi-tier-levy-is-enforced/>), compliance with the condition that the total full-time workforce of a company to be at least 80% Malaysian citizens as stated in all manufacturing licenses is exempted until the multi-tier levy mechanism (MTLM) is fully implemented. This exemption is applicable to 5ERSB.
- (3) As at the LPD, in addition to the Operator's Licence C issued to 5ERSB, 5ERSB has obtained permit for its vehicles under carrier "C" for 2 vehicles owned by 5ERSB. These permits are valid until 8 November 2030, which is the expiry date for our Operator's Licence C.
- (4) As at the LPD, in addition to the Operator's Licence A issued to 5ERSB, 5ERSB has obtained permit for its vehicles under carrier "A" for 40 vehicles owned by 5ERSB. These permits are valid until 29 February 2028, which is the expiry date for our Operator's Licence A.
- (5) We intend to submit the application for the renewal of the Fire Certificate for PLO 83 & 317 Facility by 17 April 2026, which is not less than 30 days before the expiry of the said fire certificate, in accordance with the Fire Services (Fire Certificate) Regulations 2001.
- (6) 5ERSB had submitted the application for the renewal of the Fire Certificate for PLO 321 Facility on 27 February 2026 and is awaiting the inspection to be conducted by the FRDM.
- (7) We intend to submit the application for the renewal of the Fire Certificate for PLO 738 Facility by 16 June 2026, which is not less than 30 days before the expiry of the said fire certificate, in accordance with the Fire Services (Fire Certificate) Regulations 2001.
- (8) 5ERSB had submitted the application for the renewal of the certificates of fitness for a unit of air compressor receiver and monorail crane at PLO 317 Facility on 4 March 2026. As part of the renewal process, the company is in the process of arranging the inspections with DOSH Johor.
- (9) We intend to submit the application for the renewal of the certificates of fitness for 2 units of vertical air receiver tank and a unit of drum lifter at PLO 738 Facility by 24 May 2026, which is not less than 30 days before the expiry of the said certificates of fitness.
- (10) 5ERSB had submitted the applications for the renewal of off-site recovery facility licences for scheduled wastes as well as the licences for designated carrier and vehicles for the purpose of collection, transfer and transportation of scheduled wastes for PLO 83 & 317 Facility and PLO 738 Facility on 5 January 2026, which is not less than 3 months nor more than 4 months before the date of expiration of the licences, in accordance with the EQA 1974. The renewal applications are still being processed by the DOE.

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(11) The major conditions imposed are as follows:

| No. | Major conditions                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.  | Pursuant to the requirements of competent person under Section 49A of the EQA 1974, the owner or occupant of the premises must ensure that an authorized person is always on the premises to carry out any scheduled waste management activities.                                                                                                                                                                                            |
| 2.  | The types and quantities of scheduled waste that are allowed to be recovered are as stated in the licence and the current quantity for waste storage must not exceed the maximum quantity allowed as stated in the licence.                                                                                                                                                                                                                  |
| 3.  | Any increase in the capacity of premises / facilities or changes to the type of scheduled waste or the processes involved must be approved in advance by the Director General of Environmental Quality.                                                                                                                                                                                                                                      |
| 4.  | The layout and design of the recovery facility should follow the plan stated in the licence and any changes to the layout and design of the recovery facility must obtain written permissions under Section 19 of the EQA 1974 from the Director General of Environmental Quality.                                                                                                                                                           |
| 5.  | The recovery process carried out must be in accordance with the written permission under Section 19 of the EQA 1974 as approved by the Johor State Department of Environment through the reference letters as stated in the licence.                                                                                                                                                                                                         |
| 6.  | The flow chart of the scheduled waste recovery process for each licenced waste code must be submitted to the Johor State Department of Environment within 1 month from the date of renewal of the licence.                                                                                                                                                                                                                                   |
| 7.  | Any proposal to amend the process flow must obtain prior written permission under Section 19 of the EQA 1974 from the Director General of Environment Quality before the amendment work on the process flow is carried out.                                                                                                                                                                                                                  |
| 8.  | Information about the product must be prepared and kept for inspection by officers from Johor State Department of Environment according to the prescribed format.                                                                                                                                                                                                                                                                            |
| 9.  | The release of impurities into the air from the chimney must comply with the limit value set under the Environmental Quality (Clean Air) Regulations 2014 or at any time if directed by the Johor State Department of Environment.                                                                                                                                                                                                           |
| 10. | The wastewater resulting from the production process or any activity that takes place in any industrial premises must be channelled and treated to the industrial effluent treatment system. The drainage system to channel rainwater and surface runoff should be built separately from the effluent channel system. The effluent channel system should be built on the surface of the ground and not buried in the ground or construction. |
| 11. | The treated effluent released from the industrial effluent treatment system on the premises must comply with Standard B under the Fifth Schedule and Seventh Schedule of the EQIER 2009.                                                                                                                                                                                                                                                     |

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| No. | Major conditions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 12. | The operation of the industrial effluent treatment system must be supervised by a competent person on duty at any time the system is operating.                                                                                                                                                                                                                                                                                                                                                                                              |
| 13. | The storage of waste (residue) from reclamation activities and other scheduled waste produced from the operation of the premises shall not exceed 20 metric tons or a period of 180 days after its production or whichever is earlier.                                                                                                                                                                                                                                                                                                       |
| 14. | Residue from reclamation activities and other scheduled waste produced from the operation of the premises must be sent to a facility licenced by Department of Environment for the purpose of disposal / processing / reclamation.                                                                                                                                                                                                                                                                                                           |
| 15. | An environmental audit against the conditions imposed in the Compliance Schedule is to be conducted by an Environmental Auditor registered with the Department of Environment once a year. The implementation of compliance audits by third party auditors must be carried out in accordance with established guidelines. The rectification report of the compliance audit warning must be submitted to the Johor State Department of Environment within 2 weeks of the compliance audit report being received from the third-party auditor. |
| 16. | Provide a closed-circuit camera that records the movement of vehicles entering and exiting the main door of the premises, in the recovery process area and the scheduled waste storage area at all times. Recordings from closed-circuit cameras must be kept for a period of 3 years and shown to the Department of Environment officials during inspections.                                                                                                                                                                               |
| 17. | A licence condition compliance checklist must be prepared by a competent person every quarter according to the prescribed format under the licence and approved by top management. The report must be kept and submitted to the Johor State Department of Environment.                                                                                                                                                                                                                                                                       |

(12) The major conditions imposed are as follows:

| No. | Major conditions                                                                                                                                                                                                                                                                                           |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.  | The owner or occupant of the premises must ensure that all drivers of waste transport vehicles are scheduled to attend training program.                                                                                                                                                                   |
| 2.  | The types and quantities of scheduled waste that are allowed to be recovered are as stated in the licence and the collection, transfer and transportation of scheduled waste must be stopped when the current quantity of waste on the premises has reached the maximum capacity as stated in the licence. |
| 3.  | The increase in the quantity of waste to be transported must first obtain written permission from the Director General of Environmental Quality.                                                                                                                                                           |
| 4.  | Waste transport is only allowed from the source of the waste producer's premises to the waste receiver's scheduled waste management facilities.                                                                                                                                                            |
| 5.  | The operating time limit for the movement of all licenced transport vehicles as stated in the licence is only from 5.00 am to 11.00 pm.                                                                                                                                                                    |

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| No. | Major conditions                                                                                                                                                                                                                                                                |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6.  | Movement monitoring should be through the Global Positioning System (GPS) which is monitored inside the premises.                                                                                                                                                               |
| 7.  | Scheduled waste that is transported from the wastes producer's premises, must be taken directly to the premises of the recipient of the waste as stated in the licence without temporary storage in any place including outside the area of the premises of the waste producer. |
| 8.  | Each container / barrel to be transported must be clearly labelled in accordance with the Third Schedule, Regulation 10, EQSWR 2005.                                                                                                                                            |
| 9.  | Every vehicle used to transport scheduled waste must be accompanied by a Waste Card which is carried in the format of the Seventh Schedule, Regulation 13, EQSWR 2005.                                                                                                          |
| 10. | A licence condition compliance checklist must be prepared by a competent person every quarter according to the prescribed format under the licence and approved by top management. The report must be kept and submitted to the Johor State Department of Environment.          |

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