Liftech Group Berhad (LIFTECH)

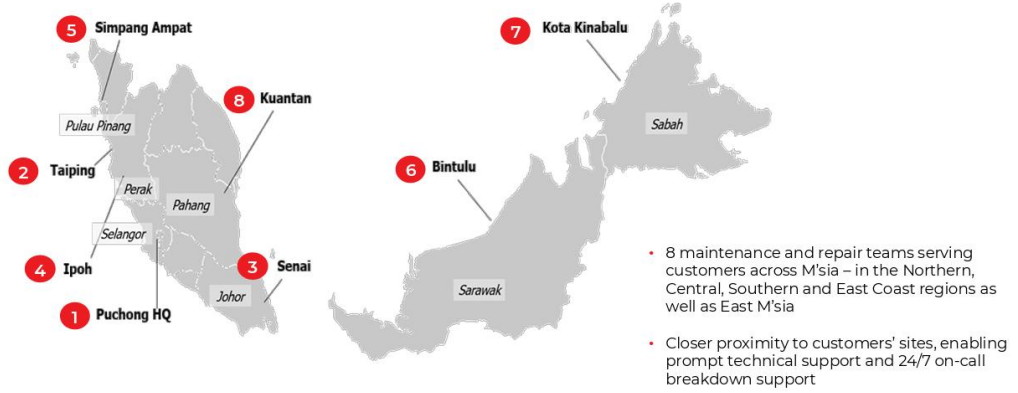
Lifting Toward Greater Height and Success

- **Liftech Group Berhad is an industrial lifting and handling equipment company, principally engaged in (i) the design, manufacturing, installation and commissioning of customised industrial lifting and handling equipment, (ii) the provision of maintenance, repair and related services, and (iii) the trading of components, accessories and other industrial lifting and handling equipment.**
- **We project 3-year earnings CAGR of 10.1%, with core PATMI expected to reach RM7.5m-RM9.2m over the next three years, supported by (i) stronger project inflows following the completion of new Penang and Sabah facilities and expanded Taiping facility, (ii) riding on the multiple industrial upcycles nationwide and (iii) the introduction of car park systems as a new source of revenue growth driver.**
- **We assign a fair value of RM0.35 per share for LIFTECH, indicating an 20.7% upside from the IPO price of RM0.29. This valuation is based on a PE multiple of 13.0x, pegged to FY27f EPS of 2.69 sen.**

Investment highlights

34-year brand moat underpinned by nationwide service network. LIFTECH has delivered over 1,745 equipment units and completed 37,988 maintenance service works over FY22–FY25, operating through 8 strategically distributed facilities nationwide. The Group's DOSH Competent Person (Company) registration also constitutes a meaningful barrier to entry for the Group in this regulated technical niche industry, which would drive customers' repeat engagement.

Fig #1 Operational facilities network throughout Malaysia



Source: Liftech Group Berhad

Riding on multiple industrial upcycles nationwide. With its nationwide presence, LIFTECH is able to capture multiple industrial upcycles across different states; including the growing and expanding semiconductor and electronics manufacturing sector in the Northern region (Penang and Perak), premium aerospace infrastructure projects in the Central region (Klang Valley), and data centre substations wave across the Southern region (Johor). While having a market share of only 3.5% according to the IMR report, we believe it is poised for further growth as LIFTECH's continue to capture the multi-sector industrial tailwinds across the country.

Car park systems to unlock new revenue growth. In FY25, LIFTECH expanded its targeted product offerings into mechanical and automated car park systems. Sourced from established third-party engineering suppliers in China, the Group handles all in-house installation and commissioning works. While still a relatively new division, we

IPO Note – Not rated

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Non-Rated

Share price	**RM0.29**
Target price	**RM0.35**
Previous TP	**-**
Capital upside	20.7%
Dividend return	-
Total return	20.7%

Company profile

Started since 1992 and incorporated in 2023, Liftech Group Berhad specializes in customised industrial lifting and handling equipment, providing (i) end-to-end services from design and manufacturing to installation services, (ii) repair and maintenance, and (iii) trading of components, accessories and other industrial lifting and handling equipment.

Stock information

Bursa Code	0462
Bloomberg ticker	LIFTECH MK
Listing market	ACE
Share issued (m)	314.9
Market Cap (m)	91.3
Shariah compliant	Yes
MITI allocation	Yes

Major shareholders %

Ng Sea Kai	26.2
Eng Peng Hong	15.2
Ng Peng Choong	7.1

Earnings snapshot

FYE (Dec)	FY25	FY26f	FY27f
PATMI (m)	6.9	7.5	8.5
EPS (sen)	2.2	2.4	2.7
P/E (x)	13.3	12.2	10.8

Timetable of IPO

Opening of application	8 June
Closing of application	16 June
Balloting of application	19 June
Allotment of the IPO shares	24 June
Listing on the ACE market	30 June

believe this product offering would provide a new growth trajectory for the Group moving forward, given its first-mover advantage in the country. Management indicates that after contributing approximately RM2.0m in sales last year, the car park systems offering is poised to achieve around RM10.0m and above this year.

Unbilled order book of RM41.6m. As of the LPD, LIFTECH has an unbilled order book of RM41.6m, which are expected to be recognised in the next 6 to 9-month window. By leveraging its expanded Taiping manufacturing floor, new Penang and Sabah facilities and strategic regional centres nationwide in tendering for more high-value projects nationwide, the Group is able to capture more new market opportunities moving forward.

Insulated supply chain routes shielding operations from geopolitical bottlenecks. As LIFTECH's imports and components are sourced directly from strategic suppliers in China, hence the shipping routes completely bypass the volatile global maritime choke point Strait of Hormuz. While the group absorbs minor systemic fuel and petrol price hikes, the direct financial impact remains minimal, and the group would insulate its margins by charging back these incremental transport variances directly to clients via its maintenance services segment.

Company background

Started since 1992, Liftech Group Berhad is a one-stop Malaysian industrial lifting and handling equipment provider. The Group provides customised lifting solutions under the 'Liftech' brand through three key business segments, including:

i. **Design, manufacturing, installation and commissioning of industrial lifting and handling equipment.** This segment covers the full EPCC lifecycle from engineering design to final commissioning of industrial lifting cranes, industrial lifts and dock levellers.
ii. **Provision of maintenance, repair and other related services.** This segment encompasses scheduled and ad-hoc preventive and corrective maintenance works across the Group's installed equipment base, supported by 8 regional facilities and a nationwide service workforce.
iii. **Trading of components, accessories and other industrial lifting and handling equipment.** This segment distributes spare parts and equipment under distributorship arrangements with LIFTKET (Germany), JASO (Spain) and Zhejiang Shuangniao (China).

As at the LPD, the Group has delivered a total of 1,745 industrial lifting and handling equipment units and completed 37,988 maintenance and repair service works for FY22–FY25, operating through 8 facilities across Peninsular Malaysia and East Malaysia.

Fig #2 Corporate milestones

Year	Key Milestones & Achievements
1992	Incorporation of Liftech JB (8 August) by Eng Peng Hong; commenced crane maintenance and repair services from Skudai, Johor. Ng Sea Kai joined as director in November 1992.
1996–1997	Expanded to Puchong, Selangor; established Ipoh and Penang facilities; began in-house crane manufacturing design.
1999	First DOSH registration as Competent Person (Company) for engineering design of industrial lifting cranes.
2002	Acquired Puchong HQ; commenced full in-house manufacturing. Appointed non-exclusive authorised distributor of LIFTKET (Germany).
2005	Appointed exclusive distributor of Zhejiang Shuangniao (China) TBM

	brand electric hoists in Malaysia.
2011–2012	Appointed non-exclusive authorised distributor of JASO. Obtained CIDB Grade G5 contractor registration. Acquired Johor Facility (Senai, 22,400 sqft).
2014	Commissioned Taiping Factory (Phase 1, 50,946 sq ft built-up) as second manufacturing facility; expanded into hydraulic scissor lifts and dock levellers.
2017	Expanded into East Malaysia through Bintulu, Sarawak facility.
2022	Added aerial work platforms to product range.
2024	Completed Taiping Factory Phase 2 expansion — total manufacturing area enlarged to 127,100 sq ft., commenced operations at Kuantan and Kota Kinabalu facilities
2025	Expanded into mechanical and automated car park systems; acquired New Kota Kinabalu Facility
2026	Filed for IPO on ACE Market of Bursa Malaysia; listing date 30 June 2026.

Source: Liftech Group Berhad

Substantial Shareholders and Key Management

1. Ng Sea Kai – Co-Founder & Managing Director

Mr Ng is the co-founder, Promoter, substantial shareholder, and Managing Director of Liftech. He steers the Group's overall strategic directions and oversees key initiatives to support expansion and business growth. He holds a Diploma in Mechanical Engineering from Feng Chia College of Engineering and Business, Taiwan. He brings an engineering and operations background from roles at Malaysia Steel Works (KL) Sdn Bhd and Sumiputeh Steel Centre Sdn Bhd , alongside over 42 years of industry experience since co-founding Deko Engineering in 1986 and subsequently establishing the core Liftech Group companies.

2. Eng Peng Hong – Executive Director

Mr Eng is a Promoter, substantial shareholder, and Executive Director responsible for driving the Group's operational efficiency, including overseeing manufacturing, servicing, and maintenance operations. He holds a Diploma in Mechanical Technology from Feng Chia University, Taiwan. He brings a technical design and sales background from NKE-Flexible Automation System Sdn Bhd and Deko Engineering, along with over 34 years of experience in the industrial lifting sector since co-founding Liftech JB in 1992.

3. Ng Say Lim – Executive Director

Mr Ng is a Promoter, substantial shareholder, and Executive Director responsible for overseeing the Group's overall sales and business development functions. He holds a Sijil Pelajaran Malaysia from Han Chiang High School, Penang. He brings deep operational experience from managing workshop activities at Selama Motor Trading Co and founding Deko Engineering Services (North) Sdn Bhd, and eventually co-founded Liftech Academy and factories in 1997.

4. Ng Peng Choong – Head of Business Development

Mr Ng is a substantial shareholder and the Head of Business Development responsible for leading commercial expansion, identifying new product pipelines, driving marketing initiatives, and exploring global partnerships. He holds a Bachelor of Business (Management) from Royal Melbourne Institute of Technology, Melbourne, Australia (2015). He officially commenced his career with the Group in 2017 as a

Business Development Executive at Liftech KL, progressed to director and manager in 2021, and assumed his group-wide executive role in 2025. He is the son of Managing Director Ng Sea Kai, the nephew of Executive Director Ng Say Lim, the cousin of Executive Director Eng Peng Hong.

5. Low Wei Keat – Chief Financial Officer

Mr Low oversees the Group's overall finance and accounting functions as well as human resource and administration matters. He holds a Bachelor of Business in Combined Majors in Accounting and Finance from the University of Technology Sydney, Australia (1996) and has been a Member of the Malaysian Institute of Accountants (MIA) since 2001. He started his background in public accounting from Kassim Chan & Co and has extensive corporate financial management experience from senior roles at GlaxoSmithKline and AstraZeneca before eventually joining LIFTECH in 2023.

6. Ooi Poh Keong – Head of Project Planning

Mr Ooi is responsible for managing the Group's design, manufacturing, installation, and commissioning activities, monitoring QC/QA, and ensuring safety compliance. He holds a Sijil Am Pelajaran from Sekolah Menengah Sri Kota, Taiping (1994). He developed an extensive operational background through various sales positions and trade co-founding ventures before joining Liftech KL in 2012. He progressed to Production and Technical Manager at Liftech Academy in 2013 and returned to Liftech KL in 2024 before assuming his current position in 2025.

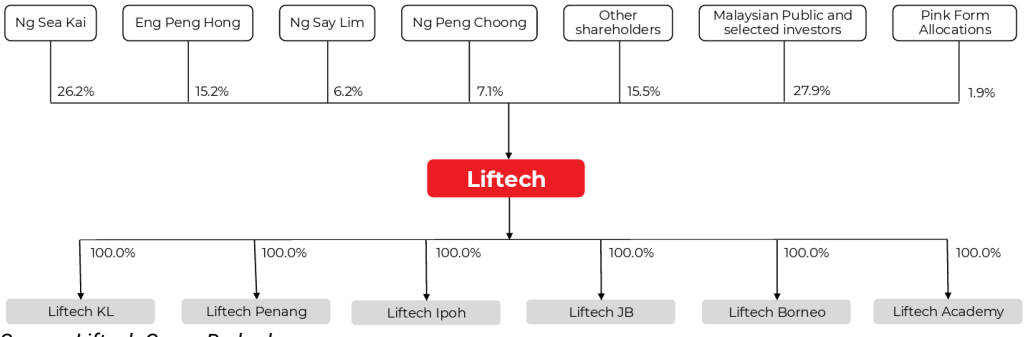
7. Ho Kee Meng – Head of Sales

Mr Ho is responsible for managing the Group's sales and service operations, strategy implementation, supervision of sales teams, and after-sales coordination. He holds a Sijil Meritorious Pelajaran Vokasional Malaysia from Sekolah Menengah Vokasional Teluk Ayer Tawar, Butterworth (1986). He brings a 27-year track record in sales and technical machinery operations across Singapore and Malaysia, having first joined the brand network as a Sales Executive at Liftech JB in 1993. He rejoined as a Project Manager for Liftech Penang in 2003 and was promoted to Head of Sales in 2025.

8. Koon Kok Feng – Marketing Manager

Mr Koon is the Marketing Manager responsible for the full oversight of the marketing department's operations, marketing schemes, packaging aesthetics, and visual artwork designs. He holds a Bachelor of Marketing Management from Multimedia University, Melaka (2021). He joined the Group in 2021 as a Senior Marketing Officer and successfully established and led the Group's three core promotional, product, and design and arts sub-teams before his promotion to manager in 2025.

Fig #3 Post-IPO Structure



Source: Liftech Group Berhad

Fig #4 Use of proceeds

Use of proceeds	RM'm	%	Estimated time frame
Repayment of bank borrowings	13.8	59.8	Within 12 months
Purchase of new machinery and equipment	1.7	7.5	Within 12 months
Capital expenditure	1.0	4.4	Within 6 months
Working capital	2.0	8.7	Within 12 months
Estimated listing expenses	4.5	19.6	Within 1 month
Total	23.0	100.0	

Source: Liftech Group Berhad

Business overview

Design, manufacturing, installation and commissioning (66.5% of FY25 revenue)
This segment covers the customised design, in-house manufacturing, and full EPCC lifecycle delivery of industrial lifting cranes, industrial lifts, goods hoists, hydraulic scissor lifts, dock levellers, aerial work platforms, and mechanical and automated car park systems. The Group leverages its Puchong HQ and Taiping Factory as principal manufacturing sites, supported by authorised distributorship arrangements for key components.

Maintenance, repair and other related services (19.3% of FY25 revenue)
This segment provides scheduled and ad-hoc preventive and corrective maintenance and repair services for the Group's installed equipment base across Malaysia. Operations are supported by 8 regional facilities, located in Puchong HQ (Selangor), Taiping (Perak), Ipoh (Perak), Simpang Ampat (Penang), Senai (Johor), Kuantan (Pahang), Bintulu (Sarawak) and Kota Kinabalu (Sabah), enabling prompt turnaround and driving customer retention. For FY22–FY25, the Group completed a total 37,988 maintenance and repair service works.

Trading of components, accessories and other industrial lifting and handling equipment (14.2% of FY25 revenue)
This segment focuses on the standalone distribution of commonly requested lifting components (hoist units, electrical components, travel wheels and travel motors) and accessories sourced locally and overseas. LIFTECH operates as a non-exclusive distributor for LIFTKET (Germany) and JASO (Spain), and the exclusive distributor for TBM brand and Zhejiang Shuangniao Lifting Equipmeny Co. (China). The group also trades China-sourced aerial work platforms and automated car park systems.

Fig #5 Principal business activities and services provided

Our Principal Activity	We are an industrial lifting and handling equipment specialist, principally involved in the provision of customized industrial lifting and handling equipment, under our 'Liftech' brand.		
Our business segments	Design, manufacturing, installation and commissioning of industrial lifting and handling equipment	Provision of maintenance, repair and other related services	Trading of components, accessories and other industrial lifting and handling equipment
Our products and services	(a) Industrial lifting cranes • Overhead crane • Gantry/semi-gantry crane • Jib crane • Monorail crane (b) Industrial lifts • Goods hoist • Lifter • Hydraulic scissor lift (c) Dock leveller	**(a) Maintenance and repair services[1]:** • Preventive maintenance • Troubleshooting and repair • Refurbishment • Relocation **(b) Other related services:** • Industrial lifting crane training • Renewal service for DOSH certificate of fitness • Renting loads for load tests	**(a) Components:** • Hoist unit • Electrical components • Travel wheel and travel motor • Wire rope and chain **(b) Accessories:** • Wire rope sling • Crane weighing scale • Magnetic lifter **(c) Aerial work platform[2]** **(d) Mechanical and automated car park system[3]**
Our customers	**Direct end users** From various industries (e.g. steel works and steel foundry, construction, public utilities, semiconductor, machinery, pre-cast concrete, palm oil, plastic products, automotive components and raw metals) **Indirect end users** Main contractors (i.e. companies that construct buildings, factories, industrial plants and infrastructures) on behalf of their customers.		

Source: Liftech Group Berhad

Fig #6 SWOT analysis of LIFTECH

Strength	Weakness
• 34-year brand reputation with nationwide 8-facility service network • Provide end-to-end capabilities including design, manufacturing, installation and after-sales repair and maintenance • Distributorships for LIFTKET, JASO, TBM Brand and Zhejiang Shuangniao	• Mainly still project-based and ad-hoc revenue structure (66.5% FY25 revenue contribution from design, manufacturing, installation and commissioning segment while 14.2% from trading of segment) • Overseas revenue minimal at 1.2% of FY25 total
Opportunity	**Threat**
• Expansion of new Penang (Bukit Minyak) and Sabah (Kota Kinabalu) facilities • Riding on the semiconductor (northern region), aerospace (central region) and data centre (southern region) upcycles nationwide • Introduction of automated car park system	• Competitive environment from larger international OEMs and local engineering firms in project tenders • Steel and copper commodity price volatility directly impacts cost of sales • Dependency on subcontractors for certain works causing execution quality risk

Source: M+ Research

Financials

Revenue and income highlights. The Group posted revenue of RM57.9m in FY25, broadly flat (+0.4% YoY) against RM57.7m in FY24, dragged by lower sales recorded in the trading of components, accessories and other industrial lifting and handling segment, which eased RM0.9m (-9.9% YoY) following lower trading sales to customers in the food industry. Nevertheless, the slowdown was partially offset by the increment in the design, manufacturing, installation and commissioning of industrial lifting and handling equipment segment (+1.6% YoY to RM38.5m) and maintenance and repair services segment (+4.7% YoY to RM11.2m). Despite the flat topline, PAT grew 4.3% YoY to RM6.9m, boosted by the continued mix shift into higher-margin manufacturing and services revenue as GP margin expanded from 40.3% to 41.2%.

Balance sheet. Total assets stood at RM72.4m as at FY25, up from RM57.7m in FY24, reflecting a significant capex cycle including the Taiping Factory Phase 2 expansion and the acquisition of a New Kota Kinabalu Facility. Total equity strengthened from RM33.0m to RM40.1m, boosted by higher retained earnings. Total borrowings increased from RM6.0m to RM17.3m during the same period, resulting in a net gearing of 0.5x prior to the IPO. Post-listing, the repayment of RM13.75m in bank borrowings from IPO proceeds will turn LIFTECH into a net cash company.

Cash flow. Net cash from operating activities moderated sharply from RM9.0m in FY24 to RM0.4m in FY25, mainly due to a significant working capital build, as trade receivables reduced toward RM3.0m, inventories rose toward RM2.0m, and contract assets expanded toward RM2.6m following higher project activity. Investing cash outflow was RM10.7m in FY25 (FY24: RM5.1m), reflecting Phase 2 Taiping expansion and new East Malaysia facility acquisitions. Net cash from financing activities was RM6.3m in FY25, reflecting net drawdown of term loans to fund capex.

Earnings forecasts. Moving forward, we project a 3-year earnings CAGR of 10.1%, with core PATMI expected to reach RM7.5m, RM8.5m and RM9.2m over the next three years. This growth is underpinned by (i) stronger project inflows following the

completion of new Penang and Sabah facilities and expanded Taiping facility, (ii) riding on the multiple industrial upcycles nationwide and (iii) the introduction of car park systems as a new source of revenue growth driver moving forward.

Fig #7 Financial Highlights

FYE Dec (RM m)	FY24	FY25	FY26f	FY27f	FY28f
Revenue	57.7	57.9	64.1	70.5	76.0
EBITDA	10.4	11.9	13.1	14.3	15.3
EBIT	9.2	10.2	11.1	12.2	13.2
PBT	9.1	9.9	10.9	12.3	13.3
PAT	6.6	6.9	7.5	8.5	9.2
PATMI – Core	6.6	6.9	7.5	8.5	9.2
PATMI – Reported	6.6	6.9	7.5	8.5	9.2
% change YoY – Core PATMI	-2%	4%	9%	13%	8%
Core EPS (sen)	2.1	2.2	2.4	2.7	2.9
P/E (x)	13.9	13.3	12.2	10.8	10.0
EV/EBITDA (x)	7.7	6.7	6.1	5.6	5.2
DPS (sen)	0.1	0.8	-	-	-
Yield (%)	0%	3%	0%	0%	0%
BVPS (RM/share)	0.1	0.1	0.2	0.3	0.3
P/B (x)	2.8	2.3	1.2	1.1	0.9
ROE (%)	22%	21%	15%	11%	10%
Net Gearing (%)	CASH	0.2	CASH	CASH	CASH

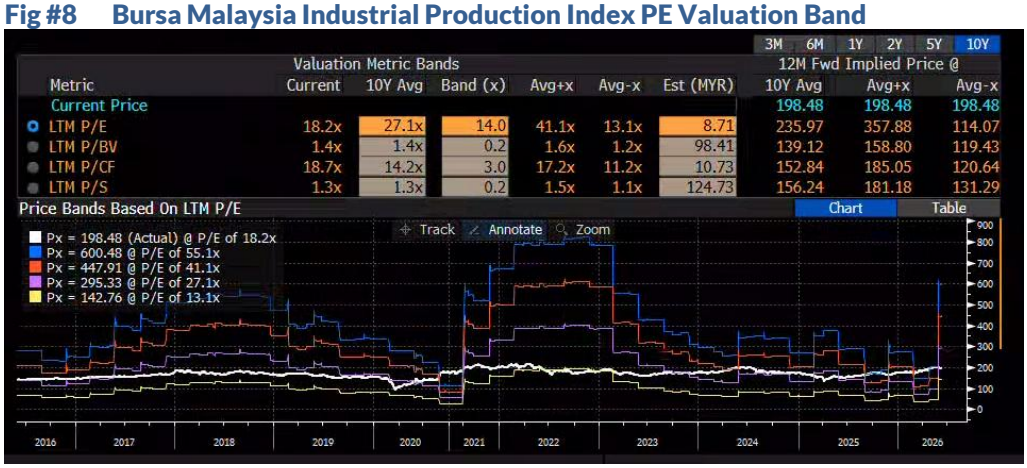
M+ Global Research

Valuations

We assign a fair value of RM0.35 per share for LIFTECH, representing an 20.7% upside from the IPO price of RM0.29. This valuation is based on a P/E ratio of 13.0x, pegged to the FY27f EPS of 2.69 sen.

We believe the ascribed P/E multiple is fair, given that the Bursa Malaysia 10-Year Industrial Production Index are trading within a trailing P/E valuation band of 13.1x(-1 standard deviation) to 41.1x (+1 standard deviation). The assigned P/E multiple of 13.0x is also in line with its IPO P/E multiple of 13.3x, which further reinforces our valuation stance reasonableness.

Fig #8 Bursa Malaysia Industrial Production Index PE Valuation Band



Source: Bloomberg

Investment risks

Dependent on licenses and regulations. The Group relies on DOSH registration as Competent Person (Company), CIDB contractor grade, and state-level trade licences to operate legally across its manufacturing, installation, and maintenance activities.

Steel and copper price volatilities. Key input materials including structural steel and electrical copper are subject to global commodity price cycles and currency movements, while the Group's inability to pass through sudden cost increases under fixed-price tender arrangements could compress its margins and profitability.

Project-based revenue limits earnings visibility. The design, manufacturing, installation and commissioning segment (66.5% of FY25 revenue) is awarded on a one-off tender basis. Cancellation, deferral, or the inability to replenish the project pipeline on equivalent terms would directly impact revenue recognition.

Dependent on skilled labour. The Group's manufacturing, installation, and commissioning operations require certified engineers, welders, and specialised technicians. Labour shortages, wage inflation, or the inability to attract and retain qualified personnel could delay delivery schedules, invite customer penalties, and erode margins across all three business segments.

Environmental, Social and Governance (ESG) Practices

Environmental:

- Committed to minimising energy consumption and reducing carbon footprint through investment in energy efficiency measures and renewable energy sources
- Promotes water conservation practices and reduction of overall water consumption across all operational facilities
- Adheres to all relevant environmental regulatory and legal requirements applicable to its manufacturing and service operations
- Responsible waste management and disposal practices implemented across its facilities

Social:

- Safe and healthy workplace environment with adherence to occupational safety and health regulatory standards
- Equal opportunity policy across age, gender, ethnicity, religion, national origin, sexual orientation, and disability
- Zero-tolerance stance on child labour, forced labour, workplace bullying, discrimination, and sexual harassment

Governance:

- Progressively adopting principles and practices of the Malaysian Code on Corporate Governance (MCCG)
- Anti-Bribery and Corruption Policy enforced, in compliance with MACC Act 2009
- Whistleblowing Policy providing safe channels for reporting misconduct and protecting reporters
- Personal Data Protection Policy in compliance with PDPA 2010 for all stakeholder data handling

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Stock recommendation guide	
BUY	The share price is expected to appreciate more than 10% over the next 12 months
HOLD	The stock price is expected to range between -10% and +10% over the next 12 months
SELL	The share price is expected to fall more than 10% over the next 12 months
TRADING BUY	The share price is projected to rise more than 10% over the next three (3) months due to an ongoing or impending corporate development. The stock price is also expected to be volatile over the next three months
TRADING SELL	The stock price is expected to fall more than 10% over the next three months due to an ongoing or impending corporate developments. The stock price is also expected to be volatile over the next three months
NOT RATED	No recommendation is assigned