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➤ RM36m proceeds earmarked for new equipment, growth beyond TNB contracts

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KUALA LUMPUR: Express Power Solutions (M) Bhd (XPB), a generator rental services provider, made its debut on Bursa Malaysia's ACE Market yesterday, opening at 21.5 sen — 7.5% above its issue price of 20 sen — with an opening volume of 28.4 million shares.

Managing director Lim Cheng Ten described the debut as “a reflection of investor confidence,” adding that the company was “grateful for the support from shareholders” and would stay focused on its long-term expansion plans.

Founded in 2005, Express Powerr has grown to command 7.8% of Malaysia's light machinery and equipment rental market, up from 5.8% when it first submitted its listing application.

The company provides emergency power supply, planned maintenance and standby services, supported by ancillary items such as distribution boards, transformers, switches and cables.

“Our business activities go beyond generators. We provide a full ecosystem of power solutions that support critical infrastructure. With the fresh capital raised, we intend to purchase 36 new generators, expand our fleet and strengthen our position in the market,” Lim said.

The RM36 million raised from the IPO will also fund medium- and high-voltage equipment, repayment of bank borrowings and working capital. According to Lim, the acquisition of generators will be staggered across three years, though the company may accelerate the timeline to meet rising demand.

Express Powerr currently operates in eight states across Peninsular and East Malaysia. Lim confirmed that the group is extending into Penang and Kelantan following contract wins in July, while also setting its sights on

Sabah's Labuan region to penetrate the oil and gas (O&G) sector.

“The O&G industry is heavily concentrated in East Malaysia. We are moving into Labuan to supply safe-zone generators for planned maintenance on rigs and platforms. This is a sector we see as a natural extension of our business,” he said.

The group's revenue mix is also evolving. Emergency supply once accounted for 60% of sales, but following its entry into Sabah, planned maintenance has grown to take the lead at around 60% of revenue. Standby services remain below 5%.

Lim explained that Sabah tenders contributed about 38% of revenue in 2024, although margins were diluted by pass-through diesel costs.

“This year, we removed the diesel element from contracts, which lifted

our gross profit margin to 62% in the first half of 2025, compared to 53% last year,” he said.

Tenaga Nasional Bhd (TNB) remains Express Powerr's anchor client, providing a stable revenue base as demand for emergency power remains consistent.

“As the country develops, expectations for reliable power rise. If there's a failure, people call TNB within half an hour, and that means TNB continues to require emergency supply. At the same time, we want to broaden our customer base beyond one major client. O&G is an area where we are actively building our presence,” Lim said.

He noted that the group expects initial O&G contracts to materialise by the fourth quarter, though contributions will be modest at first. Contracts in this segment typically run between three months to a year, with scope for extensions.

Express Powerr has also ventured into solar photovoltaic (PV) solutions, though the contribution remains small.

“We want to be transparent. Solar is currently very small for us, maybe a few percentage points of revenue. But it is part of our move towards ESG, and we are training our people to build capacity in this area,” Lim said.

The company will relocate to a 53,000 sq ft headquarters by early 2026 to boost efficiency and support growth, with its sales team already tripled since last year.

Express Powerr has pledged to distribute 30-50% of net profit as dividends. Lim said the policy strikes a balance between rewarding shareholders and funding expansion.

With Malaysia's light machinery and equipment rental industry projected to grow at a 7.6% CAGR to RM1.3 billion by 2029, Express Powerr is positioning itself to capture new opportunities.

“We don't set a rigid target for market share, but our goal is clear: to keep growing. From 5.8% to 7.8%, we've shown progress, and we will continue to expand geographically and across industries,” Lim said.



From left: Express Powerr Solutions (M) Bhd independent non-executive directors Farah Shireen Mohamed Said, Aun Siew Kuan, Abdul Rahman Adam, Lim, independent non-executive chairman Datuk Mohd Redza Shah Abdul Wahid, non-independent executive director Rosli Jonid, Mercury Securities Sdn Bhd managing director Chew Sing Guan and head of corporate finance Eric Chong Soo Keng.