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## Express Power inks deal with Mercury Securities

The Malaysian Reserve, Malaysia



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Source: Express Power

(From left) Express Power Solutions financial controller Kong Choon Keong, independent non-executive chairman Datuk Mohd Redza Shah Abdul Wahid and Lim; with Mercury Securities MD Chew Sing Guan, head of corporate finance Eric Chong Soo Keng, senior GM Woon See Soon and operations manager Jamieson Chew Yen Loong

**IPO to support Express Power's growth plans, including wider market reach and O&G expansion**

EXPRESS Power Solutions (M) Bhd, a provider of generator rental services, has entered into an underwriting agreement with Mercury Securities Sdn Bhd as part of its planned IPO on the ACE Market of Bursa Malaysia Securities Bhd.

The IPO will comprise a public issue of 180 million new ordinary shares, representing 19.3% of its enlarged issued share capital and an offer for sale of 65.4 million existing shares, or 7% of its enlarged share capital.

Mercury Securities will underwrite a total of 65.4 million issue shares, specifically those allocated to the Malaysian public and eligible individuals under the Pink Form allocation.

Of the new shares to be issued, 46.7 million will be offered to the Malaysian public via balloting, 18.7 million to eligible directors, employees and contributors to the group's success, 63.2 million via private placement to selected investors and 51.4 million to Bumiputera investors approved by the Ministry of Investment, Trade and Industry (MITI).

All offer-for-sale shares will also be placed out to MITI-approved Bumiputera investors.

Express Power, through its subsidiary is involved in the rental of generators used in critical emergency situations such as power outages, planned maintenance and public events.

Its fleet consists of 111 generator units across a range of capacities, more than 70% of which are mobile units mounted on trucks for easy deployment.

The rest are canopy generators typically used in outdoor settings or areas requiring noise control. All generators are maintained in-house every 300 operational hours to ensure reliability.

In addition to its core rental business, the group is also a registered solar photovoltaic (PV) investor under the net energy metering (NEM) programme and a PV service provider certified by the Sustainable Energy Development Authority Malaysia (SEDA), allowing it to install rooftop solar systems for residential and commercial use.

This segment, while still in its infancy, aligns with Malaysia's net-zero emissions target by 2050.

Express Power became an approved vendor for Tenaga Nasional Bhd (TNB) in 2021 and secured service contracts with the utility in 2022, having previously supplied generators to TNB indirectly since 2005.

It expanded its footprint to Sabah in 2023, where it now supplies services indirectly to Sabah Electricity Sdn Bhd (SESB).

Its clients span various sectors, including mechanical and electrical, manufacturing, construction, events

and government agencies.

"Express Power is entering a new phase of growth and this underwriting agreement marks a significant step towards our listing on the ACE Market of Bursa Securities. This move will accelerate our expansion into new end-user markets, including the oil and gas (O&G) industry and broaden our geographical coverage," said MD Lim Cheng Ten.

"With this in mind, we see great potential in the O&G sector. The industry typically operates in remote and challenging environments, where generators are required as temporary power solutions during exploration, drilling and production operations. In the first nine months of 2024 alone, 27 O&G projects worth RM4.46 billion were approved, presenting strong prospects for the industry.

"In the utility sector, TNB has invested RM21 billion in its Grid of the Future programme to enhance its transmission and distribution network. As generator sets are widely used in the engineering, procurement and construction of power grids as well as other generation and transmission projects, these developments reinforce the continued relevance of the generator rental business," Lim added.

Express Power is slated to list on the ACE Market in the third quarter of 2025 (3Q25).

Mercury Securities is the principal advisor, sponsor, sole underwriter and sole placement agent for the IPO. — TMR