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Expanding footprint in clean energy, infrastructure

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**K**UCHING: AIZO Group Bhd's ability to secure more than RM38 million worth of strategic infrastructure contracts in the 12 months to June 30, 2025, reflects its agility and growing relevance in Malaysia's clean energy and infrastructure agenda, said its executive chairman, Dato Abang Abdillah Izzarim Abang Abdul Rahman Zohari.

He said the secured contracts include a RM24.1 million project from China State Construction Engineering (M) Sdn Bhd for external infrastructure works in Jalan Pantai Dalam, Kuala Lumpur, and a RM14.6 million project from Richmond Estate Sdn Bhd for infrastructure works in Serendah, Selangor.

"The two projects reinforce AIZO's reputation for delivering urban infrastructure in high-density corridors and mark its strategic entry into emerging residential zones. They also reflect our ability to support regional development beyond the Klang Valley," he said.

"In April 2025, our renewable energy arm, Wawasan Demi Sdn Bhd, formalised a power purchase agreement with Tenaga Nasional Power for the development of a solar photovoltaic plant under the Fifth Large Scale Solar (LSS-5) programme. This milestone not only enhances our clean energy portfolio but also ensures long-term revenue visibility and alignment with Malaysia's energy transition roadmap," Abang Abdillah said in the company's 2025 annual report.

He added that these operational wins are not merely transactional; they are strategic validations of the group's capabilities, partnerships and commitment to delivering sustainable value across sectors.

"Each project secured strengthens our foundation for

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future growth and reinforces our role in shaping Malaysia's infrastructure and energy landscape," he said.

Going forward, the group plans to scale its clean energy presence, deepen its infrastructure footprint and embed digital capabilities across operations. "Our strategy is clear: deliver sustainable value, navigate complexity with confidence and contribute meaningfully to Malaysia's transformation agenda," he added.

The management said renewable energy has become a central pillar of the group's growth strategy, driving regional expansion through high-impact projects and strategic partnerships across Peninsular and East Malaysia, particularly in Sarawak.

"With policy clarity improving and green financing gaining traction, the group is well-positioned to deliver sustainable returns while supporting Malaysia's 2050 net-zero ambition," it said.

Abang Abdillah added that across all operations — from offices to manufacturing plants and project sites — AIZO is "embedding low-carbon practices, enhancing energy efficiency and strengthening emissions reporting frameworks."

"Our approach is data-driven and impact-focused. We are actively identifying opportunities across our value chain to reduce greenhouse gas emissions and accelerate our transition towards net-zero. These efforts are not only aligned



**ABANG** Abdillah Izzarim affirms that each project strengthens AIZO's foundation for future growth and reinforces its role in shaping Malaysia's infrastructure and energy landscape.

with global ESG benchmarks but are integral to our long-term competitiveness and credibility as a responsible corporate leader," he said.

AIZO's core businesses are in civil engineering, bituminous products and renewable energy.

In FY2025, the civil engineering division remained the group's primary revenue driver, delivering RM109.8 million compared with RM91.8 million in FY2024, mainly due to higher production at the Selinsing gold mine project, which generated RM91.7 million in income.

However, pre-tax profit stood at only RM0.04 million, due largely to non-cash impairments, including a RM3.46 million investment

impairment and a RM2.23 million debtor impairment. Despite this, the group said its healthy RM230 million order book is sufficient to support earnings visibility into the next financial year.

Building on its track record, AIZO said it is strategically positioned to participate in the upcoming Mass Rapid Transit (MRT) Line 3 project, having undertaken works in both MRT Line 1 and 2 in the Klang Valley.

For the bituminous products segment, AIZO Manufacturing International Sdn Bhd commissioned a new mixing tank in June 2024, increasing monthly production capacity from 600 tonnes to 1,000 tonnes. "This 67 per cent uplift has enabled the group to capture rising domestic and export demand for coating, enamel and emulsion products," it said.

The commencement of bitumen raw material trading also expanded the segment's revenue streams. Revenue rose 32.5 per cent to RM39.59 million (FY2024: RM29.15 million), while pre-tax profit surged 47.6 per cent to RM2.89 million (FY2024: RM1.96 million).

"This growth was driven by a steady increase in demand for coating, enamel and tack coat products from our long-term clients. Revenue improvement was also supported by higher spot prices for bitumen, which lifted topline growth despite stable gross profit margins. This was achieved through bulk purchasing that enabled cost control and revenue resilience,"

AIZO said.

Backed by targeted research and development and product quality upgrades, the group aims to meet rising demand from smart infrastructure and green construction markets across Southeast Asia.

"To counter supply chain fragility and margin pressure, the group is reinforcing its sourcing strategy and expanding its Batang Kali facility. By aligning with national infrastructure priorities and global ESG standards, we are building a resilient, future-ready platform poised to deliver durable growth and stakeholder value," it said.

In renewable energy, the segment posted RM8.55 million in revenue (FY2024: RM4.68 million) and narrowed its pre-tax loss to RM2.85 million (FY2024: RM4.2 million), supported by reduced operational downtime and improved plant availability.

Commenting on the FY2026 outlook, AIZO said: "With a strengthened balance sheet, a solid order book in civil engineering and exciting growth prospects in the renewable energy segment — particularly the 99.99MWac LSS-5 plant in Kampar — the board approaches FY2026 with cautious optimism."

"Our focus will remain on executing existing projects efficiently, integrating strategic investments and pursuing new growth avenues to drive sustainable value for our shareholders."