WXP AUTOHAUS
SDN BHD

Sharing the Excitement of Tech Progress & Innovation for Humanity & Compassion

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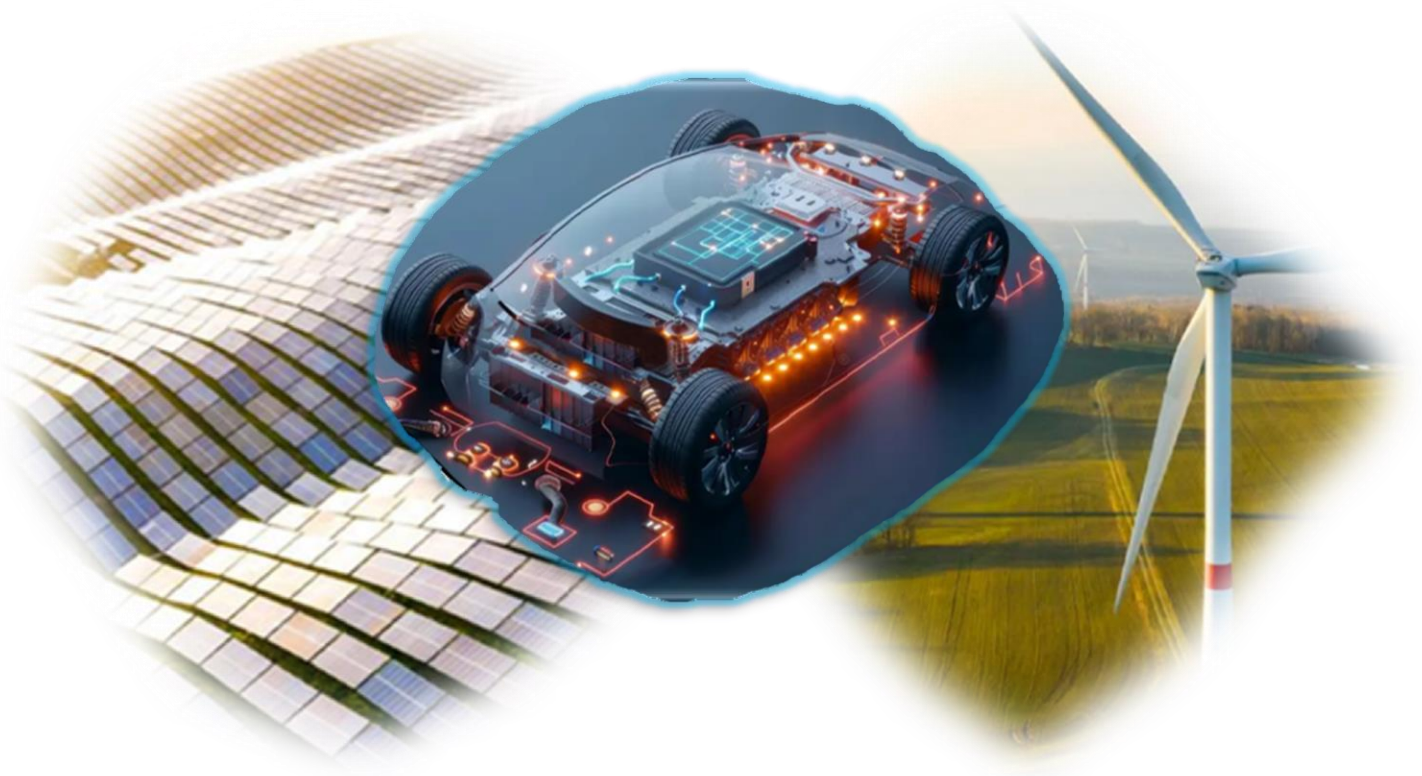

1.0 | OUR CORPORATE JOURNEY CONTINUES..

As we reflect on the journey that led to the formation of wxpgroup.com, I am proud to share our story showcasing resilience, innovation and collaboration.

In mid-2024, our founder at WSA alongside committed shareholders, envisioned the establishment of WMA Global Services Sdn Bhd (WMAG). This strategic move allowed us to secure a 50% equity stake in WXP Autohaus Sdn Bhd, with HSHP Auto Technology Sdn Bhd holding 45% and Madam C. Chan holding 5%.

Our journey began with WSA (see Figure 1) representing the initials of our three founding members: Wan (W), Sinnadurai (S) and Antonio (A). They laid the foundation with WSA Industry Sdn Bhd, focusing on trading and consultancy.

In 1999, we expanded into manufacturing, partnering with Med Bumikar Mara to establish WSA Engineering Sdn Bhd (WSAE) where we produced headliners, our first product for Perodua who were at that time Malaysia's second automobile manufacturer.

This appointment was a game changer through and through, from the beginning of our journey to our expansion into the automotive ecosystem. This success formed the touchstone that further propelled our growth, leading to the acquisition of Carpet International Malaysia Manufacturing (CIMM) and its subsidiaries, all of which were incorporated since 1961.

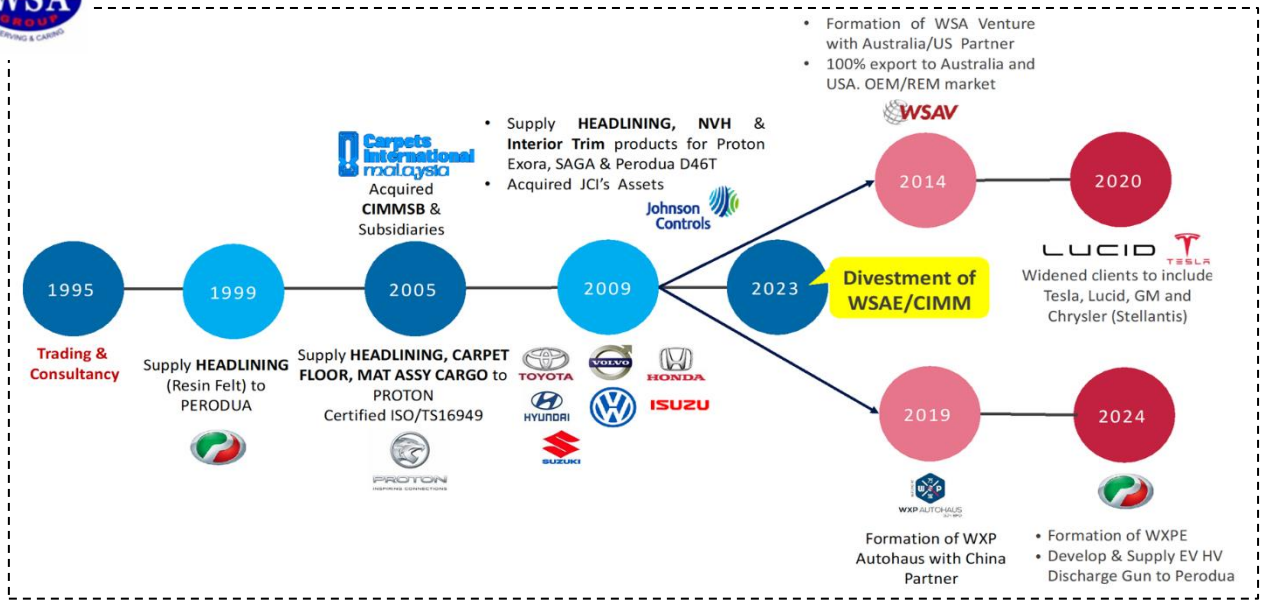

Figure 1: WSA & WXP Corporate Journey, from 1995 and beyond

With this acquisition WSA evolved into WSA Group (WSAG), establishing itself as an industry leader in designing, manufacturing, and supplying interior trims, NVH (Noise, Vibration and Harshness) products as well as carpet manufacturing services for homes and commercial buildings.

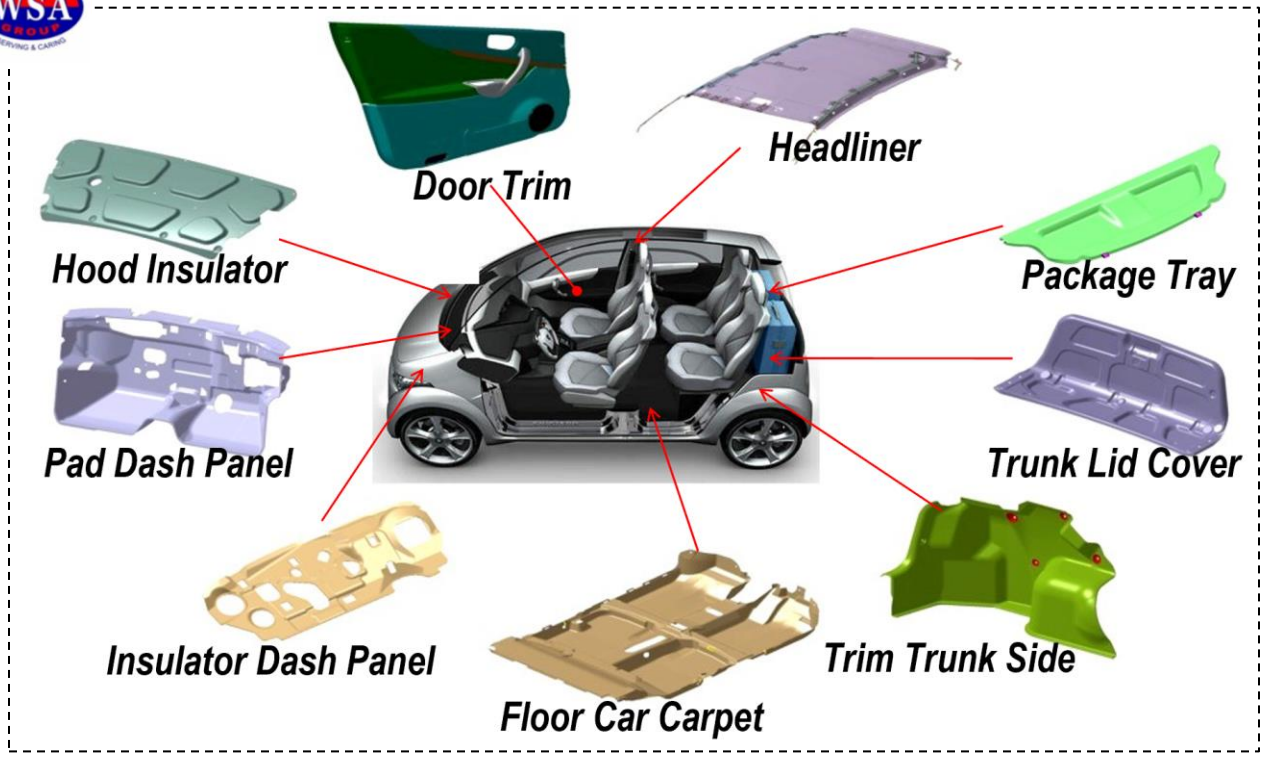

Figure 2: Noise, Vibration & Harshness products & Interior Trims

In 2014, we started a 50:50 joint venture together with Venture Australia, forming WSA Venture (WSAV) where we exported 100% of our products to international Original Equipment Manufacturers (OEMs) and Original Equipment Suppliers (OES). This further solidified our position within the global automotive ecosystem supply chains. Further down the road, the establishment of WXP Autohaus in 2018 marked another significant milestone where WSA partnered 50:50 with HSHP Auto Technology, whose parent company is from mainland China.

Sadly, the onset of the global pandemic in late 2019 brought about unexpected challenges. These included temporary site closures, rising costs of raw materials as well as labor shortages. Navigating through this difficult time required exceptional resilience, determination and dedication from our team and industry players.

We undertook painful restructuring, internally breaking apart WSA Group into three independent sub-groups (see Figure 3) with the focus being long-term company sustainability. This process required making difficult decisions, some of which included the closure of several startups and newly acquired entities, as well as getting rid of toxic assets.

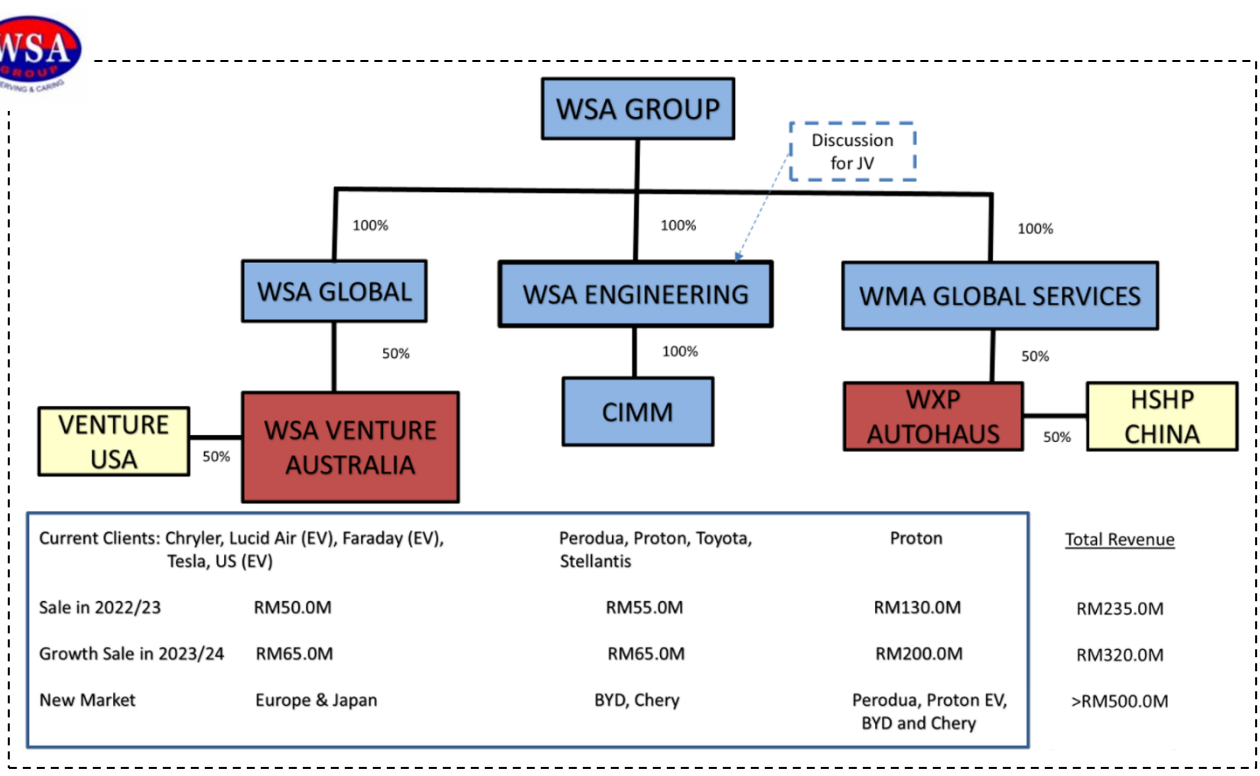

Figure 3: Restructuring of WSA into Independent sub-groups

The restructuring and nursing of selected assets enabled us by late 2023 to completely divest the core local businesses under the WSA Engineering sub-group. Personally, this divestment had affected me emotionally, having felt as if one had lost a child before being able to see them grow into an adult. However painful and sad I was, it was a necessary setback that allowed us to regroup and grow again.

I've since made my peace, telling myself that the path to success will inevitably be full of obstacles and that there is no easy road to greatness. "**Challenges are privileged opportunities to the braves**."

Besides restructuring, other defensive measures were also taken during the pandemic to conserve cash assets as well as to sustain the operation of our two joint ventures; WSA Venture (American/Australian partners) and WXP Autohaus (Chinese partners). We firmly believe that our partnership with two of the world's largest economies would not only help us navigate safely during turbulent times but also help position us for a strong recovery that would be backed by more resilient business plans.

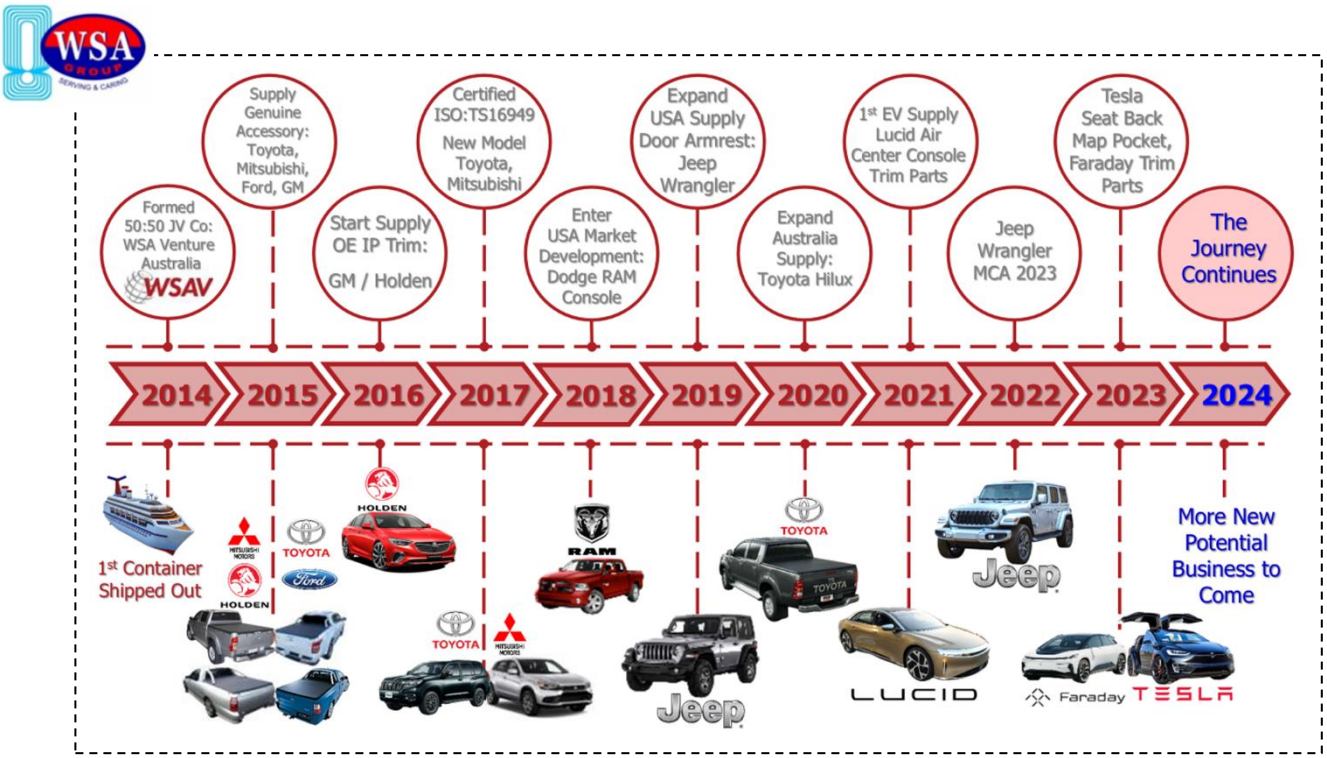

Figure 4: WSA Growth in Products and Clients

Thankfully, all efforts put toward the continued operation of these two joint ventures were a success. In fact, WSAV managed to perform better than expected during the 2019-2021 period. This was mainly due to the sustained demand for our products within the US market.

This period also saw the addition of new clients such as Tesla, Lucid and Faraday (see Figure 4). With the weakening of the Euro against foreign currencies, we are constantly exploring opportunities for expansion into new EU markets.

As for our newly formed entity WXP Autohaus, it is right now focused towards establishing itself as one of the major players in the sub-assembly of wheel management systems, that includes warehousing as well as logistics.

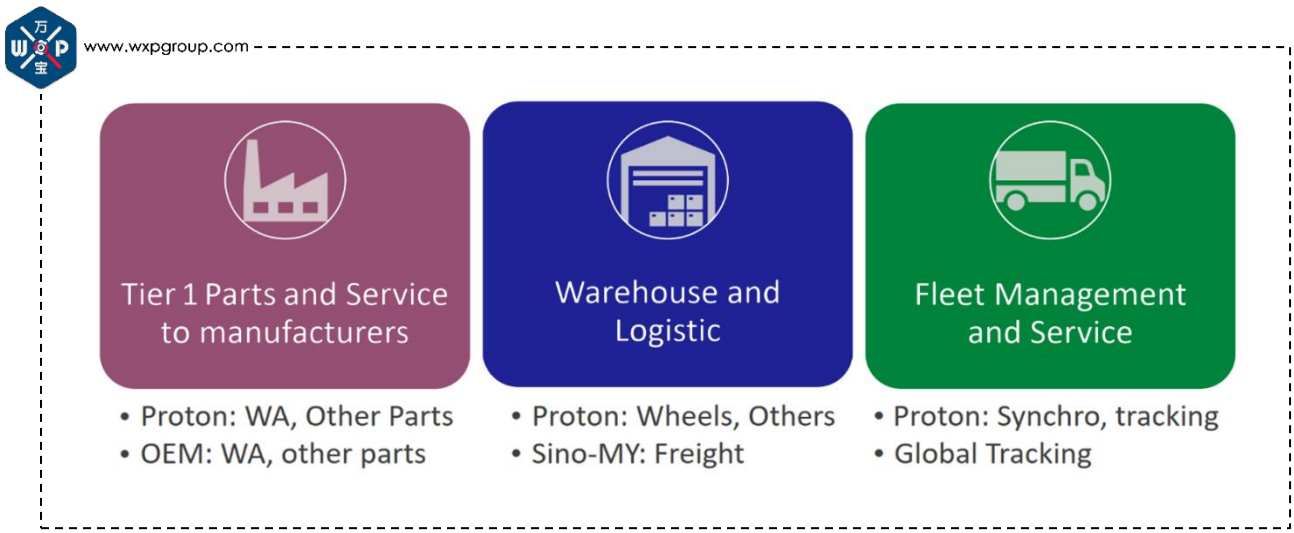

Figure 5: Early Business Area of WXP Autohaus

We also acknowledge that diversity in products and services play a critical role towards the success and sustainability of any business, which is why our management has been very active in exploring new business opportunities for WXP Autohaus. To date, we have managed to secure several contracts in AI Data Annotation while being appointed to participate in Perodua's Electric Vehicle (EV) development program. Other ventures include the conclusion of a contract to provide long-term supplies of metal scraps for recycling.

By the end of 2024, WXP Autohaus has managed to establish four Strategic Business Units (see Figure 6) and are currently in discussion with a few key players to explore new opportunities within the Electrical & Electronic (E&E) space. This concerted drive has resulted in the establishment of a new company, WXP Electronics with WXP Autohaus holding 51.0% equity.

Figure 6: The Development of four Strategic Business Units at WXP Autohaus

As a subsidiary of WXP Autohaus, WXP Electronics will be poised to lead the charge with another three subsidiary companies, each dedicated to partake in three key product groups:

1) Digitalization and AI Data Management
2) Energy Storage and Applications
3) Mobility and Connectivity

These new developments will require a common digital platform to help streamline communication, providing us with the unique opportunity of exploring new markets and partnerships at the same time. Hence the creation of these new subsidiary companies of WXPE, will also represent our strategic initiative aimed towards attracting relevant tech partners from mainland China, as either Technical Advisors (TA) or Joint Venture (JV) partners, or both (see Figure 7).

With everything said and done, at the end of the day our main goal is to actively contribute to enhancing mankind's standard of living, while giving priority to environmental sustainability. By focusing on renewable energy and efficient resource utilization, we aim to make a positive impact on our planet. We believe that forming partnerships with innovative and forward-thinking tech leaders and investors is key towards achieving this vision.

Together, we aspire to share the benefits of our advancements with a broader audience, directly improving the lives of many in the world. Our journey and mission are built on the foundation of staying connected, while being vigilant to potential disruptions that could hinder our progress.

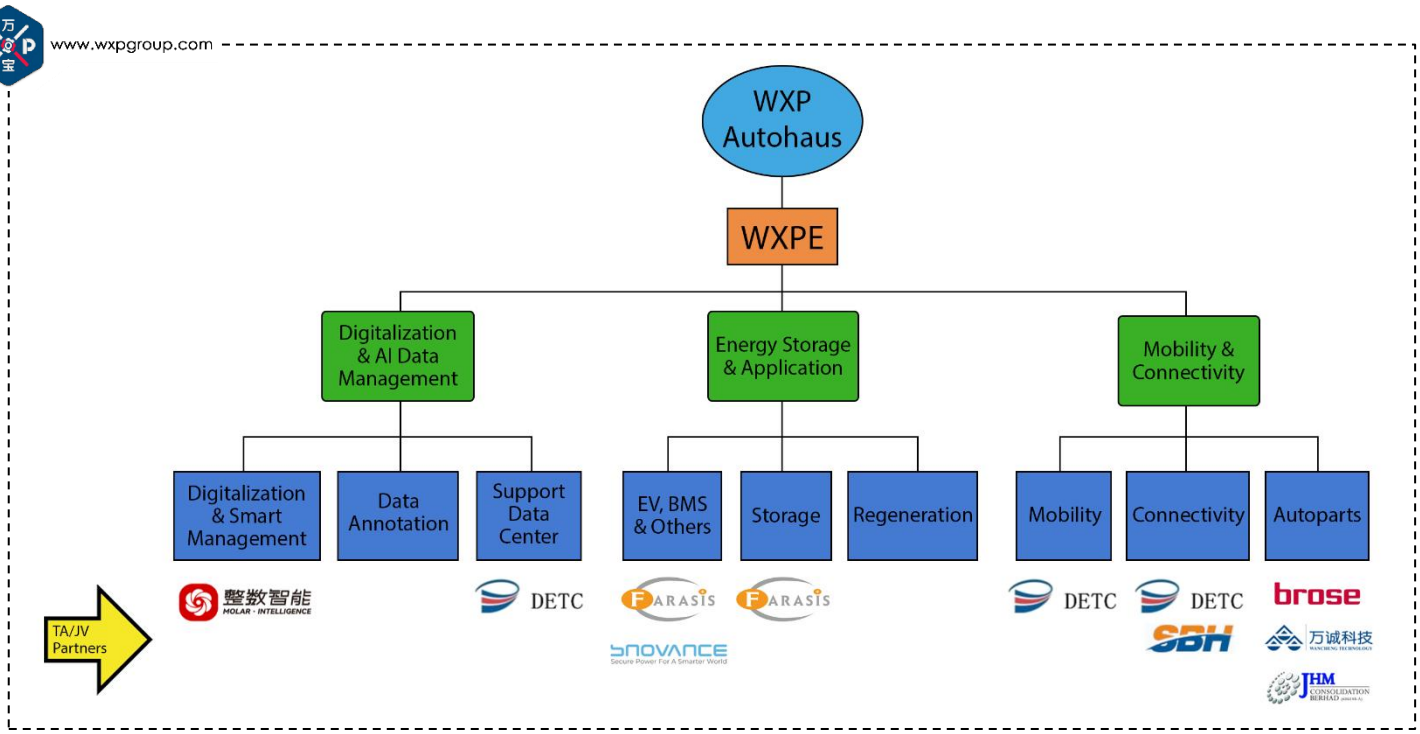

Figure 7: Area of choice by wxpgroup.com and TA/JV Partners

It is also without a doubt that one of our greatest assets lies in human resources. Diverse background and experiences from different parts of the world will inevitably shape fresh perspectives and unique solutions. Our commitment towards diversity, as proven by the realization of WSA Venture and WXP Autohaus, not only strengthens our team but also aligns with our belief in harnessing the power of varied strengths to drive success.

We are excited to embark on this promising journey together, and with high aspirations look forward to what lies ahead.

Warm regards,

Datuk Dr. Wan Mohamed Wan Embong
Chairman,
WXP Autohaus

2.0 | EXPLOITING AND LEVERAGING ON NETWORKING

To effectively compete in today's tech landscape, companies must make significant investments into cultivating a workforce that is not only exceptionally talented and well-trained but also disciplined and committed to years of research and development. With decades of experience in business management and networking, we have successfully established new ventures through 50:50 joint partnerships. Notable examples include WSA Venture, in collaboration with Australian and American partners, and WXP Autohaus, formed with Chinese investors (see Figure 8).

Figure 8: WSAV and WXP Autohaus facilities, and their list of clients

Under similar arrangements, **wxpgroup.com** which comprises of WXP Autohaus, WXP Electronics (WXPE), and its subsidiaries has successfully developed its inaugural five-year business plan. These extensive ventures are strategically formulated based on SWOT analyses encompassing insights and strengths from both the founding members and tech partners who share a unified vision.

At **wxpgroup.com**, our ambitious goal is to become one of the top two leaders in supporting the impending technological revolution and its adoption in our region. In collaboration with our Technical Advisors (TA) and Joint Venture (JV) partners, we are committed to leveraging our extensive reach, scale and resources to enhance client and customer satisfaction.

Given the diverse and intricate nature of the Electronics and Electrical (E&E) sector, our decision to expand into three new key product groups (as illustrated in Figure 9) is driven by our robust internal resources. We are also poised to effectively identify and forge connections with relevant TA/JV partners, primarily from mainland China, ensuring we remain at the forefront of innovation and market demand.

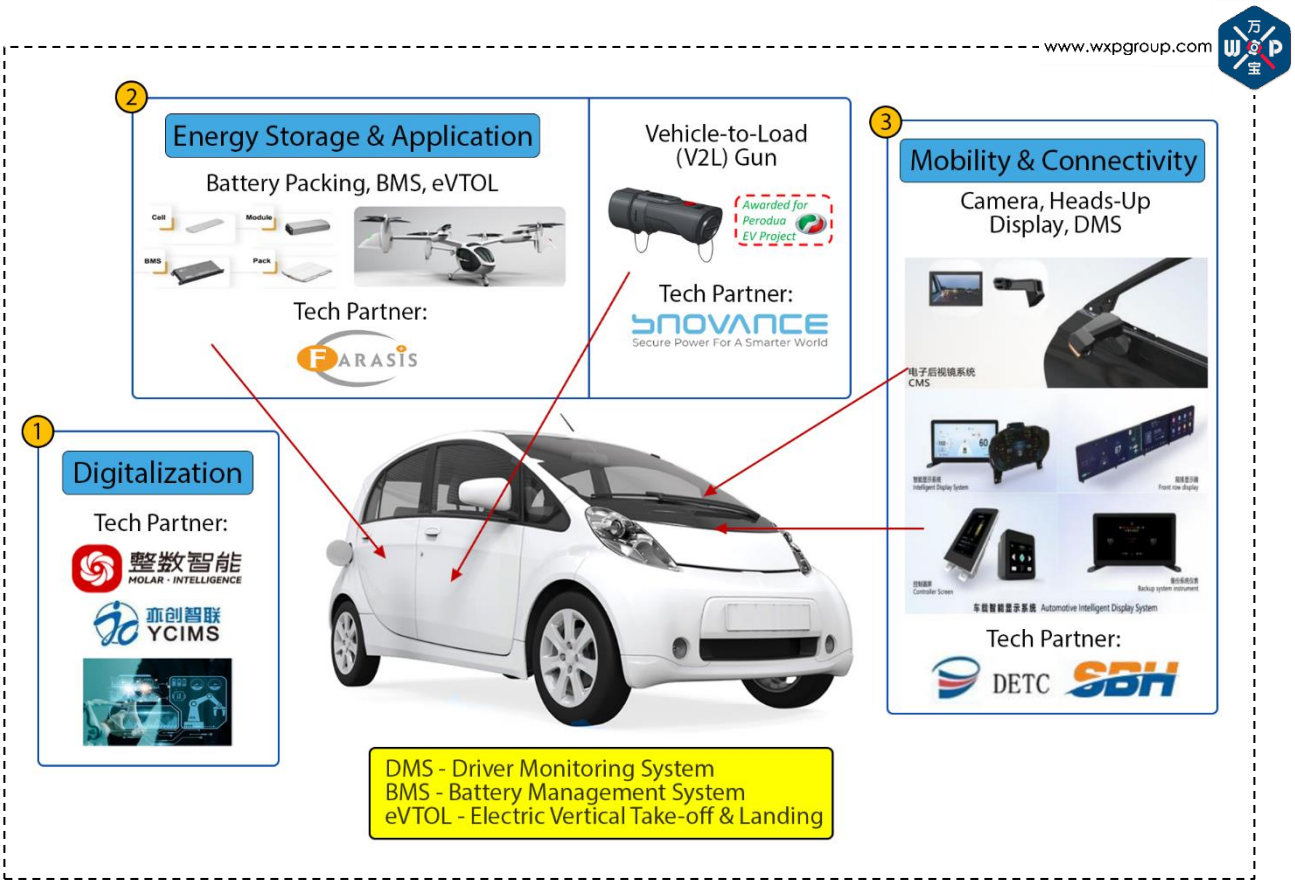

Figure 9: Three new product groups explored by WXP Electronics

2.1.0 | DIGITALIZATION & AI DATA MANAGEMENT

By leveraging the expertise, insights, and experiences of WXPE and our TA/JV partners, we aim to cultivate a deep understanding of digital cultures, along with their foundational elements and frameworks. This invaluable knowledge will serve as the cornerstone for crafting transformative strategies tailored to meet the unique needs of our clients.

2.1.1 | DIGITALIZATION AND SMART MANUFACTURING

Digitalization in manufacturing emphasizes the seamless integration of advanced technologies, including the Internet of Things (IoT), big data analytics, Artificial Intelligence (AI), robotics and cloud computing. This transformative approach promises to significantly boost efficiency, flexibility and productivity across the manufacturing industry.

WXPE, in collaboration with its TA/JV partners, is poised to offer a comprehensive solution for smart manufacturing. Our holistic approach encompasses every aspect – from the strategic planning and design of manufacturing facilities to the operation and maintenance of machinery. Additionally, we focus on the smart management of human resources, optimizing capabilities, procurement of raw materials, and effective stock management, including work-in-progress (WIP) and finished goods.

Figure 10: WXPE - three key areas under Digitalization & AI Data Management

Our esteemed partners, Molar Intelligence (from the Institute of Computer Innovation Technology at Zhejiang University) and DongFeng Electronic Technology Co., Ltd (DETC), bring a wealth of experience and technical expertise in developing cutting-edge software and smart hardware. They have successfully applied their knowledge to assist small, mid-tier and large enterprises in seamlessly adopting smart manufacturing practices.

We are committed to leveraging this valuable partnership to develop three key areas (as illustrated in Figure 10) that are projected to experience significant demand in the coming years. Together, we aim to drive innovation and ensure our clients are well-prepared for the future of manufacturing.

2.1.2 | DIGITALIZATION AND PUBLIC SERVICES APPLICATION

Digitalization in public agencies involves the adoption of advanced digital technologies aimed at enhancing the efficiency, accessibility, and transparency of public services and processes. This transformation harnesses the ongoing advancements in data analysis and AI to optimize governmental operations.

Recognizing the breadth and complexities of the E&E sector, WXPE intends to gradually expand its focus on the application of IoT, cloud computing and big data analysis in specific areas such as “Smart Government”, “Smart Campus”, and “Intelligent Diagnostics”.

As a foundational step, we plan to concentrate on key aspects of e-invoicing between government agencies and businesses, as well as between businesses (B2B). This initiative aims to streamline financial transactions, mitigate fraud, and ensure compliance with regulations. Additionally, we can utilize blockchain technology to enable tamper-proof record-keeping.

Many of these strategies have already been actively promoted and successfully implemented by partners DETC in collaboration with xRunda, a company that embodies the vision of “Transforming Society with Artistic Intelligence”.

2.1.3 | AI DATA ANNOTATION

AI data annotation is a vital process that involves labeling or tagging data so that it can be effectively utilized in the training, validation, and testing of Machine Learning (ML) and AI models. Accurate data inputs are crucial in the supervised learning of tasks, where models depend on these labeled datasets to identify patterns and make reliable predictions.

At WXPE, in collaboration with our partner Molar Intelligence, we focus primarily on three key types of data annotation: Text Annotation, Image Annotation, and we're excited to announce our plans to expand into Audio Annotation and Video Annotation. Our commitment is to deliver high-quality, domain-specific annotations tailored to industries experiencing rapid growth, such as smart manufacturing, autonomous vehicles, and financial services – all of which require precision and expertise in data labeling.

2.1.4 | SUPPORT SERVICES FOR DATA CENTER

Malaysia has become a prime destination for many global technology giants, including Google, Microsoft, Nvidia, Huawei, and Amazon AWS, all of whom are investing in the development of data centers in the region.

The increasing demand for big data services in both the private and public sectors is set to fuel exponential growth in data centers. Alongside this, the need for essential support services to ensure optimal performance, security, and availability will also rise. These critical support services cover infrastructure management and maintenance, hardware support, capacity planning, network management, and disaster recovery management.

At WXPE, we are actively engaging in thorough discussions with our TA/JV partners to develop these capabilities and identify the most effective product positioning. While our partner may be relatively new to the industry, they have already established an impressive portfolio of assets and an excellent track record, demonstrating their potential for success.

2.2.0 | RENEWABLE ENERGY GENERATION & STORAGE

Countries worldwide are racing toward a crucial transition to a more sustainable and secure environment. Renewable energy sources and low-carbon technologies are being increasingly adopted in the power generation sector, with advancements in solar, wind, wave, hydro and nuclear fission/fusion technologies leading the way.

However, despite these advancements, each form of power generation has its inherent drawbacks when it comes to effective utilization. For instance, solar energy can only be harnessed during daylight hours, while wind and wave energy production can be both irregular and inconsistent. Additionally, fossil fuel, hydro, and nuclear power plants often lack the flexibility to be turned on and off on demand.

Moreover, power consumption and peak usage can significantly vary between individuals and across different industries. This variability is why many economically developed countries maintain an additional 20%-30% capacity in their power generation systems. While this strategy ensures energy supply stability around the clock, it also results in high operating costs.

Figure 11: WXPE - three key areas under Renewable Energy Generation & Storage

WXPE is dedicated to delivering a holistic approach to energy storage applications, encompassing everything from electric vehicles (EVs) to residential and commercial facilities. A significant portion of the energy we store will be sourced from renewable resources, aligning with our commitment to sustainability. Given the complexities involved, as well as the technological expertise and capital expenditure (CAPEX) requirements, we will implement this comprehensive strategy in three distinct phases (see Figure 11). Each phase is designed to ensure a structured and efficient development process, ultimately maximizing the benefits of energy storage solutions for our clients and the environment.

2.2.1 | EV BATTERY SUPPORT SERVICES

Pending further negotiations with our TA partners, WXPE is focused on establishing support services for electric vehicle (EV) batteries. This initiative will specifically involve the assembly of EV battery cells into modules, along with any additional services required by the Principal Owner or License Manufacturer of these batteries.

We are confident that there is a growing demand among large globally licensed manufacturers to outsource operations and collaborate with local and regional companies like WXPE to support small to medium-sized Original Equipment Manufacturers (OEMs) in the region.

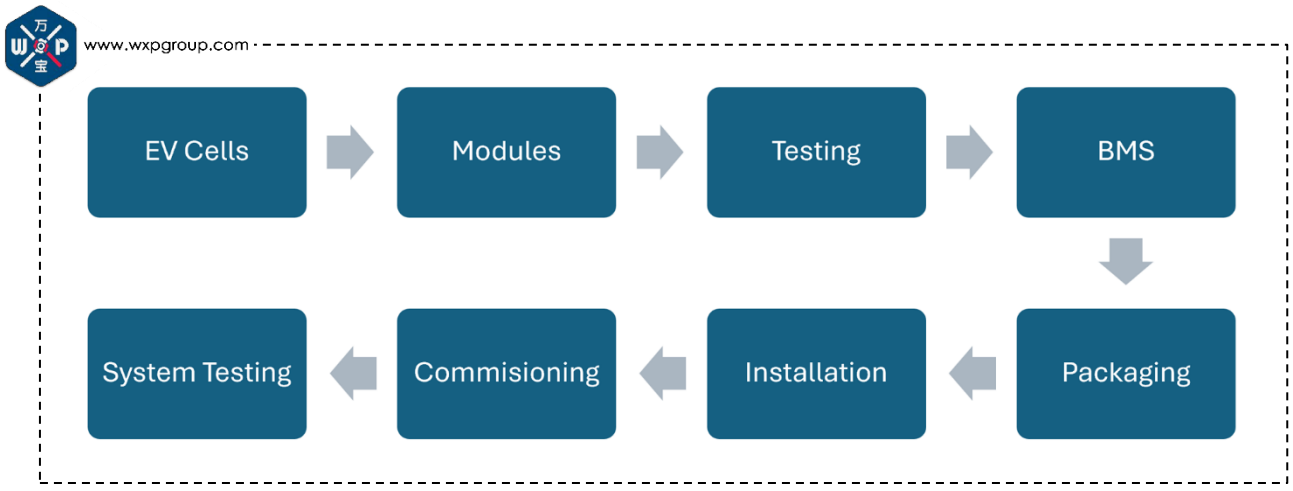

Figure 12: WXPE - EV battery support services

Furthermore, we recognize that one of the most practical and feasible entry points into the EV sector is through the assembly of battery cells and modules. Our services will include conducting battery tests as per the guidelines set by the manufacturers, along with packing, installing, commissioning, and performing final testing procedures (see Figure 12). The necessary CAPEX, skilled workforce, and other supporting services will be provided and financed by the founding members of wxpgroup.com.

One highly progressive and globally recognized company with which we have signed a Memorandum of Understanding (MOU) for collaboration is Farasis. This innovative company is supported by a team of over 400 highly trained research scientists and has established itself as a key player in the EV battery manufacturing sector. In just 15 years since entering mass production, Farasis has risen to become the 8th largest EV battery manufacturer worldwide, operating manufacturing facilities across seven cities in China.

Founded in 2002 as a Research & Development (R&D) entity known as Farasis Energy (USA), the company expanded its operations to Ganzhou, China in 2009. It received approval to mass-produce EV batteries specifically for electric motorcycles in 2011, and by 2016, it had broadened its offerings to include batteries for automobiles and various mobility applications (see Figure 13).

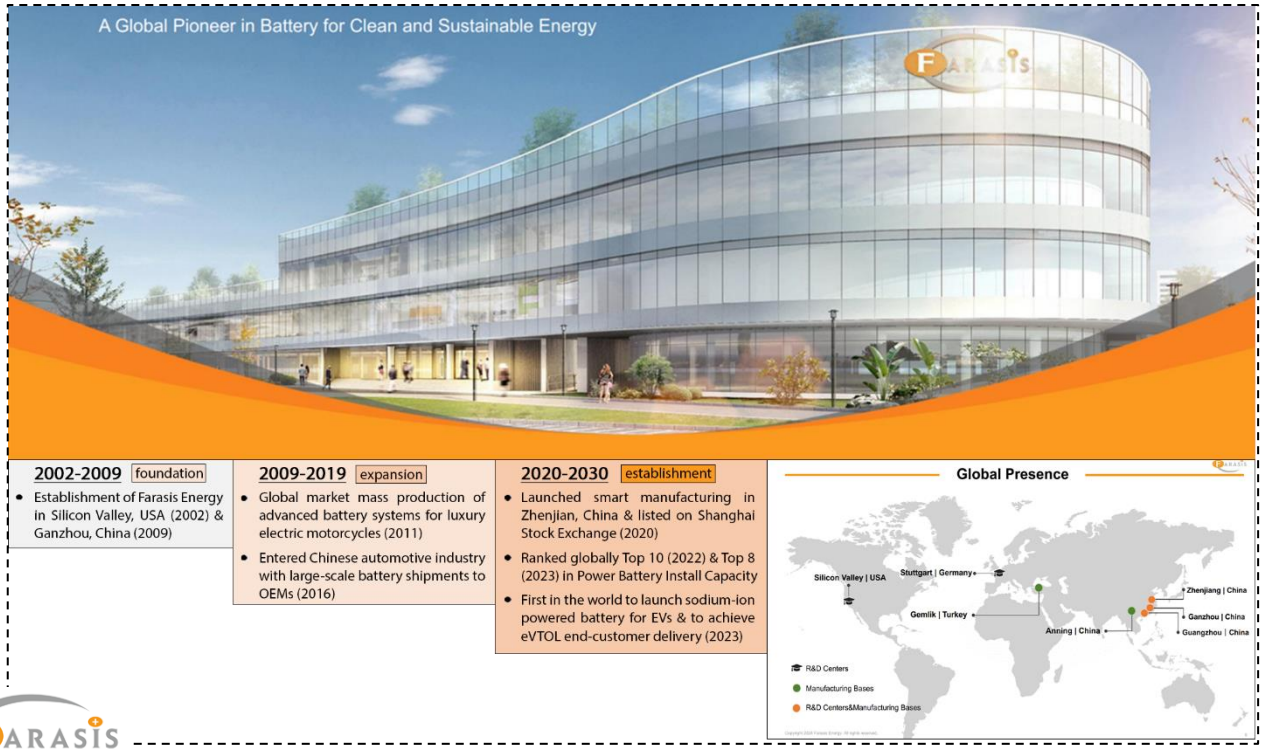

Figure 13: Farasis - highlights of their journey to global status

Today, Farasis operates seven EV manufacturing plants across seven cities in China, boasting a total production capacity of 145 GWh in energy storage. The company not only supports the thriving Chinese EV ecosystem but also serves numerous global players within the EV industry (see Figure 14).

Looking ahead, Farasis is poised to concentrate on developing safer, higher-density, and more cost-effective EV batteries, along with energy storage solutions tailored for residential and commercial applications.

Figure 14: Farasis - rapid pace of product expansion & market dominance

Another company experiencing rapid growth and synonymous with EVs is Contemporary Amperex Technology Co., Limited (CATL).

As the world's largest and most advanced leader in facilitating the 21st century mobility lifestyle, CATL plays a pivotal role in shaping the future of transportation. We are privileged to have the opportunity to meet and support their regional needs within the EV and Hybrid Electric Vehicle (HEV) ecosystem.

2.2.2 | RENEWABLE ENERGY STORAGE FOR HOMES

For homes, the primary sources of renewable energy (RE) include solar panels (photovoltaic), wind power, and geothermal energy. Unfortunately, geothermal energy remains the least utilized form of RE due to its high-cost relative to energy generation.

In contrast, solar panels and wind power are recognized as viable options for RE primarily because of their low maintenance costs. However, they face significant

challenges related to fluctuating availability, which heavily depends on factors such as sunlight hours, cloud cover, and the variability of wind speed and timing.

To encourage the adoption of RE, some countries offer specific incentives allowing RE generators to connect to the national power grid. In such cases, any excess RE generated can be credited back to the grid, offsetting the non-RE consumed during nighttime or when generation conditions are unfavorable. It's worth noting, however, that there are often limits on the amount of RE that can be channeled back into the national grid, typically restricted to certain quotas and promotional periods.

Conversely, in countries lacking a national grid and relying on the private sector for power generation and distribution, incentives for RE adoption are often minimal or non-existent. In these scenarios, individual homeowners and those living off-grid or in sparsely populated areas must consider optimal forms of energy storage. This approach will enhance the utilization of RE and help stabilize and balance energy supply and demand.

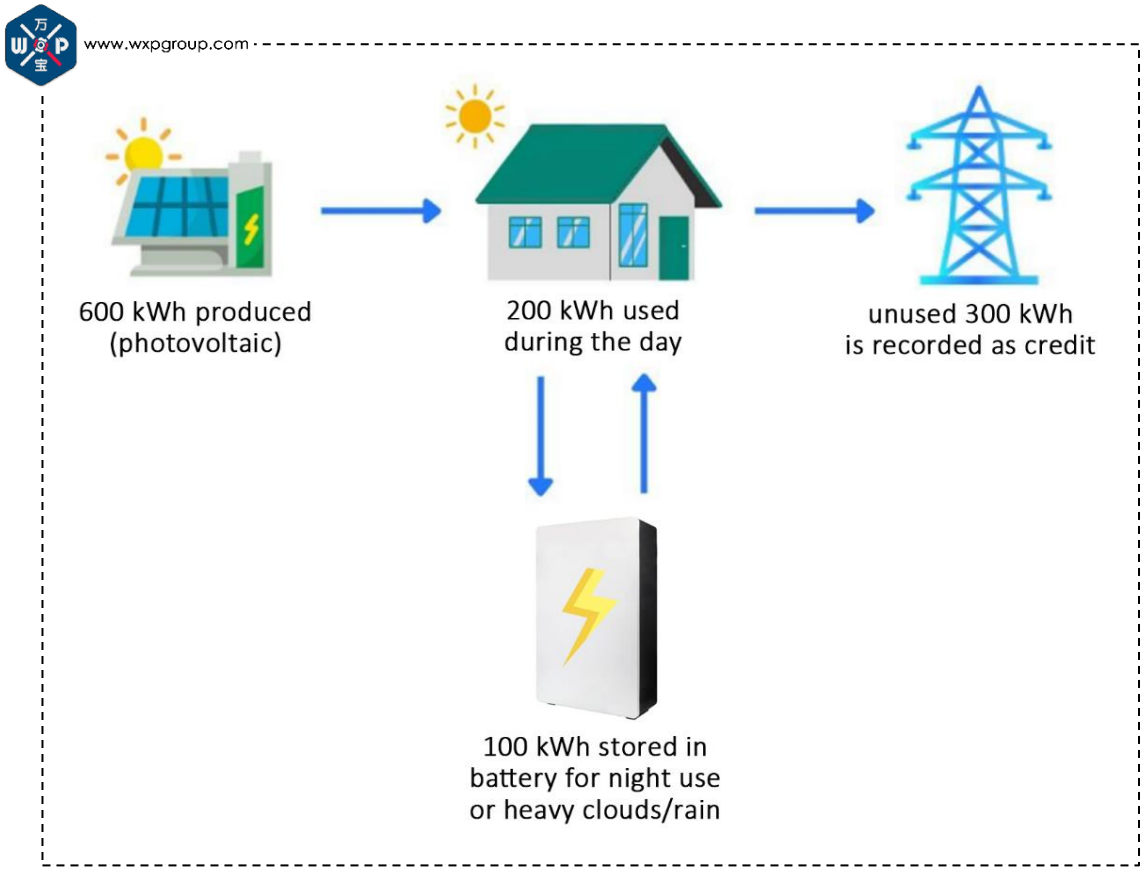

Figure 15: Application of photovoltaic RE storage into national grid

Keeping this in mind, the most cost-effective, eco-friendly, and practical way for homeowners to adopt RE is by installing photovoltaic panels on rooftops, supplemented by battery systems for energy storage (see Figure 15)

WXPE aims to collaborate with our existing partners and explore relationships with additional manufacturers from China to ensure that the batteries we provide are capable of meeting the diverse needs of homeowners. The potential demand in Asia, Southeast Asia, and Australasia is significant. For instance, Australia and New Zealand enjoy months of uninterrupted sunshine during the summer, with a large portion of their populations residing in landed properties, either as standalone homes or linked units.

2.2.3 | RENEWABLE ENERGY APPLICATIONS IN FACTORIES

Renewable energy (RE) storage applications in factories are similar to those in homes, but the larger scale and capacity of factories allow for a broader range of renewable sources. These include geothermal energy, wind farms, mini hydro-dams and wave power stations. For backup power, instead of relying on traditional gasoline-powered generators, factories can utilize more cost-effective and efficient RE storage systems.

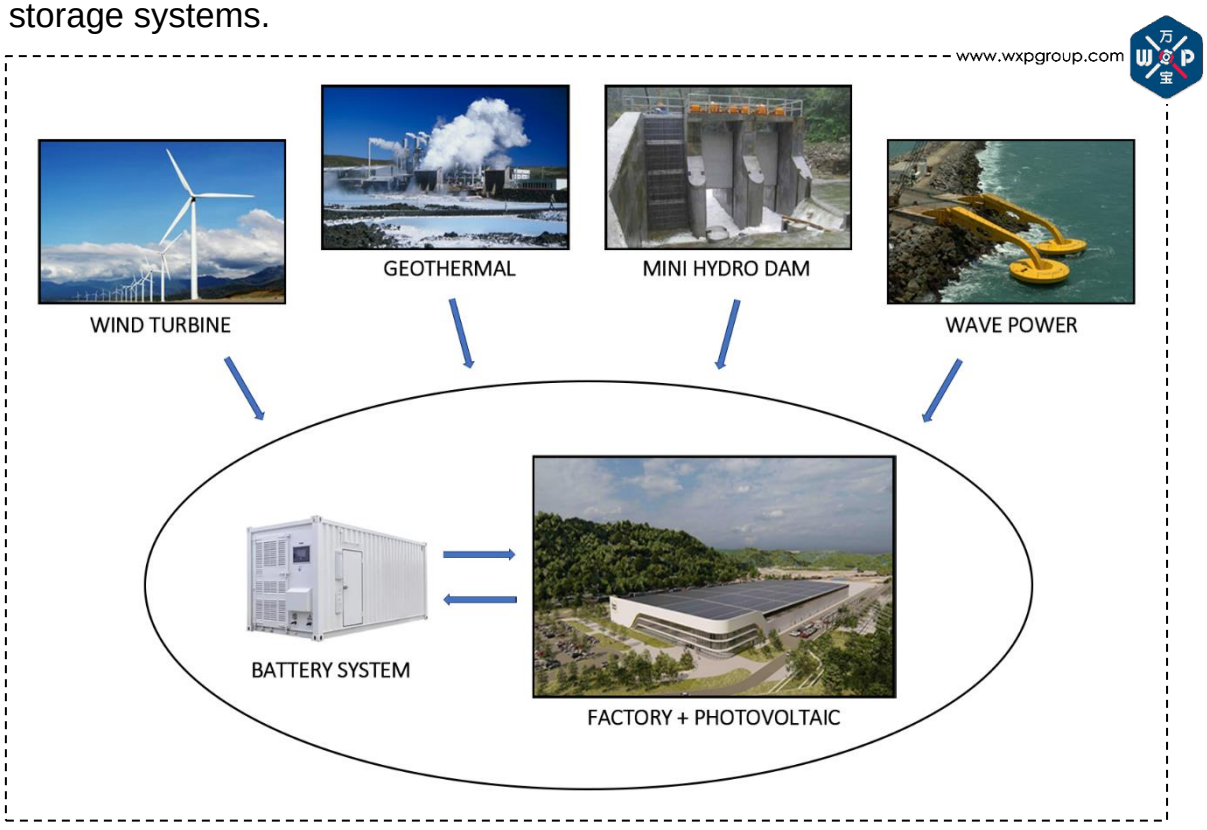

Figure 16: Illustration of renewable energy applications in factories

When it comes to photovoltaic RE generation, leveraging the expansive rooftops of factories, as well as adjacent office and administration buildings can produce significant amounts of solar energy without being subject to governmental restrictions (see Figure 16).

Typically, smart factories embrace the principles of Industry 4.0, incorporating IoT, AI, and automation – all powered by RE. Solar and wind energy are often the primary sources of RE available to individual factory operators, and it is increasingly common for RE systems to be integrated with energy storage solutions that connect to the national power grid. This integration ensures a stable and continuous energy supply.

The cost-saving benefits of adopting RE depend on several factors, such as overall power consumption, solar intensity, rooftop size for photovoltaic installations, wind intensity, and seasonal variations. Generally, factories report annual savings of 50% to 75%, with a payback period ranging between 6 to 7 years. Additionally, factories can explore other renewable sources, such as geothermal energy, mini hydro-dams, and wave power stations, to further enhance their sustainability efforts.

2.2.4 | RENEWABLE ENERGY GENERATION

Our stakeholders bear the critical responsibility of ensuring a sustainable environment for generations to come. Therefore, we are committed to actively participating in renewable energy (RE) generation in the future.

2.3.0 | MOBILITY AND CONNECTIVITY

The mobility and connectivity of individuals and their resources have created numerous opportunities for innovation and design optimization, aimed at reducing both acquisition and maintenance costs.

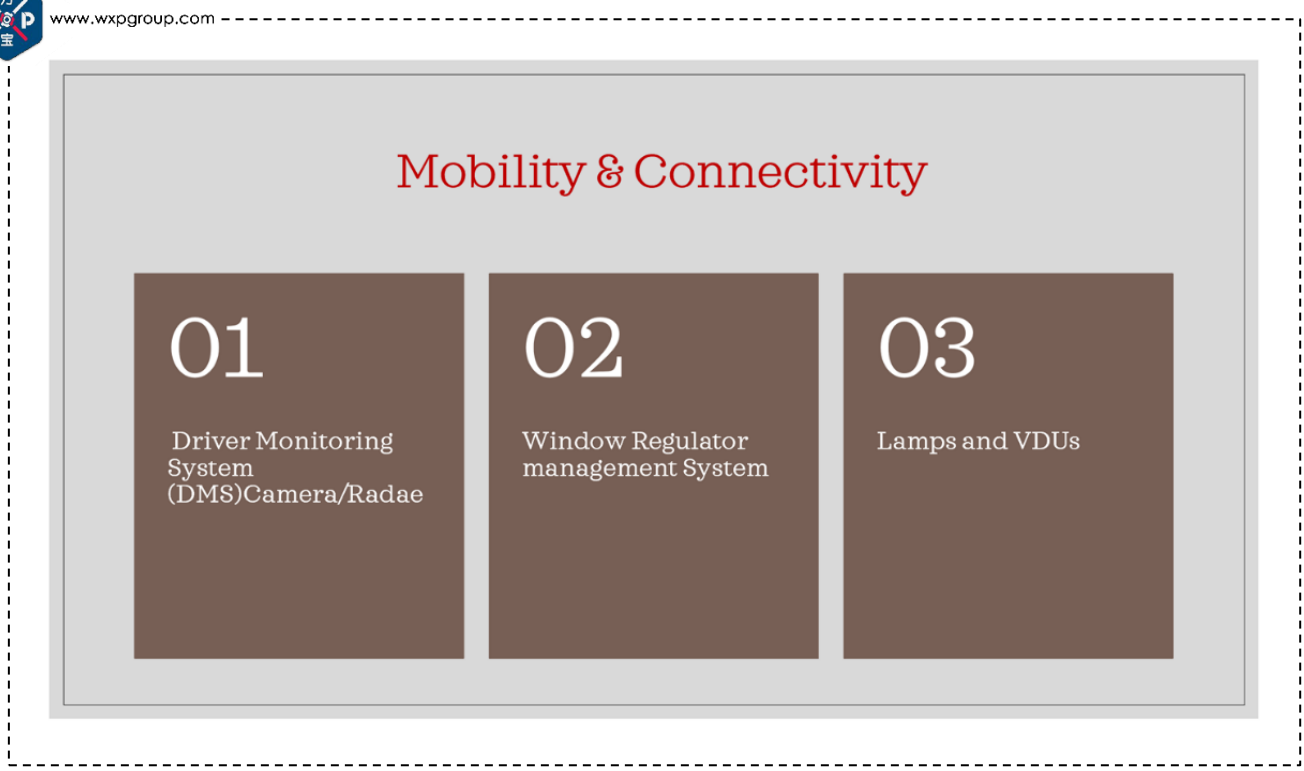

Figure 17: WXPE's foray into mobility and connectivity

2.3.1 | WXP - X MOBILITY

At **wxpgroup.com**, we prioritize the mobility of individuals and small businesses. In today's digital landscape, this translates to leveraging mobile data and devices to enhance connectivity, communication and flexibility.

In addition to communication devices such as smartphones, tablets and laptops that enable people to work and connect from virtually anywhere, mobility also encompasses vehicular solutions for transporting goods and services, as well as facilitating the movement of people from one location to another.

WXPE aims to concentrate on practical and economical modes of mobility, including electric three-wheelers and two-wheelers, drones, and various types of

wheelchairs (see Figure 18). These choices are driven by the anticipated aging population in the Southeast Asian region, where living standards and healthcare are rapidly improving due to consistent economic growth.

Figure 18: WXPE - product focus for mobility & connectivity

To initiate our entry into this sector of mobility, we are actively engaging in discussions with a highly progressive Technical Advisor (TA) and Joint Venture (JV) partner from mainland China, details of which will be announced soon.

Simultaneously, we are in talks with several venture capitals and private equity firms to raise up to USD 100 million in capital. This funding will enable us to rapidly establish a Completely Knocked Down (CKD) assembly center in Malaysia, poised to serve both local and regional markets in the burgeoning mobility sector.

2.3.2.0 | REVISITING LEGACY AUTOMOTIVE BUSINESSES

Complex and rapid technological advancements within the automotive ecosystem continue to evolve, serving as a crucial economic barometer for national progress.

Given that many of our shareholders have already established strong relationships with major industry players, we have chosen to deepen our investment and expand our involvement in serving this vibrant ecosystem. While we have received numerous suggestions and proposals, we have decided to concentrate our efforts on two primary areas (see sections 2.3.2.1 and 2.3.2.2).

2.3.2.1 | Connectivity

In a world where every device is interconnected, the integration of communication technologies within electric vehicles (EVs) is more critical than ever. Recent advancements in this domain have improved upon the security, speed and efficiency of information transfer.

At WXPE, our primary focus will be on the hardware aspects, aiming to improve the efficiency and safety of data transmission while in motion. The applications of this technology will extend to autonomous vehicles, AI integration, edge computing, and smart city systems.

We have recently signed collaborative agreements with several tech companies in China, who will support WXPE in providing key components such as adaptive cruise control, lane-keeping assistance, electronic sensors and processors for safety-related automatic braking, as well as radar, camera, lidar and ultrasonic systems for real-time situational awareness (see Figure 19)

Figure 19: WXPE areas of focus for connectivity - digital metering, VDUs, ADAS, command centers

2.3.2.2 | Door Operating System

We must recognize and actively support two of the largest players in this sector: Brose (Germany) and DETC (China), who is now joining us in a strategic joint venture, supported by their system integrator, Wan Cheng (China). Together, these partners will enable WXPE to become the leading automotive door module system integrator in the Malaysian and Southeast Asian markets.

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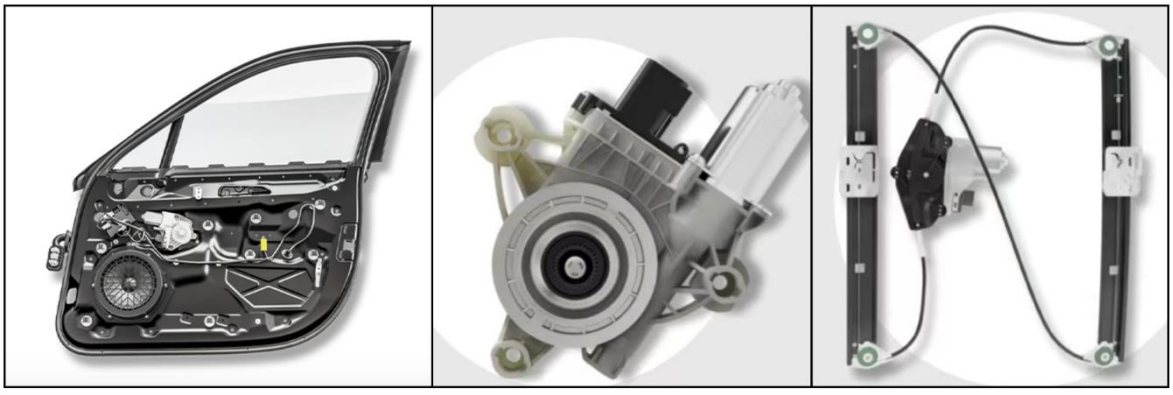

Figure 20: WXPE's focus on door operating systems - door module, motor, window regulator

In the initial stages, motor/regulator units and glass panels will be imported from our main production facility. However, as we progress, we anticipate transitioning to local manufacturing for these products. This shift is expected to significantly reduce overall costs associated with packing, transportation, and logistics. Once manufactured, these components will be sub-assembled and delivered on racks to OEM assembly plants, where they will undergo final assembly processes, rigorous testing and commissioning.

3.0 | CONTACTS AND INQUIRIES

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