

28 May 2026

UNIQUE FIRE HOLDINGS BHD (0257.KL)

Latest Price	Market Cap	PE
RM0.38	154 mil	18.33

KEY THEMES

- Moving Up The Value Chain From Hardware To Integrated Systems
- UL Certification And Strategic Joint Ventures Unlocking International Markets
- Transitioning To Recurring Income Model For Steady Profitability
- Tightening Safety Codes To Spur Demand

UNIQUE FIRE: RIDING THE MULTI-BILLION RINGGIT FIRE-SAFETY WAVE

Fire is silent when controlled and devastating when it is not.

Modern life runs on fire and lives with its danger. It cooks our food, powers our factories, and lights our streets, yet it remains the most elemental hazard to everything we build. As our cities grow denser and our dependence on electricity deepens, fire has quietly turned into a daily risk we cannot ignore.

Malaysia's numbers make that clear. In 2024, the Fire and Rescue Department responded to 41,149 fire incidents, with losses topping RM1.56 billion. Across Asia, rapid urbanisation, ageing buildings and heavier electrical loads are driving a steady rise in fire-related damage.

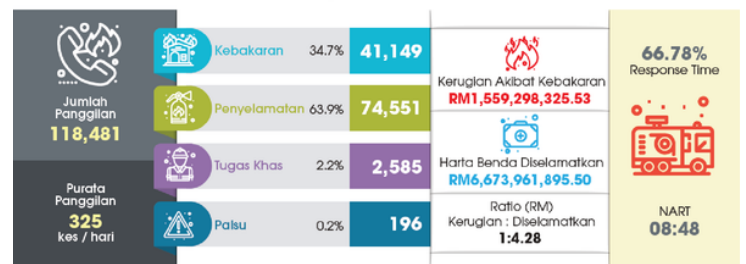
That is why fire prevention is no longer just a compliance exercise, but a core economic safeguard. Developers, factories, data centres and even households now treat fire protection the way they treat insurance: essential, recurring and non-negotiable.

This is where Unique Fire Holdings steps in. The group is moving well beyond the traditional red cylinders hanging on walls and is ascending the value chain into engineered safety systems, building recurring maintenance income, and developing new ventures that stabilise cash flow.



Unique Fire is aggressively ramping up its manufacturing capacity to stay ahead of booming regional demand. Source: Unique Fire

Perangkaan Tahun 2024



In 2024, the Fire and Rescue Department responded to 41,149 fire incidents, with losses topping RM1.56 billion. Source: JBPM Annual Report



The devastating blaze at the Samurai 2K Aerosol factory in Pontian, Johor, highlights the critical, non-negotiable need for industrial fire protection. Source: JBPM

COMPANY PROFILE

UNIQUE FIRE: FROM HARDWARE SUPPLIER TO LIFE-SAFETY ENGINEER

The Evolution of an Integrated Operator. Unique Fire began in 1997 as a distributor of fire-protection equipment, including the red cylinders, hoses and fittings that form the most visible layer of safety in Malaysian buildings. But it has evolved into one of the leading integrated fire-safety operators over the years. It does not just sell alarms, detectors, and suppression units, it engineers the accessories that tie them all together.



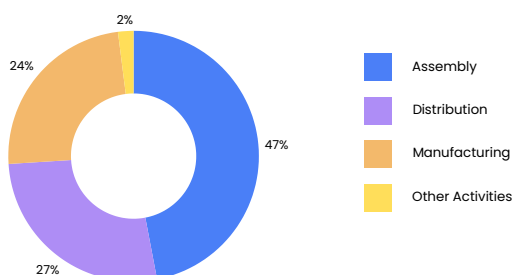
Unique Fire supplies a complete lineup of fire safety equipment tailored to meet the strict safety codes of Malaysia's growing high-rise and commercial property sectors. Source: Unique Fire

Securing the Future. Beyond its core business, Unique Fire is building a secondary earnings engine. It is forming a joint venture to build a 95-megawatt solar photovoltaic plant in Perak. Slated for operations in 2027, the power plant is backed by a 21-year tenure, to lock in stable cash streams.



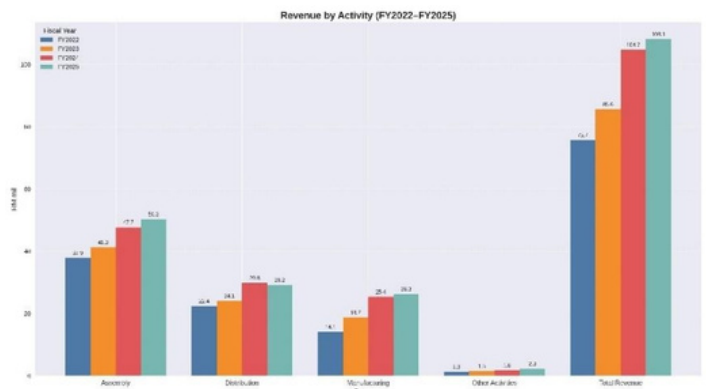
Building Ahead of Demand. The numbers tell the story of this shift. For the financial year ended March 31, 2025, the assembly division—which houses their high-value suppression systems—generated RM50.3 million or 46.5% of total group revenue. To stay ahead of the curve, Unique Fire finalized a joint venture with a leading North Asia-based high-efficiency fire suppression manufacturer to produce and distribute Underwriters Laboratories (UL)-compliant fire sprinklers, with dedicated production capacity slated to roll out in the second half of 2027. This JV ensures the group has the physical infrastructure ready the moment international orders land.

FY 2025 Revenue Share by Business Segment



The assembly division generated RM50.3 million, or 46.5% of group revenue in FY2025, making it the largest contributor.

Scaling Predictable Income Model. Active fire protection is unforgiving — systems must work the instant they are needed, which means they must be installed, certified and serviced without fail. That reality shifts the industry from one-off sales to long-term service relationships, where every installation potentially unlocks years of maintenance, testing and parts replacement. **Unique Fire is leaning into this model by converting new installs into potential recurring contracts** and building a technical team designed to scale its service business.



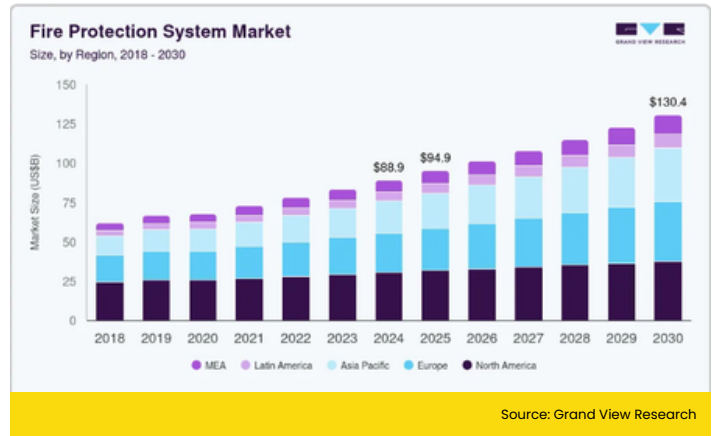
Unique Fire Holdings' revenue from assembly division climbs steadily over the years, driven by the rising demand for fire safety.

INDUSTRY INSIGHT

SAFETY IS NON-NEGOTIABLE

Fire protection rarely makes headlines, but it quietly keeps buildings, factories and data centres alive.

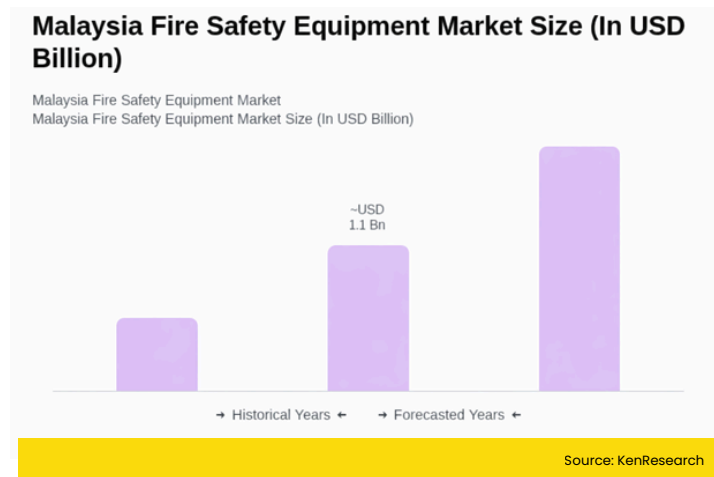
Demand rises with urbanisation, tighter regulations and the simple fact that every installed system must be inspected, tested and maintained for decades. The global fire-protection market was roughly USD 88.95 billion in 2024 and is forecasted to grow by mid-to-high single-digit compound annual growth rate (CAGR) to reach between USD 130 billion and USD 150 billion within the next decade.



Asia Pacific is the region to watch. Rapid urbanization across developing powerhouses like China, India, and Japan is supercharging this expansion, according to Grand View Research. Further, tightening national and international safety codes as well as massive government infrastructure spending, is pushing commercial and industrial operators to adopt more comprehensive fire-safety systems.

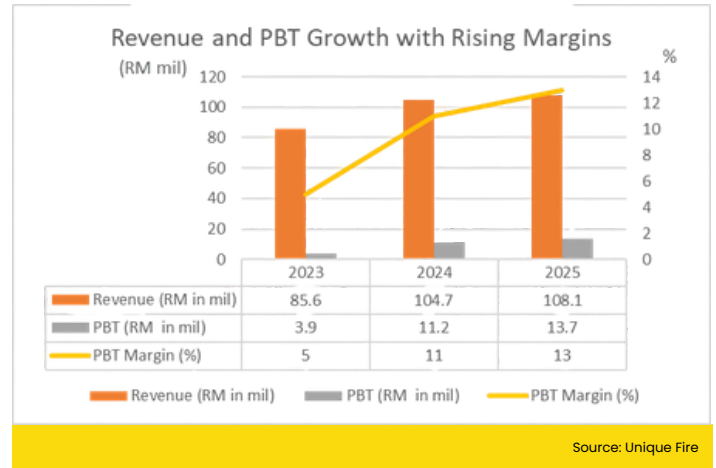


Multi-Billion Dollar Addressable Market. Malaysia’s fire protection industry is currently valued at USD 1.1 billion, according to Ken Research, and is expected to grow tracking urbanization, regulations tighten and investment flows into critical infrastructure. The real engine, however, lies in the secondary market. Regulators are pushing owners to modernise ageing buildings, creating a steady stream of retrofit and replacement work. Unique Fire is positioned to capture both sides of this demand – high-value installations in new developments and recurring income from mandatory upgrades in older properties.



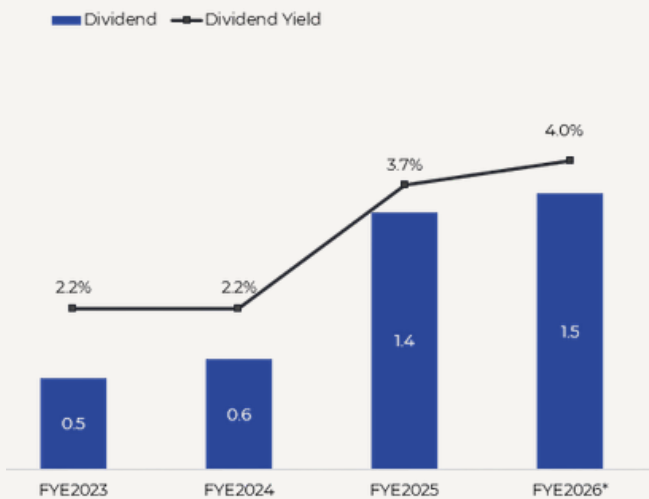
FINANCIAL INSIGHTS

Growing Profits, Not Just Sales. Unique Fire’s financial position is solid and improving. While total revenue reached RM108.1 million in FY2025, the real story lies in the company’s robust profitability. Management’s shift toward higher-value assembly work, which now drives RM50.3 million, or 46.5% of total revenue, is clearly paying off. In FY23, profit before tax (PBT) stood at RM3.90 million with a modest 5% margin. As higher-value operations accelerated in FY24, PBT nearly tripled to RM11.2 million, doubling the margin to 11%. The growth continued in FY25, with PBT surging 23% to hit RM13.7 million, locking in a 13% profit margin.



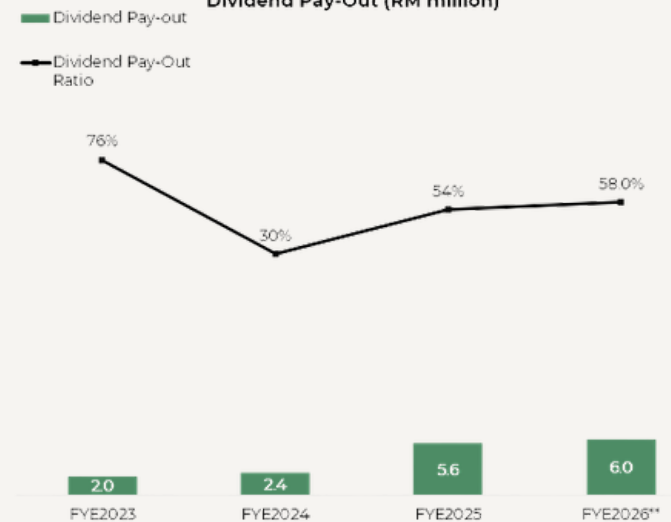
Solid Balance Sheet and Dividend Play. Backed by expanding margins and a highly resilient earnings model, Unique Fire boasts a rock-solid balance sheet with a minimal gearing ratio of just 0.09 times, providing ample headroom to fund future capacity expansions and joint ventures. For FY25, the group declared a dividend payout of RM5.6 million (or 1.4 sen per share), translating to a 3.9% yield based on latest share price of MYR0.385. Dividend yield is expected to hit 4% by FY26, with payout ratio of above 50%.

Dividend per Share and Dividend Yield



Growing Dividend Yield: Dividend per share more than doubled to 1.4 sen in FY25, pushing the dividend yield to 3.7%, and is expected to reach 4% by FY26.

Dividend Pay-Out (RM million)



The total dividend payout surged to RM5.6 million in FY25, with a payout ratio of above 50%.

RISK & CHALLENGES

The Domestic Dilemma. Unique Fire currently relies on local buyers, meaning a domestic market slowdown will impact sales. While management is targeting exports to diversify, delays in securing UL Certification could stall this regional expansion. The certification process is lengthy and demands multiple audits. Even the company secures the credential, establishing a regional footprint takes time and may not immediately contribute to revenue growth.

WHAT DOES UL LISTING MEAN FOR FIRE EQUIPMENT?



What is UL Certification?

UL certification proves a product meets the world's toughest safety and quality standards. It validates performance under strict, internationally recognised testing, giving buyers, regulators and insurers confidence while opening doors to regulated export markets that demand globally certified equipment.

Highly Regulated Yet Fragmented Market. Malaysia's fire protection industry is highly fragmented, with 244 operators competing for the same projects. This crowded field keeps pricing aggressive and capabilities uneven, as many smaller players lack the scale or technical depth to meet rising regulatory demands. High-spec systems also require significant upfront investment, widening the gap between well-capitalised firms and smaller rivals. Unique Fire cuts through this fragmentation by securing top-tier certifications that most rivals cannot attain, strengthening its appeal to buyers who prioritise compliance, reliability and proven quality over low-cost bids.

Skills Labour Shortage. As Unique Fire seeks to strengthen the recurring "supply and maintain" model, execution relies on technical talent. However, Malaysian market faces a severe shortage of qualified personnel, with only about 3,000 certified fire safety engineers nationwide. If the group failed to attract and retain skilled technicians, it could bottleneck its service expansion into the advanced system.

Currency Risks and Supply Chain Management. Unique Fire earns its revenue in ringgit, but buys materials in foreign currencies (USD, SGD, Euro). While foreign vendors make up just 21.5% of their suppliers, they account for 65% of major product purchases, making procurement costs sensitive to currency movements. The ringgit's recent strengthening will help lowering the import costs. To manage this exposure without a formal hedging policy, management utilizes hedging instruments on a case-by-case basis, and leaning toward local suppliers to build long-term supply chain resilience.

Exposure to Steel Costs. Building fire safety equipment requires huge amounts of steel. Because steel is the main ingredient for its cylinders, Unique Fire is vulnerable to price swings as it purchases raw steel based on a rolling three-month order forecast. This approach ensures immediate production needs, but the company remains exposed to sudden commodity price swings.

Hot-Rolled Coil Steel



source: tradingeconomics.com

Unique Fire is exposed to cost pressures from fluctuations in steel prices. Increases in steel prices raise the production costs and can compress profit margins.

US Dollar Malaysian Ringgit



source: tradingeconomics.com

Unique Fire procures raw materials and services in foreign currencies (RMB, USD, SGD, Euro). Profit may be affected if exchange rates move unfavourably.

OUTLOOK

UNIQUE FIRE: FROM HARDWARE SUPPLIER TO LIFE-SAFETY ENGINEER

Rules Tightening In Home Country. Malaysia is tightening fire safety framework and the Fire and Rescue Department is enforcing stricter compliance through an update to the Fire Services Act 1988, which includes the targeted enhancement of 41 specific sections. As the nation transforms into a premier data center hub, regulators and facility operators are pushing for advanced, early-warning technologies, such as Aspirating Smoke Detection and inert-gas suppression systems. For Unique Fire, this regulatory shift translates directly into mandated, high-margin system demand to protect billions of ringgit in critical infrastructure.



The New Skyline Standard: Mega-structures like Merdeka 118 are setting national benchmarks by adopting advanced Automatic Fire Monitoring Systems (SPKA). As modern high-rises demand stricter compliance and smarter technology, the market for Unique Fire's integrated safety systems continues to expand.

FIRE INVESTIGATION STATISTICS BY STRUCTURE TYPE FOR 2021 TO 2024

Malaysia's fire-incident investigations surged from 7,477 in 2021 to 11,957 in 2024, underscoring why regulators are tightening standards across residential, commercial and high-risk structures.

BIL.	JENIS STRUKTUR	2021	2022	2023	2024
1.	Kediaman	4,177	4,669	5,267	5,757
2.	Pangsapuri / Kondominium	515	536	645	718
3.	Hotel	30	52	46	71
4.	Asrama / Hostel	33	56	65	70
5.	Sekolah	71	102	152	172
6.	Institusi Pengajian Tinggi	18	22	24	27
7.	Hospital	26	14	32	32
8.	Klinik	36	58	39	53
9.	Pejabat	199	160	183	225
10.	Kedai	804	903	982	1,184
11.	Pusat Membeli Belah	21	36	50	51
12.	Dewan Perhimpunan	36	59	48	57
13.	Stor / Gudang	273	233	257	345
14.	Kilang / Bengkel	408	409	417	433
15.	Stesen Minyak	12	7	14	16
16.	Struktur Khas	87	51	119	546
17.	Lain-lain Bangunan	731	981	1,012	2,200
JUMLAH		7,477	8,348	9,352	11,957

Source: JBPM

Property and Construction as Core Driver: Unique Fire's financial performance is tied to Malaysia's construction and property sectors. In 2026, the Malaysian property market is projected to experience stable, moderate growth as it transitions from pandemic recovery to sustainable, demand-driven development. The broader construction sector expects a solid 4% to 9.1% expansion. This ongoing development across residential, commercial, industrial, and public infrastructure projects directly sustains the growing demand for the fire protection systems.

Export Potential. Across Asia-Pacific, tightening safety regulations and enforcement are driving demand for reliable fire protection equipment. To capture this untapped regional market, Unique Fire partnered with a well-established international manufacturer holding top-tier safety certifications to manufacture globally recognized UL-compliant fire sprinklers. With production set to start this year, it expands the company's product portfolio and provides the exact launchpad needed to export high-spec equipment overseas.



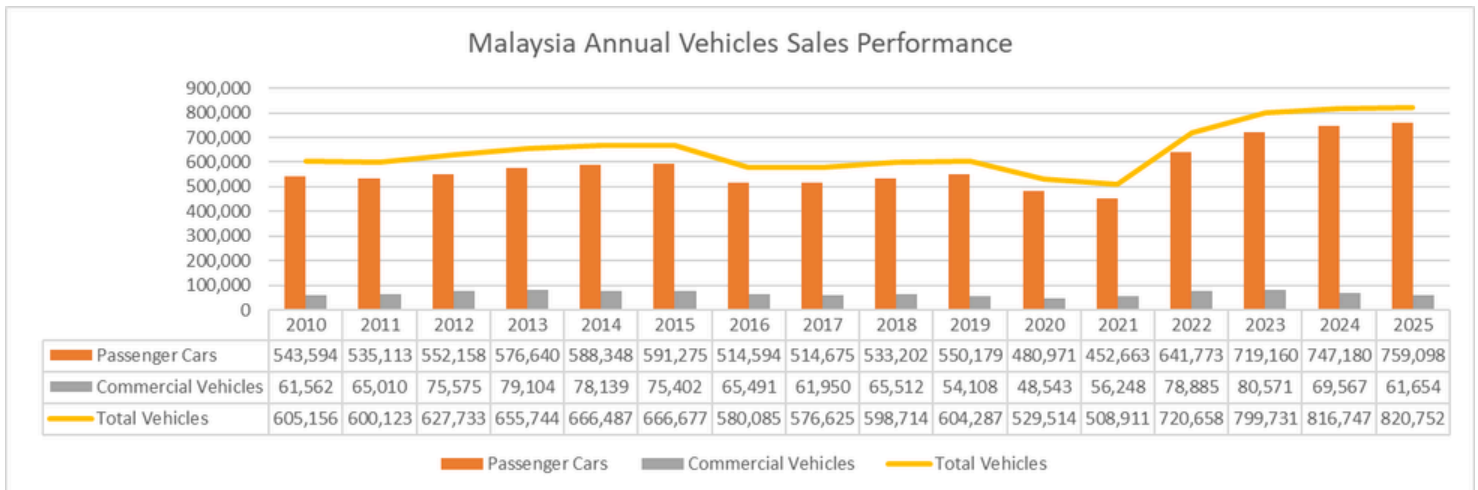
Wang Fuk Court, Hong Kong — the deadly blaze that triggered a sweeping regional crackdown on fire-safety compliance.

OUTLOOK

BUILDING A PREDICTABLE RECURRING REVENUE MODEL

Mandatory Testing and Upkeep. Fire safety systems have fixed lifespans and must be checked and replaced on schedule to stay compliant. NFPA guidelines require regular testing—quarterly for mechanical devices, every 4 months for control valves and alarms, and full system checks annually. While there is no blanket replacement cycle, global fire safety standards generally recommend replacement cycles for fire sprinklers, starting at 5 to 10 years for harsh environments and up to 50 years for standard systems.

Automotive Replacement Cycle. The government requires commercial vehicles and e-hailing cars to carry fire extinguishers. Since extreme cabin heat and constant vibration shorten the lifespan, drivers must replace them regularly, driving steady repeat sales. Furthermore, recent call to extend this safety mandate to cover passenger cars present a potential upside. If the government expands this mandate, it will increase Unique Fire's addressable market.



With Malaysians replacing cars every five to ten years, the 820,000 vehicles sold in 2025 signal a steady, potential stream of demand led by passenger cars.

As urban density increases and critical infrastructure scales, safety is no longer a secondary thought—it is a critical investment. With its massive capacity upgrades, strategic joint ventures and expansion into integrated life-safety solutions, Unique Fire is ready to protect a rapidly changing landscape while driving predictable, long-term returns for investors.



Fire safety is not a one-off sale. It is driven by mandatory expiry dates and continuous service requirements.

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