SUM TECHNOLOGY BERHAD

(Registration No. 202501003997 (1605410-T))
(Incorporated in Malaysia under the Companies Act, 2016)

Address : Unit D-2-6 & D-3-6, Pacific Place Commercial Centre, Jalan PJU 1A/4, Ara Damansara 47301 Petaling Jaya, Selangor Darul Ehsan

Tel : +603-21815550
Fax : +603-5101 9433
Email : info@sumsys.com.my

https://sum.technology/

SUM TECHNOLOGY BERHAD

PROSPECTUS

PROSPECTUS

THIS PROSPECTUS IS DATED 20 MAY 2026

SUM TECHNOLOGY BERHAD

Registration No. 202501003997 (1605410-T))
(Incorporated in Malaysia under the Companies Act, 2016)

INITIAL PUBLIC OFFERING IN CONJUNCTION WITH THE LISTING OF SUM TECHNOLOGY BERHAD ("SUM TECHNOLOGY" OR "COMPANY") ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") COMPRISING PUBLIC ISSUE OF 117,000,000 NEW ORDINARY SHARES IN OUR COMPANY ("SHARES") IN THE FOLLOWING MANNER:

(A) 22,500,000 NEW SHARES AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
(B) 4,500,000 NEW SHARES AVAILABLE FOR APPLICATION BY OUR ELIGIBLE EMPLOYEES;
(C) 56,250,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY OF MALAYSIA; AND
(D) 33,750,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS

AT AN ISSUE PRICE OF RM0.28 PER SHARE, PAYABLE IN FULL UPON APPLICATION.

Principal Adviser, Sponsor, Underwriter and Placement Agent

M+Global

Malacca Securities Sdn Bhd
(Registration No. 197301002760 (16121-H))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Bursa Securities has approved the admission of our Company to the Official List of Bursa Securities and the listing of and quotation for our entire enlarged issue share capital on the ACE Market of Bursa Securities. This Prospectus has been registered by Bursa Securities. The approval for the admission of our Company to the Official List of Bursa Securities and the listing of and quotation for our entire enlarged issued share capital on the ACE Market of Bursa Securities, and the registration of this Prospectus, should not be taken to indicate that Bursa Securities recommends the offering or assumes responsibility for the correctness of any statement made, opinion expressed, or report contained in this Prospectus. Bursa Securities has not, in any way, considered the merits of the securities being offered for investment. Bursa Securities is not liable for any non-disclosure on the part of the Company and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus. No securities will be allotted or issued based on this Prospectus after 6 months from the date of this Prospectus.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 167.

THE ACE MARKET OF BURSA SECURITIES IS AN ALTERNATIVE MARKET DESIGNED PRIMARILY FOR EMERGING CORPORATIONS THAT MAY CARRY HIGHER INVESTMENT RISK WHEN COMPARED WITH LARGER OR MORE ESTABLISHED CORPORATIONS LISTED ON THE MAIN MARKET OF BURSA SECURITIES. THERE IS ALSO NO ASSURANCE THAT THERE WILL BE A LIQUID MARKET IN THE SHARES OR UNITS OF SHARES TRADED ON THE ACE MARKET OF BURSA SECURITIES. YOU SHOULD BE AWARE OF THE RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION.

THE ISSUE, OFFER OR INVITATION FOR THE OFFERING IS A PROPOSAL NOT REQUIRING APPROVAL, AUTHORISATION OR RECOGNITION OF THE SECURITIES COMMISSION MALAYSIA UNDER SECTION 212(8) OF THE CAPITAL MARKETS AND SERVICES ACT 2007.

Registration No.: 202501003997 (1605410-T)

All defined terms used in this Prospectus are defined under "Definitions" commencing from page vii to xv of this Prospectus.

RESPONSIBILITY STATEMENTS

Our Directors and Promoters have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

Malacca Securities Sdn Bhd, being our Principal Adviser, Sponsor, Underwriter and Placement Agent, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

STATEMENTS OF DISCLAIMER

Approval has been obtained from Bursa Securities for the listing of and quotation for our Shares being offered. Our admission to the Official List of the ACE Market of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company, or our Shares.

Bursa Securities is not liable for any non-disclosure on our part and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus.

This Prospectus, together with the Application Form, has also been lodged with the Registrar of Companies, who takes no responsibility for its contents.

OTHER STATEMENTS

Investors should note that you may seek recourse under Sections 248, 249 and 357 of the CMSA for breaches of securities laws including any statement in this Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Prospectus or the conduct of any other person in relation to our Group.

Our Shares are offered to the public on the premise of full and accurate disclosure of all material information concerning our IPO, for which any person set out in Section 236 of the CMSA, is responsible.

Our Shares are classified as Shariah compliant by the Shariah Advisory Council of the SC. This classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review undertaken by the Shariah Advisory Council of the SC. The new status is released in the updated list of Shariah compliant securities, on the last Friday of May and November.

This Prospectus is prepared and published solely in connection with our IPO under the laws of Malaysia. Our Shares are offered in Malaysia solely based on the contents of this Prospectus. Our Company, Directors, Promoters, Principal Adviser, Sponsor, Underwriter and Placement Agent have not authorised anyone to provide you with information which is not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Company, Directors, Promoters, Principal Adviser, Sponsor, Underwriter and Placement Agent or any of their respective directors, or any other persons involved in our IPO. Accordingly, this Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe for or purchase of our Shares in any jurisdiction or in any circumstances in which such an offer is not authorised or is unlawful or to any person to whom it is unlawful to make such offer or invitation.

This Prospectus has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

We will not, prior to acting on any acceptance in respect of our IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection therewith.

It shall be your sole responsibility if you are or may be subject to the laws of countries or jurisdictions other than Malaysia, to consult your legal and/or other professional advisers as to whether your application for our IPO would result in the contravention of any law of such countries or jurisdictions.

Neither us nor our Principal Adviser, Sponsor, Underwriter and Placement Agent nor any other advisers in relation to our IPO shall accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, avoidable or void in any country or jurisdiction.

Further, it shall also be your sole responsibility to ensure that your application for our IPO Shares would be in compliance with the terms of our IPO as stated in this Prospectus and the Application Form and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subjected to. We will further assume that you have accepted our IPO in Malaysia and will at all applicable times be subjected only to the laws of Malaysia in connection therewith.

However, we reserve the right, in our absolute discretion to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

ELECTRONIC PROSPECTUS

This Prospectus can be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the Electronic Prospectus and the copy of this Prospectus registered with Bursa Securities are the same.

You are advised that the internet is not a fully secured medium, and that your Internet Share Application may be subjected to the risks of problems occurring during the data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions or Participating Securities Firms. These risks cannot be borne by the Internet Participating Financial Institutions or Participating Securities Firms.

If you are in doubt of the validity or integrity of an Electronic Prospectus, you should immediately request from us, our Principal Adviser or the Issuing House, a paper/printed copy of this Prospectus.

In the event of any discrepancy arising between the contents of the Electronic Prospectus and the contents of the paper/printed copy of this Prospectus for any reason whatsoever, the contents of the paper/printed copy of this Prospectus which are identical to the copy of this Prospectus registered with Bursa Securities shall prevail.

In relation to any reference in this Prospectus to third party internet sites (referred to as "**Third Party Internet Sites**"), whether by way of hyperlinks or by way of description of the third-party internet sites, you acknowledge and agree that:

(i) we and our Principal Adviser do not endorse and are not affiliated in any way with the Third Party Internet Sites and are not responsible for the availability of, or the contents or any data, information, files or other material provided on the Third Party Internet Sites. You shall bear all risks associated with the access to or use of the Third Party Internet Sites;

(ii) we and our Principal Adviser are not responsible for the quality of products or services in the Third Party Internet Sites, for fulfilling any of the terms of your agreements with the Third Party Internet Sites. We and our Principal Adviser are also not responsible for any loss or damage or costs that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance of any data, information, files or other material provided by such parties; and

(iii) any data, information, files or other material downloaded from Third Party Internet Sites is done at your own discretion and risk. We and our Principal Adviser are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, information, files or other materials.

Where an Electronic Prospectus is hosted on the website of the Internet Participating Financial Institutions or Participating Securities Firms, you are advised that:

(i) the Internet Participating Financial Institutions or Participating Securities Firms are only liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent of the contents of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institutions or Participating Securities Firms which may be viewed via web browser or other relevant software.

(ii) the Internet Participating Institutions shall not be responsible in any way for the integrity of the contents of an Electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions or Participating Securities Firms and thereafter communicated or disseminated in any manner to you or other parties; and

(iii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of an Electronic Prospectus cannot be guaranteed as the internet is not a fully secured medium.

The Internet Participating Financial Institutions or Participating Securities Firms shall not be liable (whether in tort or contract or otherwise) for any loss, damage or costs, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in an Electronic Prospectus which may arise in connection with or as a result of any fault or faults with web browsers or other relevant software, any fault or faults on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institutions or Participating Securities Firms, and/or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

[The rest of this page is intentionally left blank]

INDICATIVE TIMETABLE

The indicative timing of events leading to the listing of and quotation for our entire enlarged issued share capital on the ACE Market of Bursa Securities is set out below:

Events	Tentative Time / Dates
Issuance of this Prospectus / Opening of Application	10:00 a.m./ 20 May 2026
Closing of Application	5:00 p.m./ 4 June 2026
Balloting of the Applications	8 June 2026
Allotment of IPO Shares to successful applicants	15 June 2026
Listing on the ACE Market	18 June 2026

In the event there is any change to the indicative timetable above, we will advertise a notice of the changes in a widely circulated English and Bahasa Malaysia daily newspapers in Malaysia and make an announcement of such changes on Bursa Securities' website accordingly.

[The rest of this page is intentionally left blank]

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to "Sum Technology" and "our Company" in this Prospectus are to Sum Technology Berhad. Unless otherwise stated, references to "Group" in this Prospectus are to our Company and our subsidiaries taken as a whole; and references to words such as "we", "us", "our" and "ourselves" are to our Company, and, save where the context otherwise requires, our Group or our subsidiaries. Unless the context otherwise requires, references to "Management" are to our Directors and key senior management as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

All references to "you" are to our prospective investors.

The word "approximately" used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest thousand or million or 2 decimal place (for percentages) or RM and sen for currency. Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding.

Certain abbreviations, acronyms and technical terms used are defined in "Definitions" and "Glossary of Technical Terms" sections of this Prospectus. Words denoting the singular only shall include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender and vice versa. Reference to persons shall include natural persons, firms, companies, body corporates and corporations.

All references to dates and times are references to dates and times in Malaysia, unless otherwise stated.

Any reference to any provisions of the acts, statutes, rules, regulations, enactments or rules of stock exchange shall (where the context admits), be construed as a reference to provisions of such acts, statutes, rules, regulations, enactments or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactment to the acts, statutes, rules and regulations, enactments or rules of stock exchange for the time being in force.

This Prospectus includes statistical data provided by our Management and various third parties and cites third party projections regarding growth and performance of the industry in which our Group operates. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus, provided that where no source is acknowledged, it can be assumed that the information originates from our Management. In particular, certain information in this Prospectus is extracted or derived from report(s) prepared by the IMR for inclusion in this Prospectus. We believe that the statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industry in which we operate or is expose to. However, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. Hence, you should not place undue reliance on the statistical data and third-party projections cited in this Prospectus.

If there are any discrepancies or inconsistencies between the English and Malay versions of this Prospectus, the English version of this Prospectus shall prevail.

The information on our website, or any website directly or indirectly linked to our websites does not form part of this Prospectus. If there is any discrepancy between the contents of such website relating to our Company and this Prospectus, the information contained in this Prospectus shall prevail.

All information stated herein are as at the LPD unless otherwise specified.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, future plans and prospects, and objectives of our Group for future operations are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties, contingencies, and other factors which may cause our actual results, our performance or achievements, or industry results, to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our Group's present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our Management's current view with respect to future events and are not a guarantee of future performance.

Forward-looking statements can be identified by the use of forward-looking terminologies including words such as "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast", "project" or similar expressions and include all statements that are not historical facts.

Such forward-looking statements include, without limitations, statements relating to:

(i) demand for our products, trends and competitive position;

(ii) our business strategies, future plans and potential growth opportunities;

(iii) our future earnings, cash flows and liquidity;

(iv) our ability to pay future dividends; and

(v) the regulatory environment and the effects of future regulation.

Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond our control, including, without limitation:

(i) the general economic, business, social, political and investment environment in Malaysia and globally;

(ii) government policy, legislation or regulation;

(iii) interest rates, tax rates and exchange rates;

(iv) the competitive environment in the industry in which we operate;

(v) availability and fluctuations in prices of raw materials;

(vi) fixed and contingent obligations and commitments; and

(vii) any other factors beyond our control.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed in Section 9 on "Risk Factors" and Section 12 on "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Prospectus. We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made based on information available to us as at the LPD.

Should we become aware of any subsequent material change or development affecting matters disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment of our IPO Shares, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6) of the Prospectus Guidelines (Supplementary and Replacement Prospectus) and Rules 3.12D of the Listing Requirements.

DEFINITIONS

The following terms in this Prospectus have the same meanings as set out below unless otherwise defined or the context requires otherwise:

COMPANIES WITHIN OUR GROUP:

"Sum Technology" or "Company"	:	Sum Technology Berhad (Registration No. 202501003997 (1605410-T))
"Sum Group" or "Group"	:	Sum Technology Berhad and its subsidiaries, collectively
"Sum Technic"	:	Sum Technic Sdn Bhd (Registration No. 201401012705 (1088785-H))
"Sum System"	:	Sum System Solution Sdn Bhd (Registration No. 201301017403 (1047236-X))
"Micronaire Global"	:	Micronaire Global Sdn Bhd (Registration No. 201401012704 (1088784-M))

GENERAL:

"ACE Market"	:	ACE Market of Bursa Securities
"Acquisitions"	:	Collectively, the Sum Technic Acquisition, the Sum System Acquisition and the Micronaire Global Acquisition
"Act"	:	Companies Act 2016
"ADA(s)"	:	Authorised Depository Agent(s)
"Admission"	:	Admission of our Shares to the Official List of the ACE Market of Bursa Securities
"AGM"	:	Annual general meeting
"Application(s)"	:	Application(s) for IPO Shares by way of Application Form, Electronic Share Application or Internet Share Application
"Application Form(s)"	:	The printed application form(s) for the application of IPO Shares accompanying this Prospectus
"Ara Damansara Office"	:	Our Group's office located at D-2-5, D-2-6 & D-3-6, Pacific Place Commercial Centre, Jalan PJU 1A/4, Ara Damansara, 47301 Petaling Jaya, Selangor
"ATM(s)"	:	Automated teller machine(s)
"Authorised Financial Institution"	:	Authorised Financial Institution participating in the Internet Share Application, with respect to payments for our IPO Shares
"BLR"	:	Base lending rate
"Board"	:	Board of Directors of Sum Technology
"Bursa Depository"	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))

DEFINITIONS *(Cont'd)*

"Bursa Securities"	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
"CAGR"	:	Compounded annual growth rate
"CDS"	:	Central Depository System
"CDS Account"	:	An account established by Bursa Depository for a depositor for the recording of securities and for dealing in such securities by the depositor
"CF" or "CCC"	:	Certificate of fitness for occupation or Certificate of Completion and Compliance, as the case may be
"Closing Date"	:	The date adopted in this Prospectus as the last date for acceptance and receipt of Application
"CMSA"	:	Capital Markets and Services Act 2007
"Constitution"	:	Constitution of our Company
"Depositor"	:	A holder of CDS Account
"Depository Rules"	:	Rules of Bursa Depository and any appendices thereto as they may be amended from time to time
"Director(s)"	:	Director(s) of our Company
"DLP"	:	Defect liability period
"D&D"	:	Design and development
"EBIT"	:	Earnings before interest and taxation
"EBITDA"	:	Earnings before interest, taxation, depreciation and amortisation
"Electronic Share Application"	:	Application for the IPO Shares through a Participating Financial Institution's ATM
"EIS"	:	Employment Insurance System
"Eligible Persons"	:	Collectively, our eligible employees of our Group
"Electronic Prospectus"	:	Copy of this Prospectus that is issued, circulated or disseminated via the internet and/or an electronic storage medium including, but not limited to, CD-ROMs *(compact disc read-only memory)*
"EPF"	:	Employees Provident Fund, also known as Kumpulan Wang Simpanan Pekerja (KWSP)
"ESG"	:	Environmental, social and governance
"EPS"	:	Earnings per Share
"Financial Years Under Review"	:	Collectively, FYE 2022, FYE 2023, FYE 2024 and FYE 2025
"FYE"	:	Financial years ended or ending 31 December, as the case may be
"GP"	:	Gross profit

DEFINITIONS *(Cont'd)*

"IFRS"	:	International Financial Reporting Standards
"IMR" or "Protégé"	:	Protégé Associates Sdn Bhd (Registration No. 200401037256 (675767-H))
"IMR Report"	:	Independent Market Research Report prepared by Protégé as set out in Section 8 of this Prospectus
"Internet Participating Financial Institution(s) or Participating Securities Firm(s)"	:	Participating financial institution(s) or Participating Securities Firm(s) for the Internet Share Application
"Internet Share Application"	:	Application for our IPO Shares through an online share application service provided by the Internet Participating Financial Institutions or Participating Securities Firm(s)
"IPO"	:	Initial public offering of the IPO Shares in conjunction with the Listing
"IPO Price"	:	RM0.28 per IPO Share, where applicable
"IPO Share(s)"	:	All or part of the 117,000,000 new Share(s) to be issued pursuant to our IPO
"IRB"	:	Inland Revenue Board of Malaysia
"ISO"	:	International Organisation for Standardisation
"Issuing House" or "Share Registrar"	:	Tricor Investor & Issuing House Services Sdn Bhd (Registration No. 197101000970 (11324-H))
"Jenjarom Factory"	:	Our Group's manufacturing factory located at No. 9, Jalan Inovatif 2/2, KIIP@Kuala Langat, 42700 Banting, Selangor
"Key Senior Management"	:	The senior management as set out in Section 5.4 of this Prospectus
"Klang Factory"	:	Our Group's manufacturing factory located at No. 11, Jalan Permata 2B/KS9, Taman Perindustrian Air Hitam, 41200 Klang, Selangor
"Listing"	:	Admission of Sum Technology to the Official List and the listing of and quotation for its entire enlarged issued share capital comprising 450,000,000 Shares on the ACE Market
"Listing Requirements"	:	ACE Market Listing Requirements of Bursa Securities
"LPD"	:	22 April 2026, being the latest practicable date prior to the issuance of this Prospectus
"Malacca Securities" or "Principal Adviser" or "Sponsor" or "Underwriter" or "Placement Agent"	:	Malacca Securities Sdn Bhd (Registration No. 197301002760 (16121-H))
"Malaysian Public"	:	Malaysian citizens, companies, co-operatives, societies, and institutions incorporated or organised under the laws of Malaysia

DEFINITIONS *(Cont'd)*

"Market Day(s)"	:	Any day on which Bursa Securities is open for trading in securities, which may include a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year
"MCCG"	:	Malaysian Code on Corporate Governance
"MFRS"	:	Malaysian Financial Reporting Standards
"MIA"	:	Malaysian Institute of Accountants
"Micronaire Global Acquisition"	:	Acquisition by Sum Technology of the entire equity interest of Micronaire Global from Ng Yew Sum, Chin Sze Kee, Law Eng Hock, Yap Chui Fan, Lee Thiam Hing, Francis Chia Mong Tet, Lim Kai Seng, Cheng Kai Sean and Datuk Lim Tong Lee for a purchase consideration of RM3,730,000.00 which was fully satisfied by the issuance of 55,799,191 new Shares at an issue price of RM0.0668 per Share
"MIDA"	:	Malaysian Investment Development Authority
"MITI"	:	Ministry of Investment, Trade and Industry of Malaysia
"NA"	:	Net assets
"NBV"	:	Net book value
"Official List"	:	A list specifying all securities which have been admitted for listing on Bursa Securities and not removed
"Participating Financial Institutions"	:	Participating financial institutions for the Electronic Share Application
"Participating Securities Firms"	:	Participating Securities Firms for the Internet Share Application
"PAT"	:	Profit after taxation
"PBT"	:	Profit before taxation
"PE Multiple"	:	Price-to-earnings multiple
"Pink Form Allocations"	:	Allocation of 4,500,000 IPO Shares to the Eligible Persons pursuant to the IPO
"Pink Form Shares"	:	IPO Shares in relation to the Pink Form Allocations
"Pre-IPO Investors"	:	Francis Chia Mong Tet and Datuk Lim Tong Lee
"Pre-IPO Restructuring"	:	The pre-IPO restructuring in relation to the Acquisitions undertaken by our Group in preparation for the Listing
"Pink Application Form"	:	Application form for the application of the IPO Shares by the Eligible Persons accompanying this Prospectus
"Promoters"	:	Collectively, Ng Yew Sum, Chin Sze Kee, Lee Thiam Hing and Cheng Kai Sean
"Prospectus"	:	This prospectus dated 20 May 2026 in relation to our IPO

DEFINITIONS *(Cont'd)*

"Public Issue"	:	Public issue of 117,000,000 new Share(s) of our Company
"RPT(s)"	:	Related party transaction(s)
"QC"	:	Quality control
"R&D"	:	Research and development
"SC"	:	Securities Commission Malaysia
"Sum Technic Acquisition"	:	Acquisition by Sum Technology of the entire equity interest of Sum Technic from Ng Yew Sum, Chin Sze Kee, Law Eng Hock, Yap Chui Fan, Lee Thiam Hing, Francis Chia Mong Tet and Datuk Lim Tong Lee for a purchase consideration of RM12,940,000.00 which was fully satisfied by the issuance of 193,576,819 new Shares at an issue price of RM0.0668 per Share
"Sum System Acquisition"	:	Acquisition by Sum Technology of the entire equity interest of Sum System from Ng Yew Sum, Chin Sze Kee, Law Eng Hock, Yap Chui Fan, Francis Chia Mong Tet, Lim Kai Seng and Datuk Lim Tong Lee for a purchase consideration of RM5,590,000.00 which was fully satisfied by the issuance of 83,623,989 new Shares at an issue price of RM0.0668 per Share
"Share(s)" or "Sum Technology Share(s)"	:	Ordinary share(s) in our Company
"SICDA" or "Depository Act"	:	Securities Industry (Central Depositories) Act 1991
"SOP"	:	Standard operating procedure
"Specified Shareholder(s)"	:	Collectively, Ng Yew Sum, Chin Sze Kee, Lee Thiam Hing, and Cheng Kai Sean
"sq ft"	:	Square feet
"Sqm"	:	Square metres/square metre, as the case may be
"Subsidiaries"	:	Subsidiaries of the Company, namely Sum Technic, Sum System, and Micronaire Global, collectively
"Underwriting Agreement"	:	The underwriting agreement dated 14 April 2026 entered into between our Company and Malacca Securities for the purpose of our IPO

DEFINITIONS *(Cont'd)*

MAJOR CUSTOMER:

We are unable to disclose the identity of the following customers as the prior written consent sought for the disclosure of its name and other information in the Prospectus was declined or not provided. In order to preserve the business relationship between our Group and the customers, it is in our Group's best interest to maintain confidentiality of the customers.

"Customer A"	:	Customer A is a company incorporated in Malaysia and is principally involved in providing power distribution system, other building systems and works, hook-up and retrofitting of electrical equipment and other building systems and works. Customer A is a wholly owned subsidiary of an investment holding company that is listed on the Main Market of Bursa Securities. Customer A is the same company as Supplier A.
"Customer B"	:	Customer B is a company incorporated in Malaysia and is involved in providing integrated engineering services. Customer B is a wholly owned subsidiary of an investment holding company that is listed on the Main Market of Bursa Securities. Customer B is the same company as Supplier B.
"Customer C"	:	Customer C is a company incorporated in Taiwan and is an engineering, procurement and construction contractor. Customer C is not listed on any stock exchange and is not a subsidiary of any company.
"Customer D"	:	Customer D is a company incorporated in Malaysia and is principally involved in operating research, development & engineering laboratory for consumer products and providing business support to its Asia Pacific business operation. Customer D is a wholly owned subsidiary of a holding company, that is involved in the manufacturing of household cleaning supplies and other consumer chemicals, which is not listed on any stock exchange.
"Customer E"	:	Customer E is a company incorporated in Malaysia and is involved in manufacturing of carrier tapes and other related products and accessories for use in integrated circuit and electronic chip components. Customer E is a wholly owned subsidiary of a holding company that is involved in the research and development, production and sale of thin carrier tape for electrical components and is listed on the Shenzhen Stock Exchange.

DEFINITIONS *(Cont'd)*

MAJOR SUPPLIER:

We are unable to disclose the identity of the following suppliers as the prior written consent sought for the disclosure of its name and other information in the Prospectus was declined. In order to preserve the business relationship between our Group and the suppliers, it is in our Group's best interest to maintain confidentiality of the suppliers.

"Supplier A"	:	Supplier A is a company incorporated in Malaysia and is principally involved in providing power distribution system, other building systems and works, hook-up and retrofitting of electrical equipment and other building systems and works. Supplier A is a wholly owned subsidiary of an investment holding company that is listed on the Main Market of Bursa Securities. Supplier A is the same company as Customer A.
"Supplier B"	:	Supplier B is a company incorporated in Malaysia and is involved in providing integrated engineering services. Supplier B is a wholly owned subsidiary of an investment holding company that is listed on the Main Market of Bursa Securities. Supplier B is the same company as Customer B.

CURRENCIES:

"PHP"	:	Philippine Pesos, the lawful currency of Philippines
"RM" and "sen"	:	Ringgit Malaysia and sen respectively, the lawful currency of Malaysia
"SGD"	:	Singapore Dollar, the lawful currency of Singapore
"USD"	:	United States Dollar, the lawful currency of the United States
"%"	:	Per centum

[The rest of this page is intentionally left blank]

GLOSSARY OF TECHNICAL TERMS

Technical terms used throughout this Prospectus shall have the same meaning as set out below unless the term is defined otherwise or the context requires otherwise:

2D	:	Two dimensional
3D	:	Three dimensional
ACMV	:	Air conditioning and mechanical ventilation
AHRI	:	Air Conditioning, Heating and Refrigeration Institute, a trade association that develops and maintains technical standards and certification programmes relating to air conditioning, heating, refrigeration and water heating equipment.
AHU	:	Air handling unit, an equipment that conditions and circulates air as part of an MVAC or HVAC system
BIM	:	Building information modelling, a process to plan, design and construct digital representation of structures, buildings and services within a 3D model with the use of computer software and technologies such as virtual reality visualisation and simulations
BMS	:	Building management system, a control system that manages and monitors building services such as lighting and security
CAD	:	Computer aided design, a type of software used to create precise 2D and 3D drawings and designs
CAE	:	Computer aided engineering, a type of software used to simulate and optimise engineering designs
CCTV	:	Close-circuit television, a video surveillance system for security monitoring
CMMS	:	Computerised maintenance management system, a software used to manage maintenance activities
FCU	:	Fan control unit, an equipment that uses a fan to circulate air for heating or cooling purposes
FFU	:	Fan filter unit, an equipment that is used to supply purified air to indoor environments
HEPA filter	:	High-efficiency particulate air filter, a type of air filter used to trap airborne particles and improve air quality
HVAC	:	Heating, ventilation and air conditioning, a system used to control and provide heating, ventilation and air conditioning in buildings
LED	:	Light emitting diodes
OEM	:	Original equipment manufacturer that produces the product to be sold by another company under its own name
MAU	:	Make-up air unit, an equipment that supplies fresh air to a building/ indoor environment after conditioning it to the required temperature and humidity levels
MEPF	:	Mechanical, electrical, process utilities and fire fighting

GLOSSARY OF TECHNICAL TERMS *(Cont'd)*

MVAC	:	Mechanical, ventilation and air conditioning
MW	:	Megawatt
M&E	:	Mechanical and electrical
Solar PV panel	:	Solar photovoltaic panel
ULPA filter	:	Ultra-low particulate air filter, a type of air filter that captures airborne particles for high-level air cleanliness

[The rest of this page is intentionally left blank]

TABLE OF CONTENTS

		PAGE
1.	**CORPORATE DIRECTORY**	**1**
2.	**APPROVALS AND CONDITIONS**	**5**
2.1	APPROVALS AND CONDITIONS	5
2.2	MORATORIUM ON OUR SHARES	6
3.	**PROSPECTUS SUMMARY**	**10**
3.1	PRINCIPAL DETAILS OF OUR IPO	10
3.2	BUSINESS OVERVIEW AND OPERATIONAL HIGHLIGHTS	10
3.3	COMPETITIVE STRENGTHS	12
3.4	RISK FACTORS	13
3.5	BUSINESS STRATEGIES AND FUTURE PLANS	14
3.6	DIRECTORS AND KEY SENIOR MANAGEMENT	15
3.7	UTILISATION OF PROCEEDS	16
3.8	PROMOTERS AND SUBSTANTIAL SHAREHOLDERS	17
3.9	FINANCIAL HIGHLIGHTS	18
3.10	DIVIDEND POLICY	19
4.	**DETAILS OF OUR IPO**	**20**
4.1	OPENING AND CLOSING OF APPLICATION	20
4.2	INDICATIVE TIMETABLE	20
4.3	PARTICULARS OF OUR IPO	20
4.4	BASIS OF ARRIVING AT OUR IPO PRICE	24
4.5	SHARE CAPITAL, CLASSES OF SHARES AND RANKING	24
4.6	OBJECTIVES OF OUR IPO	25
4.7	DILUTION	26
4.8	UTILISATION OF PROCEEDS	28
4.9	UNDERWRITING COMMISSION, PLACEMENT AND BROKERAGE FEE	33
4.10	SALIENT TERMS OF THE UNDERWRITING AGREEMENT	33
5.	**INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT**	**39**
5.1	PROMOTERS AND SUBSTANTIAL SHAREHOLDERS	39
5.2	DIRECTORS	47
5.3	BOARD PRACTICE	64
5.4	KEY SENIOR MANAGEMENT	71
5.5	RELATIONSHIPS AND/OR ASSOCIATIONS	78
5.6	EXISTING OR PROPOSED SERVICE AGREEMENTS	79
5.7	DECLARATION FROM PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT	80
6.	**INFORMATION ON OUR GROUP**	**81**
6.1	INFORMATION ON OUR COMPANY	81
6.2	OUR SHAREHOLDERS AND GROUP STRUCTURE	84
6.3	INFORMATION ON OUR SUBSIDIARIES	86
6.4	PUBLIC TAKE-OVERS	88
6.5	INTELLECTUAL PROPERTIES	89
6.6	MATERIAL LICENCES AND PERMITS OF OUR GROUP	91
6.7	PROPERTIES OWNED BY OUR GROUP	97
6.8	PROPERTIES RENTED BY OUR GROUP	98
6.9	MATERIAL REGULATORY REQUIREMENTS	100

TABLE OF CONTENTS *(Cont'd)*

7.	**BUSINESS OVERVIEW**	**106**
7.1	OUR HISTORY AND MILESTONES	106
7.2	PRINCIPAL BUSINESS ACTIVITIES	108
7.3	COMPETITIVE STRENGTHS	121
7.4	BUSINESS STRATEGIES AND FUTURE PLANS	122
7.5	BUSINESS PROCESSES	127
7.6	SALES AND MARKETING STRATEGIES	130
7.7	COMPLETED AND ONGOING PROJECTS	131
7.8	DEPENDENCY ON CONTRACTS, ARRANGEMENTS, LICENCES AND PATENTS	136
7.9	MATERIAL INVESTMENTS AND DIVESTITURES	136
7.10	MATERIAL MACHINERY AND EQUIPMENT	137
7.11	OPERATING CAPACITIES AND OUTPUT	137
7.12	TECHNOLOGIES USED	138
7.13	SEASONALITY AND CYCLICALITY	138
7.14	INTERRUPTIONS TO BUSINESS AND OPERATIONS	138
7.15	RESEARCH AND DEVELOPMENT	138
7.16	EMPLOYEES	139
7.17	MAJOR CUSTOMERS	140
7.18	MAJOR SUPPLIERS	145
7.19	TYPES, SOURCES AND AVAILABILITY OF SUPPLIES	150
7.20	ENVIRONMENTAL, SOCIAL AND GOVERNANCE PRACTICES	151
8.	**IMR REPORT**	**155**
9.	**RISK FACTORS**	**167**
9.1	RISKS RELATING TO OUR BUSINESS AND OPERATIONS	167
9.2	RISKS RELATING TO THE INDUSTRY IN WHICH WE OPERATE	172
9.3	RISKS RELATING TO INVESTMENT IN OUR SHARES	174
9.4	OTHER RISKS	175
10.	**RELATED PARTY TRANSACTIONS**	**176**
10.1	OUR GROUP'S RELATED PARTY TRANSACTIONS	176
10.2	MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS	190
11.	**CONFLICT OF INTERESTS**	**192**
11.1	INTEREST IN SIMILAR BUSINESS AND IN BUSINESSES OF OUR CUSTOMERS AND OUR SUPPLIERS	192
11.2	MONITORING AND OVERSIGHT OF CONFLICT OF INTERESTS	196
11.3	DECLARATIONS OF CONFLICT OF INTERESTS BY OUR ADVISERS	197
12.	**FINANCIAL INFORMATION**	**198**
12.1	HISTORICAL FINANCIAL INFORMATION	198
12.2	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	204
12.3	LIQUIDITY AND CAPITAL RESOURCES	230
12.4	BORROWING AND LEASE LIABILITIES	231
12.5	TYPES OF FINANCIAL INSTRUMENTS USED, TREASURY POLICIES AND OBJECTIVES	235
12.6	MATERIAL CAPITAL COMMITMENTS	235
12.7	MATERIAL LITIGATION AND CONTINGENT LIABILITIES	235
12.8	KEY FINANCIAL RATIOS	236
12.9	SIGNIFICANT FACTORS AFFECTING OUR REVENUE	242
12.10	IMPACT OF GOVERNMENT, ECONOMIC, FISCAL OR MONETARY POLICIES	243

TABLE OF CONTENTS *(Cont'd)*

12.11	IMPACT OF INFLATION	243
12.12	IMPACT OF FOREIGN EXCHANGE RATES, INTEREST RATES AND/OR COMMODITY PRICES ON OUR GROUP'S OPERATIONS	243
12.13	ORDER BOOK	245
12.14	DIRECTORS' DECLARATION ON OUR GROUP'S FINANCIAL PERFORMANCE	245
12.15	TREND INFORMATION	245
12.16	DIVIDEND POLICY	246
12.17	CAPITALISATION AND INDEBTEDNESS	247
13.	**ACCOUNTANTS' REPORT**	**248**
14.	**REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION**	**299**
15.	**STATUTORY AND OTHER INFORMATION**	**311**
15.1	SHARE CAPITAL	311
15.2	CONSTITUTION	311
15.3	DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS	315
15.4	GENERAL INFORMATION	316
15.5	MATERIAL CONTRACTS	316
15.6	EXCHANGE CONTROLS	317
15.7	CONSENTS	317
15.8	DOCUMENTS FOR INSPECTION	317
15.9	RESPONSIBILITY STATEMENTS	318
16.	**SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE**	**319**
16.1	OPENING AND CLOSING OF APPLICATION	319
16.2	METHODS OF APPLICATIONS	319
16.3	ELIGIBILITY	320
16.4	APPLICATION BY WAY OF APPLICATION FORMS	321
16.5	APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS	322
16.6	APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS	322
16.7	AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE	322
16.8	OVER / UNDER SUBSCRIPTION	323
16.9	UNSUCCESSFUL / PARTIALLY SUCCESSFUL APPLICANTS	324
16.10	SUCCESSFUL APPLICANTS	325
16.11	ENQUIRIES	325

[The rest of this page is intentionally left blank]

Registration No.: 202501003997 (1605410-T)

1. CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name (Gender)	Designation	Address	Nationality
Dato' Sri Mohammad Nadjion Bin Nasir (M)	Independent Non-Executive Chairman	2923 V Lrg 8, Taman Uda, Jalan Sultanah, 05350 Alor Setar, Kedah	Malaysian
Lee Thiam Hing (M)	Executive Director and Chief Executive Officer	No. 23, Jalan USJ 17/15, 47630 Subang Jaya, Selangor	Malaysian
Cheng Kai Sean (M)	Executive Director and Chief Operating Officer	No. 26, Jalan Fauna 2A/5, Bandar Rimbayu, 42500 Telok Panglima Garang, Selangor	Malaysian
Yvonne Low Win Kum (F)	Independent Non-Executive Director	MJ-21-02, Kondominium Dua Manjalara, No. 2A Jalan 1/62A, 52200 Kuala Lumpur	Malaysian
Wong Koon Keng (M)	Independent Non-Executive Director	13-03 The Westside One, No. 1 Jalan Residen Utama, Desa ParkCity, 52200 Kuala Lumpur	Malaysian
Ng Lee Thin (F)	Independent Non-Executive Director	No. 2, Jalan Ekoflora 1/4, Taman Ekoflora, 81100 Johor Bahru, Johor	Malaysian

Notes:

M refers to male
F refers to female

[The rest of this page is intentionally left blank]

1. CORPORATE DIRECTORY *(Cont'd)*

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Ng Lee Thin	Chairman	Independent Non-Executive Director
Wong Koon Keng	Member	Independent Non-Executive Director
Yvonne Low Win Kum	Member	Independent Non-Executive Director

REMUNERATION COMMITTEE

Name	Designation	Directorship
Wong Koon Keng	Chairman	Independent Non-Executive Director
Ng Lee Thin	Member	Independent Non-Executive Director
Yvonne Low Win Kum	Member	Independent Non-Executive Director

NOMINATION COMMITTEE

Name	Designation	Directorship
Yvonne Low Win Kum	Chairman	Independent Non-Executive Director
Ng Lee Thin	Member	Independent Non-Executive Director
Wong Koon Keng	Member	Independent Non-Executive Director

[The rest of this page is intentionally left blank]

1. CORPORATE DIRECTORY *(Cont'd)*

REGISTERED OFFICE	:	Unit 11.07, Amcorp Tower Amcorp Trade Centre 18, Jalan Persiaran Barat 46050 Petaling Jaya, Selangor
HEAD OFFICE	:	D-2-6 & D-3-6 Pacific Place Commercial Centre Jalan PJU 1A/4, Ara Damansara 47301 Petaling Jaya, Selangor Telephone number: (603) 5101 9433 Email address: info@sumsys.com.my Website: www.sum.technology
COMPANY SECRETARIES	:	**Synergy Professional Group Sdn Bhd** Registration No: 202301003202 (1497121-V) Unit 11.07, Amcorp Tower Amcorp Trade Centre 18, Jalan Persiaran Barat 46050 Petaling Jaya, Selangor Telephone number: (60)13 366 5803 **Wong Youn Kim** SSM Practicing Certificate No.: 201908000410 Professional Qualification: Chartered Secretary Fellow of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA 7018778)
PRINCIPAL ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT	:	**Malacca Securities Sdn Bhd** (Registration No. 197301002760 (16121-H)) BO1-A-13A, Level 13A, Menara 2 3, Jalan Bangsar KL Eco City 59200 Kuala Lumpur Telephone number: (603) 2201 2100
SOLICITORS FOR OUR IPO	:	**Ong Eu Jin Partnership** Unit 9-1, Level 9 Wisma Mont Kiara No. 1, Jalan Kiara, Mont Kiara 50480 Kuala Lumpur Telephone number: (603) 6206 2053
SHARE REGISTRAR AND ISSUING HOUSE	:	**Tricor Investor & Issuing House Services Sdn Bhd** Unit 32-01, Level 32, Tower A Vertical Business Suite, Avenue 3 Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur Telephone number: (603) 2783 9299

1. CORPORATE DIRECTORY *(Cont'd)*

INTERNAL CONTROL REVIEWER	:	**Sterling Business Alignment Consulting Sdn Bhd** Unit 1207, Block B Pusat Dagangan Phileo Damansara 1 No 9, Jalan 16/11, Off Jalan Damansara 46350 Petaling Jaya, Selangor Telephone number: (603) 7662 8010 / (603) 7612 8609
EXTERNAL AUDITORS AND REPORTING ACCOUNTANTS	:	**BDO PLT** (Registration No. 201906000013) (LLP0018825-LCA) & AF 0206 Level 8, Menara Centara, 360 Jalan Tuanku Abdul Rahman Chow Kit, 50100 Kuala Lumpur Telephone number: (603) 2616 2888 Partner-in-charge: Shahira Binti Shahar Approval number: 03646/03/2028 J (Chartered Accountant of the Malaysian Institute of Accountants)
INDEPENDENT MARKET RESEARCHER	:	**Protégé Associates Sdn Bhd** (Registration No. 200401037256 (675767-H)) Suite C-11-12 Plaza Mont' Kiara 2, Jalan Kiara, Mont' Kiara 50480 Kuala Lumpur Telephone number: (603) 6201 9301 Person-in-charge: Seow Cheow Seng (Master's in Business Administration from Charles Sturt University, Australia and Bachelor of Business majoring in Marketing from RMIT University, Australia)
LISTING SOUGHT	:	ACE Market of Bursa Securities
SHARIAH STATUS	:	Approved by the Shariah Advisory Council of the SC

[The rest of this page is intentionally left blank]

2. APPROVALS AND CONDITIONS

2.1 APPROVALS AND CONDITIONS

2.1.1 Bursa Securities

Bursa Securities had, vide its letter dated 24 March 2026, approved:

(i) the admission of our Company to the Official List of the ACE Market of Bursa Securities; and

(ii) the listing of and quotation for our entire enlarged issued share capital on the ACE Market of Bursa Securities.

The approval from Bursa Securities is subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
(1)	Submission of the following information with respect to the moratorium on the shareholdings of the specified shareholders to Bursa Malaysia Depository Sdn Bhd: (a) Name of shareholders; (b) Number of shares; and (c) Date of expiry of the moratorium for each block of shares.	To be complied
(2)	Approvals from other relevant authorities have been obtained for implementation of the listing proposal.	Complied
(3)	The Bumiputera equity requirements for public listed companies as approved/ exempted by the SC including any conditions imposed thereon.	Complied
(4)	Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Guidance Notes 15 of the Listing Requirements.	To be complied
(5)	Furnish to Bursa Securities a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire enlarged issued share capital of the Company at least one (1) Market Day prior to the listing date.	To be complied
(6)	Furnish to Bursa Securities a confirmation of compliance with Paragraph 2.2(b)(ii)(aa) of Guidance Note 10 of the Listing Requirements by all the directors at least two (2) Market Days prior to the listing date.	To be complied
(7)	In relation to the public offering to be undertaken by the Company, please announce at least two (2) Market Days prior to the listing date, the result of the offering including the following: (a) Level of subscription of public balloting and placement; (b) Basis of allotment/allocation; (c) A table showing the distribution for placement tranche as per the format in Appendix I; and (d) Disclosure of placees who become substantial shareholders of the Company arising from the public offering, if any.	To be complied

2. APPROVALS AND CONDITIONS *(Cont'd)*

No.	Details of conditions imposed	Status of compliance
	Malacca Securities must ensure that the overall distribution of the Company's securities is properly carried out to mitigate any disorderly trading in the secondary market.	
(8)	Sum Technology/Malacca Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval upon the admission of the Company to the Official List of the ACE Market.	To be complied

2.1.2 SC

Our IPO is an exempt transaction under Section 212(8) of the CMSA and is therefore not subject to the approval of the SC.

The SC had, vide its letter dated 26 March 2026, approved the application of our Company under the Bumiputera equity requirement for public listed companies pursuant to our Listing.

The approval from the SC is subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
(a)	Sum Technology allocating shares equivalent to 12.5% of its enlarged number of issued Shares upon listing to Bumiputera investors to be approved by the MITI.	Complied
(b)	In addition, Sum Technology is to make available at least 50% of the Shares offered to the Malaysian public investors via balloting to Bumiputera public investors.	Complied

2.1.3 Shariah Advisory Council of the SC

The Shariah Advisory Council of the SC had, on 16 December 2025, classified our Shares as Shariah-compliant.

2.1.4 MITI

The MITI had, vide its letter dated 22 January 2026**,** stated that it has agreed to our Listing.

2.2 MORATORIUM ON OUR SHARES

2.2.1 Specified Shareholders

In accordance with Rule 3.19(1) of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of those Shares held by our Specified Shareholders as follows:

(a) the moratorium applies to the entire shareholdings of our Specified Shareholders for a period of 6 months from the date of our Admission ("**First 6-Month Moratorium**");

2. APPROVALS AND CONDITIONS *(Cont'd)*

(b) upon the expiry of the First 6-Month Moratorium, our Company must ensure that our Specified Shareholders' aggregate shareholdings amounting to at least 45.00% of our total number of issued ordinary shares remain under moratorium for another period of six (6) months ("**Second 6-Month Moratorium**"); and

(c) upon expiry of the Second 6-Month Moratorium, our Specified Shareholders may sell, transfer or assign up to a maximum of one-third per annum (on a straight-line basis) of those Shares held under moratorium.

(collectively, referred to as "**Moratorium Period**").

The details of our Specified Shareholders and their shareholdings which will be subject to the Moratorium Period are as follows:

	Year 1			
	Shares under the First 6-Months Moratorium		**Shares under the Second 6-Months Moratorium**	
Specified Shareholders	**No. of Shares**	**(1)%**	**No. of Shares**	**(1)%**
Ng Yew Sum	122,832,905	27.30	99,557,489	22.12
Chin Sze Kee	67,623,850	15.03	54,809,912	12.18
Lee Thiam Hing	40,383,599	8.97	32,731,374	7.27
Cheng Kai Sean	19,001,857	4.22	15,401,225	3.42
Total	**249,842,211**	**55.52**	**202,500,000**	**45.00**

	Year 2		**Year 3**	
	Shares held on year 2 after Listing		**Shares held on year 3 after Listing**	
Specified Shareholders	**No. of Shares**	**(1)%**	**No. of Shares**	**(1)%**
Ng Yew Sum	66,371,660	14.75	33,185,830	7.37
Chin Sze Kee	36,539,941	8.12	18,269,971	4.06
Lee Thiam Hing	21,820,916	4.85	10,910,458	2.42
Cheng Kai Sean	10,267,483	2.28	5,133,741	1.14
Total	**135,000,000**	**30.00**	**67,500,000**	**15.00**

Note:

(1) Based on our enlarged issued share capital of 450,000,000 Shares after our IPO.

2.2.2 Pre-IPO Investors

In accordance with Rule 3.19A of the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of our Shares held by any investor who is not a specified shareholder, for a period of 6 months from the date of admission to the Official List if such investor has acquired the shares of the applicant:

(a) within 12 months from the date of submission of the listing application to Bursa Securities; and

(b) at a price lower than the issue price offered to the general public.

Datuk Lim Tong Lee had acquired shares from various shareholders of Sum Technic, Sum System, and Micronaire Global. The acquisitions were completed in June and July 2025. He was invited to participate as a strategic investor in view of his diverse experience in the corporate sector and ability to contribute to our Group's future growth. The details of the acquisitions are as follows:

2. APPROVALS AND CONDITIONS *(Cont'd)*

(i) Sum Technic

Datuk Lim Tong Lee acquired 26,214 shares in Sum Technic, representing 2.62% of the issued share capital of Sum Technic for a total purchase consideration of RM361,491.06, from the shareholders of Sum Technic as set out in the table below. The acquisition was completed on 17 June 2025.

Sum Technic shareholders	Shareholdings in Sum Technic transferred		Purchase consideration (RM)
	No. of shares	(1)% of share capital	
Ng Yew Sum	10,540	1.05	145,346.60
Chin Sze Kee	5,675	0.57	78,258.25
Lee Thiam Hing	5,405	0.54	74,534.95
Francis Chia Mong Tet	3,243	0.32	44,720.97
Law Eng Hock	1,351	0.14	18,630.29
Total	**26,214**	**2.62**	**361,491.06**

Note:

(1) Based on the issued share capital of 1,000,000 Sum Technic shares.

(ii) Sum System

Datuk Lim Tong Lee acquired 7,924 shares in Sum System, representing 2.64% of the issued share capital of Sum System for a total purchase consideration of RM151,744.60, from the shareholders of Sum System as set out in the table below. The acquisition was completed on 17 June 2025.

Sum System shareholders	Shareholdings in Sum System transferred		Purchase consideration (RM)
	No. of shares	(1)% of share capital	
Ng Yew Sum	3,676	1.23	70,395.40
Chin Sze Kee	1,986	0.66	38,031.90
Francis Chia Mong Tet	1,986	0.66	38,031.90
Law Eng Hock	184	0.06	3,523.60
Lim Kai Seng	92	0.03	1,761.80
Total	**7,924**	**2.64**	**151,744.60**

Note:

(1) Based on the issued share capital of 300,000 Sum System shares.

2. APPROVALS AND CONDITIONS *(Cont'd)*

(iii) Micronaire Global

Datuk Lim Tong Lee acquired 12,838 shares in Micronaire Global, representing 2.58% of the issued share capital of Micronaire Global for a total purchase consideration of RM95,899.86, from the shareholders of Micronaire Global as set out in the table below. The acquisition was completed on 3 July 2025.

Micronaire Global shareholders	Shareholdings in Micronaire Global transferred		Purchase consideration (RM)
	No. of shares	(1)% of share capital	
Cheng Kai Sean	4,730	0.95	35,333.10
Ng Yew Sum	3,108	0.62	23,216.76
Chin Sze Kee	2,027	0.41	15,141.69
Francis Chia Mong Tet	946	0.19	7,066.62
Lee Thiam Hing	676	0.14	5,049.72
Law Eng Hock	946	0.19	7,066.62
Lim Kai Seng	405	0.08	3,025.35
Total	**12,838**	**2.58**	**95,899.86**

Note:

(1) Based on the issued share capital of 500,000 Micronaire Global shares.

Francis Chia Mong Tet had acquired 120,000 shares in Sum Technic in April 2025 for a purchase consideration of RM120,000.00 from Ng Yew Sum. Pursuant to the aforementioned acquisition of shares in Sum Technic, Francis Chia Mong Tet is deemed a pre-listing investor.

Details of our Pre-IPO Investors and their shareholdings which will be subject to the abovesaid moratorium, are set out below:

Pre-IPO Investors	Shares under the First 6-Months Moratorium	
	No. of Shares	%(1)
Francis Chia Mong Tet	46,329,417	10.30
Datuk Lim Tong Lee	8,715,911	1.94

Note:

(1) Based on our enlarged issued Shares of 450,000,000 Shares after our IPO.

Our Specified Shareholders and Pre-IPO Investors have provided written undertakings to Bursa Securities that they will not sell, transfer or assign their respective Shares under moratorium during their respective moratorium period.

The moratorium restriction, which is fully accepted by our Specified Shareholders and Pre-IPO Investors are specifically endorsed on the share certificates representing their Shares which are under moratorium to ensure that our Share Registrar does not register any sale, transfer or assignment that contravenes such restrictions.

3. PROSPECTUS SUMMARY

THIS PROSPECTUS SUMMARY ONLY HIGHLIGHTS THE KEY INFORMATION FROM OTHER PARTS OF THIS PROSPECTUS. IT DOES NOT CONTAIN ALL THE INFORMATION THAT MAY BE IMPORTANT TO YOU. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE WHOLE PROSPECTUS PRIOR TO DECIDING ON WHETHER TO INVEST IN OUR SHARES.

3.1 PRINCIPAL DETAILS OF OUR IPO

The following details relating to our IPO are derived from the full text of this Prospectus and should be read in conjunction with that text:

	No. of IPO Shares	%[(1)]
Malaysian Public (via balloting)	22,500,000	5.00
Eligible Persons	4,500,000	1.00
Private placement to selected investors	33,750,000	7.50
Private placement to selected Bumiputera investors approved by MITI	56,250,000	12.50
	117,000,000	**26.00**

Note:

(1) Based on our enlarged issued Shares of 450,000,000 after our IPO.

Enlarged number of issued Shares upon Listing	450,000,000
IPO Price per Share	RM0.28
Market capitalisation upon Listing	RM126,000,000

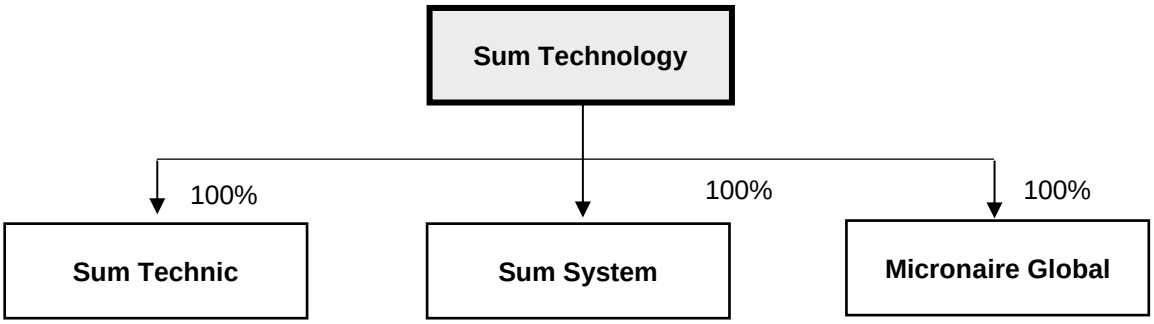
Further details of our IPO are set out in Section 4 of this Prospectus.

In compliance with the Listing Requirements, a moratorium will be imposed on the sale, transfer or assignment of Shares held by our Specified Shareholders and Pre-IPO Investors. Further details of the moratorium are set out in Section 2.2 of this Prospectus.

3.2 BUSINESS OVERVIEW AND OPERATIONAL HIGHLIGHTS

Our Company was incorporated in Malaysia on 24 January 2025 under the Act as a private limited company under the name of Sum Technology Sdn Bhd. Subsequently, our Company was converted to a public limited company on 24 September 2025 and assumed our present name as Sum Technology Berhad. Our Company is an investment holding company.

Our Group's corporate structure after the IPO is as follows:



3. PROSPECTUS SUMMARY *(Cont'd)*

Our Group is a turnkey solutions provider where we provide (i) design and build solutions for mission critical products, technologies and services for cleanrooms, controlled environments and MEPF utilities, (ii) manufacturing of MVAC products, and (iii) trading of MVAC products and solar PV panels.

The diagram below summarises our Group's business activities:

Business segments	▪ Turnkey solutions: o Cleanroom o Controlled environments o MEPF utilities	▪ Manufacturing of MVAC products	▪ Trading of MVAC products ▪ Trading of solar PV panels
Subsidiaries involved	▪ Sum Technic	▪ Micronaire Global	▪ Sum System
Scope of work	▪ Design and engineering ▪ Procurement ▪ Construction / Project management ▪ Installation ▪ Testing and commissioning ▪ Maintenance and support	▪ Design and manufacturing of customised MVAC products ▪ Maintenance and support of MVAC products	▪ Trading of MVAC products and solar PV panels
Customer industries	▪ Semiconductor ▪ Electrical and electronics ▪ Engineering services* ▪ Consumer products	▪ Semiconductor ▪ Electrical and electronics ▪ Engineering services*	▪ Semiconductor ▪ Electrical and electronics ▪ Engineering services*
End user industries	▪ Semiconductor ▪ Consumer products ▪ Data centres ▪ Electrical and electronics ▪ Automotive and electric vehicle battery	▪ Semiconductor ▪ Electrical and electronics ▪ Pharmaceutical ▪ Biotechnology ▪ Maritime ▪ Medical	▪ Semiconductor ▪ Pharmaceutical ▪ Biotechnology
Principal markets	Malaysia and Philippines		

Note:

* *Refers to main contractors who engage us for our services.*

Please refer to Sections 6 and 7 of this Prospectus for further information on our Group and business overview, respectively.

3. PROSPECTUS SUMMARY *(Cont'd)*

The table below sets out our Group's revenue by product segments for the Financial Years Under Review:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Turnkey solutions								
Cleanroom[(1)]	49,403	59.17	21,467	24.23	12,100	23.56	13,186	20.08
MEPF utilities[(2)]	24,998	29.95	57,392	64.79	22,733	44.27	33,185	50.53
Maintenance	487	0.58	594	0.67	827	1.61	1,128	1.72
	74,888	89.70	79,453	89.69	35,660	69.44	47,499	72.33
Manufacturing of MVAC products	4,762	5.70	4,513	5.09	8,749	17.04	9,355	14.25
Trading								
MVAC products	3,429	4.11	3,844	4.34	6,945	13.52	8,816	13.42
Solar PV panels	408	0.49	775	0.88	-	-	-	-
	3,837	4.60	4,619	5.22	6,945	13.52	8,816	13.42
Total	**83,487**	**100.00**	**88,585**	**100.00**	**51,354**	**100.00**	**65,670**	**100.00**

Notes:

(1) Refers to services that encompass design and build of cleanroom and MEPF utilities.

(2) Refers to services that encompass design and build of standalone MEPF utilities only.

The table below sets out our Group's revenue by geographical locations for the Financial Years Under Review:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Domestic market								
Malaysia	75,862	90.87	81,015	91.45	35,224	68.59	48,600	74.01
Overseas market								
Philippines[(1)]	6,698	8.02	5,873	6.63	10,003	19.48	13,440	20.46
Others[(2)]	927	1.11	1,697	1.92	6,127	11.93	3,630	5.53
Total	**83,487**	**100.00**	**88,585**	**100.00**	**51,354**	**100.00**	**65,670**	**100.00**

Notes:

(1) During the Financial Years Under Review, the Philippines is our trading segment's sole market.

(2) Comprises Taiwan, Singapore, Australia, Bangladesh, India and Indonesia.

3.3 COMPETITIVE STRENGTHS

A summary of our competitive strengths is set out as follow:

(i) Integrated turnkey delivery capabilities

We offer integrated turnkey solutions for cleanrooms and MEPF utilities. Our project delivery model spans the entire project lifecycle, from conceptual, preliminary, and detailed design, to procurement, construction, testing and commissioning, to final handover. This integrated approach enables customers to engage a single party, facilitating streamlined coordination among project stakeholders and ensuring timely delivery.

Our turnkey capabilities are further strengthened by Micronaire Global, whose in-house manufacturing of customised MVAC products gives us a strategic advantage in terms of system quality, technical integration, and delivery efficiency. These solutions are specifically engineered for industrial and mission-critical applications, and can be integrated into our turnkey projects, resulting in greater flexibility to meet performance requirements.

(ii) Experienced key management and technical team

We have accumulated experience in providing turnkey solutions and the manufacturing and supply of air conditioning products. Our Executive Directors, Lee Thiam Hing and Cheng Kai Sean, possess 32 years and 15 years of experience, respectively in their relevant fields, play an imperative role in ensuring the delivery of our services and products.

(iii) Our commitment to quality assurance

Our commitment to quality is demonstrated through our quality systems, which emphasises the delivery of consistent and reliable service to meet the requirement for the industries we serve. Our internal quality management systems have been assessed and accredited with ISO 9001:2015, reflecting our dedication to meeting internationally recognised standards. We also design and manufacture customised MVAC products mainly, AHUs that are tailored to project-specific requirements. Our AHUs comply with AHRI Standard 410 for air cooling and air heating coils, and AHRI Standard 1350 for central station AHU casings, signifying our adherence to stringent international standards. We continually strive to ensure that our design and engineering capabilities evolve in line with changing industry standards, particularly in the delivery of mission-critical products, technologies, and services to high-tech industries.

As at the LPD, we have not encountered any irregularities affecting the quality of our services or the efficiency of our operations. We implement control measures across our operational processes to monitor all critical parameters and adopt proactive approaches to uphold the high standards required. This enables our management to respond promptly and effectively to any irregularities that may arise, thereby safeguarding the quality and reliability of our solutions.

Please refer to Section 7.3 of this Prospectus for further details on our competitive strengths.

3.4 RISK FACTORS

The following is a summary of the key risk factors that we face in our business operations:

(i) We are exposed to risks from a concentrated customer base and a project-based business model;

(ii) We are exposed to industry concentration risk;

(iii) We are dependent on our Executive Directors and key personnel for the continued success and growth of our business;

(iv) We depend on the use of subcontractors to complete our contracts;

(v) Fluctuating raw materials, component, equipment and operational costs could materially and adversely impact our financial performance and business prospects;

(vi) We are exposed to claims initiated by customers during the warranty period, as well as liability actions by customers in response to any damage or loss arising from our actions and those of our subcontractors;

(vii) Our contracts with customers stipulate fixed project schedules or delivery dates, subjecting us to the liquidated and ascertained damages claims as well as cost overruns;

(viii) Our ability to attract and retain technical personnel is critical to the continued success and growth of our business;

(ix) We are required to comply with laws and regulations as well as customer regulations concerning health, safety and environment;

(x) Our insurance coverage may be inadequate to cover all losses or liabilities;

(xi) Our businesses depend on the retention and attainment of approvals, licenses, and permits issued by the relevant authorities;

(xii) We are exposed to credit risk;

(xiii) We are exposed to fluctuations in foreign exchange rates; and

(xiv) Our manufacturing operations are susceptible to disruptions or delays from unexpected events that are outside our control.

Please refer to Section 9 of this Prospectus for further details on our Group's risk factors.

3.5 BUSINESS STRATEGIES AND FUTURE PLANS

Our Group's business strategies and future plans are summarised as follows:

(i) Business expansion

We intend to expand our office and headquarters in Pacific Place Commercial Centre, Ara Damansara. Our Group currently occupies 3 units at this commercial centre at the Ara Damansara Office and intends to also expand and occupy another unit within the same commercial centre with an estimated built-up area of approximately 1,600 sq ft.

This will allow our Group to cater for the future growth in our business operations by enabling our Group to recruit more personnel and engage in more projects.

(ii) Enhance our portfolio through increased bids and number of projects

As part of our strategic focus on sustaining operational momentum and supporting business expansion, our Group has allocated proceeds of the IPO towards working capital requirements and we expect to implement our plans within 36 months from our Listing.

This allocation is intended to support various operational needs, including staff-related expenses, the issuance of performance bonds for upcoming projects, selling and marketing efforts, and general administrative and day-to-day operational expenditures.

In particular, gross proceeds from our Listing is earmarked for use as performance bonds for future projects.

(iii) Establish new office in the Philippines

We intend to establish a new office in Manila, Philippines to support the growth of our business in the country. This initiative is driven by the increasing demand for our Group's products and services, particularly in the MVAC sector for mission-critical facilities such as data centres.

(iv) Design and development activities

We intend to intensify D&D activities as part of our efforts to retain competitiveness and stay abreast with technological advancements and industry developments.

As at the LPD, D&D activities are undertaken by production staff within their respective departments and business functions. The allocation of proceeds towards D&D activities will enhance our Group's design capabilities and support the systematic development of new ideas and products.

Please refer to Section 7.4 of this Prospectus for further details on our business strategies and future plans.

3.6 DIRECTORS AND KEY SENIOR MANAGEMENT

Our Directors and Key Senior Management are as follows:

Name	Designation
Directors	
Dato' Sri Mohammad Nadjion Bin Nasir	Independent Non-Executive Chairman
Lee Thiam Hing	Executive Director and Chief Executive Officer
Cheng Kai Sean	Executive Director and Chief Operating Officer
Yvonne Low Win Kum	Independent Non-Executive Director
Wong Koon Keng	Independent Non-Executive Director
Ng Lee Thin	Independent Non-Executive Director
Key Senior Management	
Lee Thiam Hing	Executive Director and Chief Executive Officer
Cheng Kai Sean	Executive Director and Chief Operating Officer
Lim Bok See	Chief Financial Officer
Saw Swee Luen	Project Director
Ir. Teo Wei Kher	Technical Director

Please refer to Section 5 of this Prospectus for further details of our Directors and Key Senior Management.

[The rest of this page is intentionally left blank]

3. PROSPECTUS SUMMARY *(Cont'd)*

3.7 UTILISATION OF PROCEEDS

The gross proceeds arising from the Public Issue of approximately RM32.76 million will be utilised in the following manner:

Details of utilisation	(RM'000)	%	Estimated timeframe for utilisation from the date of our Listing
(a) Business expansion	5,580	17.03	Within 24 months
(b) Establishment of office in the Philippines	2,862	8.74	Within 24 months
(c) Design and development activities	2,500	7.63	Within 24 months
(d) Working capital	17,918	54.70	Within 36 months
(e) Estimated listing expenses	3,900	11.90	Within 1 month
Total	**32,760**	**100.00**	

Please refer to Section 4.8 of this Prospectus for further details on the utilisation of proceeds.

[The rest of this page is intentionally left blank]

3. PROSPECTUS SUMMARY *(Cont'd)*

3.8 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

The shareholdings of the Promoters and substantial shareholders in our Group before and after IPO are set out as follows:

		Before IPO				After IPO			
		Direct		Indirect		Direct		Indirect	
Name	Nationality	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Promoters and substantial shareholders									
Ng Yew Sum	Malaysian	122,832,905	36.89	-	-	122,832,905	27.30	-	-
Chin Sze Kee	Malaysian	67,623,850	20.31	-	-	67,623,850	15.03	-	-
Lee Thiam Hing	Malaysian	40,383,599	12.13	-	-	40,383,599	8.97	-	-
Promoter									
Cheng Kai Sean	Malaysian	19,001,857	5.71	-	-	19,001,857	4.22	-	-
Substantial shareholder									
Francis Chia Mong Tet	Malaysian	46,329,417	13.91	-	-	46,329,417	10.30	-	-

Notes:

(1) Based on the total number of 333,000,000 Shares after the completion of our Pre-IPO Restructuring and before our IPO.

(2) Based on the enlarged total number of 450,000,000 Shares after our IPO.

Please refer to Section 5.1 of this Prospectus for further details of our Promoters and substantial shareholders.

3. PROSPECTUS SUMMARY*(Cont'd)*

3.9 FINANCIAL HIGHLIGHTS

The following table sets out the financial highlights of our historical audited combined financial statements of our Group for the Financial Years Under Review:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	83,487	88,585	51,354	65,670
GP	11,197	11,175	12,353	15,649
PBT	8,299	6,930	7,177	8,113
PAT	6,484	5,135	5,392	6,059
GP margin(1) (%)	13.41	12.62	24.05	23.83
PBT margin(2) (%)	9.94	7.82	13.98	12.36
PAT margin(3) (%)	7.77	5.80	10.50	9.23
Non-current assets	1,151	5,326	6,366	7,370
Current assets	42,340	41,051	35,058	49,927
Non-current liabilities	189	4,548	5,360	5,801
Current liabilities	31,587	24,979	13,822	23,195
Current ratio(4) (times)	1.34	1.64	2.54	2.15
Gearing ratio(5) (times)	0.02	0.72	0.37	0.67

Notes:

(1) Calculated based on GP divided by revenue.

(2) Calculated based on PBT divided by revenue.

(3) Calculated based on PAT attributable to owners of our Company divided by revenue.

(4) Computed based on current assets over current liabilities as at the end of the respective financial years.

(5) Computed based on interest-bearing borrowings and lease liabilities over total equity as at the end of the respective financial years.

Please refer to Section 12 of this Prospectus for further details on our historical combined financial statements for the Financial Years Under Review.

[The rest of this page is intentionally left blank]

3. PROSPECTUS SUMMARY *(Cont'd)*

3.10 DIVIDEND POLICY

Our Group presently does not have any formal dividend policy and the declaration of dividends and other distribution are subject to the discretion of our Board. It is our Board's policy to recommend dividends to allow our shareholders to participate in the profits of our Group. However, our ability to pay dividends or make other distributions to our shareholders in the future years is subject to various factors such as having profits and excess funds, which are not required to be retained to fund our business.

The dividends declared and paid by our Group during the Financial Years Under Review and up to the LPD are as follows:

	FYE 2022 RM'000	**FYE 2023 RM'000**	**FYE 2024 RM'000**	**FYE 2025 RM'000**	**January 2026 up to the LPD RM'000**
Dividend declared and paid	1,020[(1)]	-	-	-	-

Note:

(1) Declared and paid on 9 August 2022 by Sum System.

The dividends distributed above were distributed based on the excess funds within our Group after taking into consideration the funding requirements of our business operations. Our Group does not intend to declare or pay any dividends prior to the Listing.

Please refer to Section 12.16 of this Prospectus for further details on our dividend policy.

[The rest of this page is intentionally left blank]

4. DETAILS OF OUR IPO

4.1 OPENING AND CLOSING OF APPLICATION

The Application for our IPO Shares will open at 10:00 a.m. on 20 May 2026 and will remain open until 5:00 p.m. on 4 June 2026.

LATE APPLICATIONS WILL NOT BE ACCEPTED.

4.2 INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative times and/or dates:

Events	Tentative Time / Dates
Issuance of this Prospectus / Opening of Application	10:00 a.m./ 20 May 2026
Closing of Application	5:00 p.m./ 4 June 2026
Balloting of the Applications	8 June 2026
Allotment of IPO Shares to successful applicants	15 June 2026
Listing on the ACE Market	18 June 2026

In the event there is any change to the indicative timetable above, we will advertise a notice of the changes in a widely circulated English and Bahasa Malaysia daily newspapers in Malaysia and make an announcement of such changes on Bursa Securities' website accordingly.

4.3 PARTICULARS OF OUR IPO

A total of 117,000,000 IPO Shares, representing approximately 26.00% of our enlarged issued Shares of 450,000,000 are offered at our IPO Price, subject to the terms and conditions of this Prospectus. The IPO Shares shall be allocated in the following manner:

	No. of IPO Shares	%(1)
Malaysian Public (via balloting)(2)	22,500,000	5.00
Eligible Persons	4,500,000	1.00
Private placement to selected investors	33,750,000	7.50
Private placement to selected Bumiputera investors approved by MITI	56,250,000	12.50
	117,000,000	**26.00**

Notes:

(1) Based on our enlarged issued Shares of 450,000,000 after our IPO.

(2) 11,250,000 Shares, representing 50% of the allocation, are made available for application to Bumiputera public investors.

[The rest of this page is intentionally left blank]

4. DETAILS OF OUR IPO *(Cont'd)*

4.3.1 IPO

A total of 117,000,000 IPO Shares, representing approximately 26.00% of our enlarged issued Shares of 450,000,000 are offered at our IPO Price, subject to the terms and conditions of this Prospectus. The IPO Shares shall be allocated in the following manner:

(a) Malaysian Public

22,500,000 IPO Shares, representing 5.00% of our enlarged issued Shares, are made available for application by the Malaysian Public, to be allocated via balloting process as follows:

(i) 11,250,000 IPO Shares, representing 2.50% of our enlarged issued Shares will be made available to the Malaysian Public; and

(ii) 11,250,000 IPO Shares representing 2.50% of our enlarged issued Shares will be made available to Bumiputera public investors.

(b) Eligible Persons

4,500,000 IPO Shares, representing approximately 1.00% of our enlarged issued Shares, will be reserved for application by the Eligible Persons under the Pink Form Allocations as follows:

Eligible Persons	No. of Eligible Persons	Aggregate no. of IPO Shares allocated
Eligible employees of our Group(1)	Up to 32	4,500,000

Note:

(1) The criteria of allocation to our eligible employees including our Key Senior Management (as approved by our Board) are based on, amongst others, the following factors:

(a) our employee must be at least 18 years of age;

(b) our employee must have his/her employment confirmed in writing;

(c) past performance and respective contribution made to our Group;

(d) the employees' seniority, position, length of service and level of contribution to our Group; and

(e) other factors deemed relevant by our Board.

The number of IPO Shares allocated under this category is inclusive of the allocation to our Key Senior Management. The number of IPO Shares to be allocated to our eligible Key Senior Management under the Pink Form Allocation is as follows:

Eligible Key Senior Management	*Designation*	*No. of IPO Shares allocated*
Lim Bok See	*Chief Financial Officer*	*60,000*
Saw Swee Luen	*Project Director*	*587,000*
Ir. Teo Wei Kher	*Technical Director*	*175,000*
Total		***822,000***

4. DETAILS OF OUR IPO *(Cont'd)*

(c) Private placement to selected Bumiputera investors approved by MITI and selected investors

90,000,000 IPO Shares, representing 20.00% of our enlarged issued Shares, are reserved for application by the way of private placement in the following manner:

(i) 56,250,000 IPO Shares, representing 12.50% of our enlarged issued Shares, made available for selected Bumiputera investors approved by MITI; and

(ii) 33,750,000 IPO Shares, representing 7.50% of our enlarged issued Shares, made available for selected investors.

As at the LPD and save as disclosed in Section 4.3.1 (b) of this Prospectus, to the extent known to our Company:

(a) there are no substantial shareholders, Directors or Key Senior Management that have the intention to subscribe the IPO Shares; and

(b) there is no person that intends to subscribe for more than 5.00% of the IPO Shares.

4.3.2 Clawback and Reallocation of Shares

Our IPO Shares shall be subject to the following clawback and reallocation provisions:

(i) Malaysian Public via balloting

If our IPO Shares allocated to the Bumiputera Malaysian Public are under-subscribed, such IPO Shares will be made available to the other Malaysian Public. Likewise, in the event that any IPO Shares allocated to the other Malaysian Public are under-subscribed, such IPO Shares will be made available to the Bumiputera Malaysian Public.

In the event that there are IPO Shares which are not subscribed by the Malaysian Public, the remaining portion unsubscribed will be made available for application and offered to the selected investors.

Any further IPO Shares which are not subscribed after being allocated and offered to the selected investors shall be underwritten by our Underwriter in accordance with the salient terms of the Underwriting Agreement as set out in Section 4.10 of this Prospectus.

(ii) Eligible Persons

Any IPO Shares under Pink Form Allocations which are not subscribed by any of the Eligible Persons shall be re-offered to our Group's other Eligible Persons before being reallocated to the Malaysian Public and/or to the selected investors by way of private placement.

Thereafter, any remaining IPO Shares under the Pink Form Allocations which are not subscribed for shall be underwritten by our Underwriter in accordance with the terms of the Underwriting Agreement as set out in Section 4.10 of this Prospectus.

4. DETAILS OF OUR IPO *(Cont'd)*

(iii) Private placement to selected investors

In the event of under-subscription of the IPO Shares in respect of the allocation by way of private placement to the selected investors, the remaining unsubscribed portion will be clawed back and reallocated to the Malaysian Public and/or offered to the Eligible Persons.

The clawback and reallocation provisions will not apply in the event there is an over-subscription in all of the allocations of our IPO Shares at the closing date of our IPO.

(iv) Private placement to selected Bumiputera investors approved by the MITI

In the event of under-subscription of the IPO Shares in respect of the allocation by way of private placement to the selected Bumiputera investors approved by the MITI ("**MITI Tranche**"), the unsubscribed IPO Shares under the MITI Tranche shall firstly be reallocated to the Bumiputera Malaysian Public. Any unsubscribed portion after the reallocation shall be allocated firstly to Malaysian institutional investors under the private placement and thereafter to other selected investors. Any remaining unsubscribed portion thereafter shall be allocated to non-Bumiputera Malaysian Public.

The clawback and reallocation provisions will not apply in the event that there is an over-subscription in all of the allocations of our IPO Shares at the closing date of our IPO. The allocation of our IPO Shares shall be in a fair and equitable manner and shall take into account the desirability of distributing our IPO Shares to a reasonable number of applicants with a view of broadening our Company's shareholding base to meet the public shareholding spread requirements of Bursa Securities and to establish a liquid market for our Shares. The number of IPO Shares offered will not be increased via any over-allotment of "greenshoe" option.

Pursuant to the Listing Requirements, at least 25.00% of our enlarged issued share capital must be held by a minimum number of 200 public shareholders holding not less than 100 Shares each at the time of our Admission. Prior to our Admission, we will ensure that this requirement is met through the balloting process and the private placement exercise to ensure that a minimum 200 public shareholders holding not less than 100 Shares each is in place and at least 25.00% of our enlarged issued share capital are held by public shareholders.

If the public spread requirement is not met, we may not be permitted to proceed with the Listing. In such event, monies paid in respect of all applications will be returned in full, without interest or any share of revenue or benefits arising therefrom. If such monies are not returned in full within 14 days after we become liable to do so, the provision of Section 243(2) of the CMSA shall apply accordingly.

4.3.3 Minimum Subscription

There is no minimum subscription to be raised from our IPO. However, in order to comply with the public spread requirements of Bursa Securities, we are required to have at least 25.00% of our enlarged issued Shares held by a minimum of 200 public shareholders holding not less than 100 Shares each. This is the minimum subscription level in terms of the number of Shares.

We expect to meet the public shareholding requirement at the point of our Listing. If we fail to meet the said requirement, we may not be allowed to proceed with our Listing on the ACE Market.

In such an event, we will return in full, without interest or any share of revenue or benefit arising therefrom, all monies paid in respect of all Applications. If any such monies are not refunded within 14 days after we become liable to do so, the provision of sub-Section 243(2) of the CMSA shall apply accordingly.

4. DETAILS OF OUR IPO *(Cont'd)*

4.4 BASIS OF ARRIVING AT OUR IPO PRICE

The IPO Price of RM0.28 per Share was determined after taking into consideration the following factors:

(a) our Group's EPS of approximately 1.35 sen, computed based on our audited combined PAT attributable to the owners of our Company of approximately RM6.06 million for the FYE 2025 and our enlarged issued share capital upon Listing of 450,000,000 Shares, which translates to a PE Multiple of approximately 20.74 times.

(b) our Group's pro forma combined NA per Share of approximately 13 sen as at 31 December 2025, computed based on our Group's pro forma combined NA of approximately RM58.54 million after taking into consideration the utilisation of proceeds from our IPO and our enlarged issued share capital upon Listing of 450,000,000 Shares;

(c) our Group's historical financial information for the Financial Years Under Review as set out in Section 12.1 of this Prospectus;

(d) our Group's competitive strengths as set out in Section 7.3 of this Prospectus; and

(e) our Group's business strategies and future plans as set out in Section 7.4 of this Prospectus.

You should note that our market price of our Shares upon Listing is subject to the vagaries of market forces and other uncertainties that may affect the price of our Shares being traded. You should form your own views on the valuation of our IPO Shares before deciding to invest in them. You are reminded to carefully consider the risk factors as set out in Section 9 of this Prospectus before deciding to invest in our Shares.

4.5 SHARE CAPITAL, CLASSES OF SHARES AND RANKING

	No. of Shares	RM
Existing issued Shares as at the date of this Prospectus	333,000,000	22,260,001.00
New Shares to be issued under the Public Issue	117,000,000	(1) 31,192,836.00
Enlarged issued share capital upon Listing	**450,000,000**	**53,452,837.00**
IPO Price per Share		**0.28**
Market capitalisation upon Listing		**126,000,000**

Note:

(1) Calculated based on the IPO Price and after adjusting against our share capital, the estimated listing expenses of approximately RM1,567,164 assumed to be directly attributable to our Public Issue.

As at the date of this Prospectus, we have only 1 class of shares, being ordinary shares, all of which rank equally amongst one another.

The IPO Shares will, upon allotment and issue, rank equally in all respects with our existing Shares including voting rights and will be entitled to all rights, dividends and distributions that may be declared subsequent to the date of allotment of our IPO Shares.

4. DETAILS OF OUR IPO *(Cont'd)*

Subject to any special rights attaching to any Shares which may be issued by us in the future, our shareholders shall, in proportion to the amount of Shares held by them, be entitled to share in the whole of the profits paid out by us as dividends and other distributions. Similarly, if our Company is liquidated, our shareholders shall be entitled to the surplus (if any), in accordance with our Constitution after the satisfaction of any preferential payments in accordance with the Act and our liabilities.

Each of our shareholders shall be entitled to vote at any of our general meeting in person, or by proxy or by attorney, or being a corporation, by a duly authorised representative. Every shareholder present in person or by proxy or by attorney or by duly authorised representative shall have 1 vote, and on a poll, every shareholder present in person or by proxy or by attorney or by duly authorised representative shall have 1 vote for each Share held. A proxy may, but need not be, a member of our Company.

4.6 OBJECTIVES OF OUR IPO

The objectives of our IPO are as follows:

(a) to gain recognition and enhance the stature of our Group as a turnkey solutions provider with the listing status. The listing is expected to enhance our Group's credibility and reputation in tendering for new projects, promote our brand visibility in the marketing of our products and services, and to retain and attract new and skilled employees within the industry that our Group is operating in;

(b) to provide an opportunity for investors and institutions, including the Malaysian Public and our eligible employees of our Group to participate in our equity and future growth of our Group;

(c) to enable our Group to raise funds for the purposes specified in Section 4.8 of this Prospectus; and

(d) to enable our Group to tap into the equity capital market for future fund raising and to provide us the financial flexibility to pursue future growth opportunities as and when they arise.

[The rest of this page is intentionally left blank]

4. DETAILS OF OUR IPO *(Cont'd)*

4.7 DILUTION

Dilution is computed as the difference between the IPO Price paid by the investors of our IPO Shares and the pro forma combined NA per Share of our Group immediately after our IPO.

The pro forma combined NA per Share of our Group as at 31 December 2025 is RM0.08, based on our issued share capital of 333,000,000 Shares after the completion of the Acquisitions and before our IPO.

In conjunction with the IPO, pursuant to the issuance and allotment of 117,000,000 new Shares at the IPO Price, the pro forma combined NA per Share of our Group as at 31 December 2025 (after adjusting for the utilisation of proceeds) would have been RM0.13.

The following table illustrates such dilution on a per Share basis:

	Details	**RM**
IPO Price	A	0.28
Pro forma combined NA per Share as at FYE 2025, based on our issued share capital of 333,000,000 Shares after the completion of Acquisitions and before our IPO	B	0.08
Pro forma combined NA per Share as at FYE 2025, based on our enlarged issued share capital of 450,000,000 Shares after our IPO and utilisation of proceeds	C	0.13
Increase in pro forma combined NA per Share to our existing shareholders	C – B	0.05
Dilution in the pro forma combined NA per Share to our new public investors	A – C	0.15
Dilution in the pro forma combined NA per Share to our new investors as a percentage of our IPO Price (%)	(A – C)/A	53.57%

Further details of our pro forma combined NA per Share as at FYE 2025 is set out in Section 14 of this Prospectus.

[The rest of this page is intentionally left blank]

4. DETAILS OF OUR IPO *(Cont'd)*

Save as disclosed below, there has been no acquisition of any of our Shares by our Directors, substantial shareholders, Key Senior Management and/or persons connected with them, or any transaction entered into by them which grants them the right to acquire any of our Shares in the past 3 years up to the date of this Prospectus:

	No. of Shares held after the Acquisitions and before IPO	No. of Shares allotted from the IPO	Total consideration (RM)	Average effective cost per Share (RM)
Promoters and substantial shareholders				
Ng Yew Sum	122,832,905	-	8,210,992.41	0.0668
Chin Sze Kee	67,623,850	-	4,520,441.16	0.0668
Promoter, Director and substantial shareholder				
Lee Thiam Hing	40,383,599	-	2,699,516.20	0.0668
Promoter and Director				
Cheng Kai Sean	19,001,857	-	1,270,214.23	0.0668
Substantial Shareholder				
Francis Chia Mong Tet	46,329,417	-	3,096,975.45	0.0668
Key Senior Management				
Lim Bok See	-	(1)60,000	16,800.00	0.28
Saw Swee Luen	-	(1)587,000	164,360.00	0.28
Ir. Teo Wei Kher	-	(1)175,000	49,000.00	0.28

Note:

(1) Assuming that the mentioned Eligible Persons fully subscribe for their respective entitlement under the Pink Form Allocations.

[The rest of this page is intentionally left blank]

4. DETAILS OF OUR IPO *(Cont'd)*

4.8 UTILISATION OF PROCEEDS

The gross proceeds arising from the IPO of RM32.76 million will be utilised in the following manner:

Details of utilisation of proceeds	Amount of proceeds (RM'000)	Amount of proceeds (%)	Estimated timeframe for utilisation (from the date of Listing)
(a) Business expansion	5,580	17.03	Within 24 months
(b) Establishment of office in the Philippines	2,862	8.74	Within 24 months
(c) Design and development activities	2,500	7.63	Within 24 months
(d) Working capital	17,918	54.70	Within 36 months
(e) Estimated listing expenses	3,900	11.90	Within 1 month
Total	**32,760**	**100.00**	

The current allocated utilisation is based on the respective estimated costs as at the LPD. Hence, if the allocated proceeds are insufficient to fund the final amount, we will fund the shortfall from our internally generated funds and/or bank borrowings. Similarly, any surplus from the allocated proceeds will be used for general working capital purposes. Pending the utilisation of the proceeds raised from our Public Issue, the proceeds will be placed in interest-bearing short-term deposits or money market instruments with licensed financial institutions.

In the event that any of the above expenditure has been incurred before the receipt from the Public Issue, the IPO proceeds will be used to replenish any internally generated funds or repay bank borrowing drawn down for the purpose of the said expenditure.

(a) Business expansion

Our Group intends to expand our office and headquarters in Pacific Place Commercial Centre, Ara Damansara. Our Group currently occupies 3 units at this commercial centre at the Ara Damansara Office, which may occupy up to 47 personnel. Our Group intends to also expand and occupy another unit within the same commercial centre with an estimated built-up area of approximately 1,600 sq ft. This will allow our Group to increase our physical workspace, which will enable us to recruit new personnel, particularly within the tender and technical departments, which will enhance our capability to tender for a greater number of projects.

As at the LPD, our Group has not entered into any rental agreements as we are currently searching for a suitable unit, and our Group has yet to incur any expenditure on this. Accordingly, our Group expects the new office to commence operations by the 2nd quarter of 2027, subject to availability of suitable units within the same commercial centre.

Our Group intends to allocate approximately RM5.58 million, or 17.03% of the gross proceeds from the IPO to fund the cost of expansion.

The breakdown of the costs is as follows:

Description	RM'000
- Office set up costs and rental expenses (1)	3,000
- Recruitment of personnel (2)	2,580
Total	**5,580**

4. DETAILS OF OUR IPO *(Cont'd)*

Notes:

(1) Includes rental for a period of 24 months, renovation and installation of fixtures and fittings as set out below:

Description	***Estimated cost (RM'000)***
Rental	*288*
Renovation including interior-fit-out	*2,712*
Total	***3,000***

The estimated costs are based on management's prior experience as well as quotations from suppliers and contractors.

(2) Includes recruitment of 16 personnel in the new office involved in tendering, production and/or sales, based on the estimated cost of these new employees for 24 months which include tender engineers, production personnel and sales personnel. The estimated cost of the recruitment is based on our salary records, surveys and estimates.

Please refer to Section 7.4.1 of this Prospectus for further details of our business expansion.

(b) Establishment of office in the Philippines

We intend to establish a new office in Manila, Philippines to support the growth of our business in the country. This initiative is driven by the increasing demand for our Group's products and services, particularly in the MVAC sector for mission-critical facilities such as data centres.

As at the LPD, we are undertaking projects in the Philippines involving the supply and installation of MVAC system. In line with this, we plan to establish a physical presence in the Philippines to enhance our ability to pursue future opportunities. We intend to lease an existing commercial property in Manila to serve as our local office to support sales and marketing efforts and facilitate client engagement. This office will also serve as a base for locally recruited personnel, including engineering and project management staff, who will assist in securing and delivering new projects across the region.

As at the LPD, our Group has not entered into any rental agreements as we are currently looking for a suitable property, and our Group has yet to incur any expenditure on this.

We have earmarked RM2.86 million, or 8.74% of the total gross proceeds from our Listing for this purpose and expect to implement it within 24 months of our Listing. Accordingly, our Group expects the Philippines office to commence operations by the 2nd quarter of 2027, subject to identifying the location and availability of suitable property in the Philippines.

The estimated costs for establishing the new office in the Philippines are as follows:

Description	**RM'000**
Office in the Philippines	
- Office set up costs (1)	150
- Recruitment of personnel (2)	2,712
Total	**2,862**

Notes:

(1) Includes rental for a period of 24 months, renovation and purchase of office equipment such as IT equipment and software. The estimated costs are based on quotations from suppliers and contractors.

4. DETAILS OF OUR IPO *(Cont'd)*

(2) Includes recruitment of 23 personnel to support our Group's operations in the Philippines based on the estimated cost of these new employees for 24 months. The estimated cost of the recruitment of personnel in the Philippines was arrived at based on surveys and estimates.

Please refer to Section 7.4.3 of this Prospectus for further details of establishment of office in the Philippines.

(c) Design and development activities

We intend to intensify design and development activities as part of our efforts to retain competitiveness and stay abreast with technological advancements and industry developments. We have earmarked approximately RM2.50 million, or 7.63% of the total gross proceeds from our Listing for this purpose.

As at the LPD, D&D activities are currently undertaken by production staff within their respective departments and business functions. The allocation of proceeds towards D&D activities will serve to enhance our Group's D&D capabilities and support the systematic development of new ideas, products and services.

We plan to hire four (4) new employees, comprising two (2) technical engineers and two (2) support staff, to further support the D&D activities. The estimated staff costs for these new hires over a period of 24 months is RM1.19 million. The proceeds from our Listing will also be allocated towards the procurement of software and tools required for D&D activities. The breakdown of the estimated costs is as follows:

Description	**Units**	**RM'000**
Software and equipment		
- Subscription of additional CAD software	3	83
- Subscription to artificial intelligence ("**AI**") software/ platform	10	24
- Subscription to Project Management Software	10	20
- Purchase of CMMS and subscription of CAE software	2	200
- Purchase of equipment, machinery and materials	(1)	984
	Sub-total	**1,310**
Personnel		
- Recruitment of D&D personnel and staff salaries	4	1,190
	Sub-total	**1,190**
Total		**2,500**

Note:

(1) Includes the purchase of the following:

Description	***Units***	***RM'000***
Equipment		
Laptop computers	*5*	*33.5*
Productivity software	*5*	*4.5*
	Sub-total	***38***
Machinery		
*Polyurethane ("**PU**") foaming machine*	*1*	*201*
Hot press machine	*1*	*132*
	Sub-total	***333***

4. DETAILS OF OUR IPO *(Cont'd)*

Description	*Units*	*RM'000*
Materials		
Aluminium sheets	*1,750*	*613*
	Sub-total	***613***
Total		***984***

The identified software that are listed above are expected to improve our Group's productivity and efficiency moving forward. The subscription of additional CAD software will enhance our design capabilities through 3D modelling and BIM coordination, which reduces errors and improves communication between project stakeholders. The use of AI software and/or platform is expected to enhance productivity whereby it can be used in document drafting and report generation, amongst others. In addition, the identified project management software streamlines scheduling, progress tracking, and resource planning, while a CMMS, which is a centralised database, that allows tracking of work orders as well as project scheduling, amongst others.

Investment in the machineries and material listed above are expected to strengthen our Group's innovation capabilities and enhance product development. The laptops will be utilised for 3D modelling and real-time performance analysis, enabling optimised cleanroom designs. The PU foaming machine and hot press machine will allow material testing and prototyping, whereas aluminium sheets will be utilised for structural and component development.

The cost estimate for the software and equipment is based on quotations. The estimated cost of the recruitment of D&D personnel and staff salaries were arrived at based on our salary records, surveys and estimates.

The software and tools acquired will support project management, AI integration, 3D design, and maintenance tracking activities. These systems are expected to enhance our Group's D&D capabilities across various project and product development functions.

Please refer to Section 7.4.4 of this Prospectus for further details of design and development activities.

(d) Working capital

Our Group has allocated approximately RM17.92 million of the gross proceeds from the IPO for the working capital for current operations of our Group, which includes staff costs, performance bonds for future projects, selling and marketing expenses and general administrative and daily operational expenses.

While the breakdown of such use cannot be determined at this juncture as it depends on working capital for current operations of our Group at the relevant point of time, on a best estimate basis, the allocation of proceeds for such use are as follows:

Description	**RM'000**
Performance bonds for future projects	11,170
Staff cost which include payment of salaries and benefits	2,898
Selling and marketing expenses	400
General administrative and daily operational expenses such as utility charges, office upkeep, maintenance, purchase of raw materials and payment to subcontractors	(1) 3,450
Total	**17,918**

4. DETAILS OF OUR IPO *(Cont'd)*

Note:

(1) Breakdown for the general administrative and daily operation expenses includes:

Description	***(RM'000)***
Purchase of raw materials	*2,070*
Payment to subcontractors	*900*
General administrative and daily operational expenses such as utility charges, office upkeep, maintenance	*480*
Total	**3,450**

Our Group is required to provide performance bonds in the form of bank guarantees for certain projects which is as per the terms of the contract with certain clients, which may typically be approximately 5% of the total project value. They may typically be valid from the commencement of the contract until the end of the testing and commissioning stage wherein the certificate of practical completion is issued, which overall may take up to 18 months.

Our Group would be unable to utilise the cash set aside for these performance bonds during the period. As such, the allocation of proceeds for these performance bonds would free up our Group's internally generated funds and improve our cash flow for usage on other projects or our working capital requirements.

Once the performance bonds are uplifted, our Group may reallocate the cash used for these performance bonds for usage on other projects or our working capital requirements.

As at the LPD, our Group does not have any on-going projects with a performance bond provided for it.

As at the LPD, our Group has potential projects amounting up to approximately RM385.01 million that our Group has tendered for, of which our Group may have to provide up to RM19.25 million in performance bonds. As at the LPD, these potential projects are not secured.

Any shortfall or surplus will be adjusted against the amount earmarked for the working capital for our operations.

Please refer to Section 7.4.2 of this Prospectus for further details.

(e) Estimated listing expenses

Our Group intends to allocate RM3.90 million of the proceeds from the IPO to meet the estimated expenses for the Listing. The following summarises the estimated expenses incidental to the Listing to be borne by our Company:

Description	**RM'000**
Professional fees[(1)]	2,500
Underwriting, placement, and brokerage fees	831
Fees payable to authorities	62
Other related listing expenses[(2)]	507
Total	**3,900**

4. DETAILS OF OUR IPO *(Cont'd)*

Notes:

(1) *Includes professional fees for, amongst others, Principal Adviser, Solicitors, Auditors and Reporting Accountants, Independent Market Researcher, Internal Control Reviewer, company secretary, Share Registrar and Issuing House and tax consultant.*

(2) *Related expenses include printing expenses, translation fees, advertising expenses and other related listing expenses.*

4.9 UNDERWRITING COMMISSION, PLACEMENT AND BROKERAGE FEE

4.9.1 Underwriting commission

Our Underwriter has agreed to underwrite 22,500,000 IPO Shares made available for application by the Malaysian Public and 4,500,000 IPO Shares made available for application under the Pink Form Allocations.

Our Company will pay our Underwriter an underwriting commission of 2.50 % of the total value of the underwritten Shares at our IPO Price.

4.9.2 Placement fee

Our Placement Agent has agreed to place out the following:

(i) 56,250,000 IPO Shares made available for application by Bumiputera investors approved by MITI by way of private placement; and

(ii) 33,750,000 IPO Shares made available for application by selected investors, by way of private placement.

Our Company will pay our Placement Agent a placement fee of up to 2.50 % on the value of 90,000,000 IPO Shares at the IPO Price placed out by our Placement Agent.

4.9.3 Brokerage fee

Our Company will pay brokerage fees to be incurred for the issuance of 27,000,000 IPO Shares made available for application by the Malaysian Public and Eligible Persons as set out under Sections 4.3.1(a) and 4.3.1(b) of this Prospectus, at the rate of 1.00 % on the IPO Price, in respect of all successful applications which bear the stamp of either Malacca Securities, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association in Malaysia or the Issuing House.

4.10 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

On 14 April 2026, we have entered into the Underwriting Agreement with Malacca Securities, being the Underwriter to underwrite 27,000,000 IPO Shares ("**Underwritten Shares**"), on the terms and conditions as set out in the Underwriting Agreement.

The salient terms of the Underwriting Agreement are as follows:

(i) The obligations of the Underwriter under the Underwriting Agreement shall be subject to the following conditions ("**Conditions Precedent**") being fulfilled within three (3) months from the date of the Underwriting Agreement ("**Condition Period**"):

4. DETAILS OF OUR IPO *(Cont'd)*

(a) The Underwriting Agreement being signed by the relevant authorised signatories (as approved by our Board to sign on behalf of our Company) to the Underwriting Agreement and stamped within the statutory time frame and has not been terminated or rescinded pursuant to the provisions in the Underwriting Agreement and that the Underwriting Agreement remaining in full force and effect and no breach in respect of the Underwriting Agreement has occurred;

(b) The registration of this Prospectus and such other documents in relation to the IPO with Bursa Securities and its lodgement of the same with the Registrar of Companies of Malaysia ("**ROC**") in accordance with the CMSA, the Act and the Listing Requirements;

(c) The issuance of this Prospectus;

(d) The Underwriter receiving a copy duly certified by a Director or company secretary of our Company to be a true and accurate copy and in full force and effect, of a resolution of the Directors:

(1) approving this Prospectus and the application forms for the application of the IPO Shares ("**Offer Documents**") including this Prospectus for registration with Bursa Securities and lodgement of the same with the ROC (including a confirmation that the Directors, collectively and individually, accept full responsibility for the accuracy of all information stated in this Prospectus), the Underwriting Agreement and the transactions contemplated by it;

(2) authorising the issuance of the Offer Documents including the date of issuance of this Prospectus ("**Issue Date**") and the last day and time for the acceptance of and payment for the retail offering ("**Closing Date**");

(3) approving the appointment of the Underwriter;

(4) authorising at least two (2) Directors to sign and execute the Underwriting Agreement on behalf of our Company;

(5) approving the IPO and the Listing and the transactions contemplated by each of the same; and

(6) approving the allotment and issuance and/or transfer of the IPO Shares under the IPO to successful Malaysian Public applicants, Eligible Persons, placees selected by the Placement Agent and Bumiputera investors approved by the MITI.

(e) The IPO and/or the Listing not being prohibited or impeded by any statute, order, rule, directive or regulation promulgated by any legislative, executive or regulatory body or authority of Malaysia and all consents, approvals, authorisations or other orders required by our Company under such laws for or in connection with the IPO and/or the Listing have been obtained and are in force up to and including the date of registration of this Prospectus;

(f) There being no occurrence of any specified event which would have rendered any of the representations, warranties and undertakings of our Company and/or the Underwriter being untrue or inaccurate in any material respect as provided in the Underwriting Agreement up to and including the date of registration of this Prospectus;

4. DETAILS OF OUR IPO *(Cont'd)*

(g) There not having occurred on or prior to the date of registration of this Prospectus any breach of warranties or representations and/or failure to perform any of the undertakings by our Company contained in the Underwriting Agreement;

(h) The delivery to the Underwriter of such reports and confirmations from the Directors of our Company as the Underwriter may reasonably require to ascertain that there is no material change since the date of the Underwriting Agreement that will adversely affect the performance or financial position of our Company and our Group up to the date of registration of this Prospectus; and

(i) The Underwriter receiving a copy of our Company's Constitution and the latest notification forms lodged with the ROC pursuant to Section 78, Section 46(3) and Section 58 of the Act, all of which are certified as true copy by our Company's company secretary.

(ii) In the event any of the Conditions Precedent set forth is not satisfied on or upon the expiry of the Condition Period or such later date as consented to in writing by the Underwriter, the Underwriter shall be entitled to terminate the Underwriting Agreement by notice in writing to our Company and upon such termination, the Underwriter and our Company will be released and discharged from their respective obligations under the Underwriting Agreement. The Underwriting Agreement shall then become null and void and of no further force and effect and neither the Underwriter nor our Company shall have a claim against the other save for any antecedent breaches provided always that our Company shall be liable to pay the Underwriting Commission to the Underwriter in the event the non-fulfilment of the relevant Conditions Precedent is attributable to the wilful default by our Company.

(iii) Subject to the terms and conditions as provided in the Underwriting Agreement, the Underwriter may at their sole and absolute discretion terminate the Underwriting Agreement and/or withdraw its commitment to underwrite the Underwritten Shares as stated in Section 4.9.1 of this Prospectus by notice in writing to our Company upon the occurrence of any of the following:

(a) there is any breach by our Company of any of the representations, warranties or undertakings contained in the Underwriting Agreement or in any certificate, statement or notice under or in connection with the Underwriting Agreement; or

(b) there is failure on the part of our Company to perform any of its obligations contained in the Underwriting Agreement which is not capable of remedy or, if capable of remedy, is not remedied to the satisfaction of the Underwriter within such number of days as stipulated by the Underwriter to our Company in writing or as stipulated in the notice informing our Company of such breach or by the Listing date, whichever is earlier; or

(c) there is withholding of information from the Underwriter which is required to be disclosed by our Company pursuant to the Underwriting Agreement which, in the opinion of the Underwriter, would have or can reasonably be expected to have, a material adverse effect on the financial performance, cash flows and financial condition, business or operations or prospects of our Group, the success of the IPO, or the distribution or sale of the IPO Shares;

(d) there shall have occurred, or happened any event(s) which is expected to have a material adverse effect which has not been disclosed to the Underwriter prior to the date of the Underwriting Agreement and/or in this Prospectus;

4. DETAILS OF OUR IPO *(Cont'd)*

(e) the Closing Date for the application and subscription of the IPO Shares does not occur within one (1) month from the Issue Date, or such other extended date as may be agreed in writing by the Underwriter in consultation with Bursa Securities and/or the SC, where applicable; or

(f) the occurrence of any force majeure event as defined in the Underwriting Agreement or any event or series of events beyond the reasonable control of the Underwriter or our Company which would have or can reasonably be expected to have a material adverse effect or which has or is likely to have the effect of making any obligation under the Underwriting Agreement incapable of performance with its terms or which prevents the processing of applications and/or payments pursuant to the IPO or pursuant to the underwriting of the Underwritten Shares; or

(g) any imposition of moratorium, suspension or material restriction on trading of securities on Bursa Securities for at least three (3) consecutive Market Days; or

(h) any government requisition or occurrence of any other nature which would have or is likely to have a material adverse effect on the business, operations and/or financial performance, financial position or prospects of our Group or the success of the IPO or the Listing; or

(i) the IPO is stopped or delayed by our Company or Bursa Securities or the SC or any relevant authorities for any reason whatsoever (unless such delay has been approved by the Underwriter); or

(j) any commencement of legal proceedings or action against any member of our Group or any of our directors and Promoters which in the opinion of the Underwriter, would have or is likely to have a material adverse effect or make it impracticable to market the IPO or to enforce contracts to allot, issue and/or transfer the IPO Shares; or

(k) any one of the Offer Documents (i) having been terminated or rescinded in accordance with its terms; (ii) ceased to have any effect whatsoever, or (iii) varied or supplemented upon terms and such variation or supplementation would have or likely to have a material adverse effect; or

(l) any of the resolutions or approvals referred to in the Underwriting Agreement is revoked, suspended or ceases to have any effect whatsoever, or is varied or supplemented upon terms that would have or is likely to have a material adverse effect; or

(m) if Bursa Securities, the SC (if applicable) or any other relevant authority issues an order pursuant to any Malaysian law such as to make it impracticable to market the IPO or to issue and allot and/or transfer the IPO Shares and/or the application and subscription of the IPO Shares by the Malaysian Public, Eligible Persons, selected investors, and selected Bumiputera investors approved by MITI; or

(n) any other event in which a material adverse effect has occurred or which in the opinion of the Underwriter is likely to occur; or

(o) if the obligations of the Underwriter to subscribe for and/or procure subscriptions for the Underwritten Shares is or becomes prohibited by any statute, order, rule, directive or regulation amended, supplemented or introduced after the date of the Underwriting Agreement by any legislative, executive or regulatory body or authority of any jurisdiction; or

4. DETAILS OF OUR IPO *(Cont'd)*

(p) in the event that this Prospectus is not issued or the IPO does not take place in accordance with the period as stated in the Underwriting Agreement or such extended period as agreed in writing by the Underwriter in consultation with Bursa Securities and/or the SC, where applicable; or

(q) the Listing has not occurred within one (1) month from the Closing Date or such other extended date as may be agreed in writing by the Underwriter in consultation with Bursa Securities and/or the SC, where applicable, as provided for in clause 13 of the Underwriting Agreement.

(iv) The term "material adverse effect" is defined in the Underwriting Agreement as any event, development or occurrence or series of events, development or occurrences, which in the opinion of the Underwriter, have or could be expected to have a prospective material adverse effect and/or change, whether individually or in the aggregate, and whether or not arising in the ordinary course of business on any of the following:

(a) the condition (financial, operational or otherwise), contractual commitments, general affairs, Board, management, business, assets, liquidity, liabilities, prospects, earnings, shareholders' equity, business undertakings, properties or results or cash flows of operations of our Company and/or our Group;

(b) the ability of our Company to perform in any respect of its obligations under or with respect to, or to consummate the transactions contemplated by this Prospectus or the Underwriting Agreement;

(c) the ability of our Company and/or our Group to conduct its business and to own or lease its assets and properties as described in this Prospectus; or

(d) the IPO including but not limited to the success of the IPO or the distribution or the sale of the IPO Shares pursuant to the IPO.

(v) Upon the notice being given in accordance with the Underwriting Agreement, the Underwriter shall be released and discharged of its obligation without prejudice to its rights under the Underwriting Agreement, and where the Underwriter has terminated the Underwriting Agreement or withdrawn its commitment to underwrite the Underwritten Shares pursuant to the Underwriting Agreement, the Underwriting Agreement shall be of no further force or effect and no party shall be under any liability to any other parties in respect of the Underwriting Agreement, except that the Company shall pay the Underwriting Commission and the costs and expenses in accordance with the terms and conditions of the Underwriting Agreement.

(vi) In the event that the Underwriter is notified to carry out their obligations under the Underwriting Agreement, and upon the Underwriter having performed such obligations and the Listing has not occurred within one (1) month from the Closing Date or such other extended date as may be agreed in writing by the Underwriter in consultation with Bursa Securities and/or the SC, where applicable, the Underwriter is entitled to terminate the Underwriting Agreement by notifying our Company in writing and upon receipt of such notification from the Underwriter, our Company shall refund to the Underwriter any and all subscription monies remitted by the Underwriter for the application in respect of such Underwritten Shares not subscribed and paid for in full by applicants on the Closing Date ("**Unsubscribed Shares**") as stipulated in the underwriting notice in the form as per schedule 1 of the Underwriting Agreement within a period of five (5) Market Days from the date of such notification by the Underwriter. The Underwriter shall within three (3) Market Days from the date of receipt of the refund of the subscription monies by our Company, transfer the Unsubscribed Shares and/or procure the transfer of the Unsubscribed Shares by its nominee(s), to a securities account(s) as may be instructed or informed by our Company. In such event, the full underwriting commission shall remain payable by our Company to the Underwriter including costs and expenses**.**

4. DETAILS OF OUR IPO *(Cont'd)*

(vii) Under the Underwriting Agreement, the occurrence of any of the followings will be an event of force majeure if the Underwriter and/or our Company is unable to perform its obligations stipulated herein resulting in the termination of the IPO and/or Listing:

(a) any new law, regulation, directive, policy or ruling or any material change in any law, regulation, directive, policy or ruling in any jurisdiction or any change in the interpretation or application thereof by any court or other competent authority which would materially prejudice or affect the market conditions or which has or is likely to have the effect of making the Underwriting Agreement incapable of performance in accordance with its terms;

(b) any event or series of events beyond the reasonable control of the Underwriter or events beyond the reasonable control of our Company which seriously affects or will seriously affect the business of our Group or our ability to proceed with the IPO and/or the Listing;

(c) any act or acts of God, national disorder, armed conflict or serious threat of the same, hostilities, embargo, detention, revolution, riot, looting or other labour disputes, any unavailability of transportation or severe economic dislocation, natural catastrophe, earthquake, typhoon, acts of warfare, sabotages, outbreak of war, outbreak of disease, epidemics, pandemic, the imposition of lockdowns or similar measures to control the spread of any epidemic, acts of terrorism or the declaration of a state of national emergency;

(d) any material adverse change or development involving a prospective change in national or international monetary, financial, political or economic conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia or overseas) or currency exchange rates or the occurrence of any combination of any of the foregoing which adversely affects or could have been reasonably expected to affect:

(1) the business of our Group; or

(2) the success of the Listing;

(e) the FTSE Bursa Malaysia Kuala Lumpur Composite Index ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:

(1) on or after the date of the Underwriting Agreement; and

(2) prior to the Closing Date,

lower than 80% of the level of the Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to such date and remains at or below that level for three (3) consecutive Market Days.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Shareholdings of Promoters and substantial shareholders

The shareholdings of our Promoters and substantial shareholders in our Company before and after our IPO are set out below:

Promoters and substantial shareholders	Nationality	Before IPO				After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Promoters and substantial shareholders									
Ng Yew Sum	Malaysian	122,832,905	36.89	-	-	122,832,905	27.30	-	-
Chin Sze Kee	Malaysian	67,623,850	20.31	-	-	67,623,850	15.03	-	-
Lee Thiam Hing	Malaysian	40,383,599	12.13	-	-	40,383,599	8.97	-	-
Promoter									
Cheng Kai Sean	Malaysian	19,001,857	5.71	-	-	19,001,857	4.22	-	-
Substantial shareholder									
Francis Chia Mong Tet	Malaysian	46,329,417	13.91	-	-	46,329,417	10.30	-	-

Notes:

(1) Based on the total number of 333,000,000 Shares after the completion of our Pre-IPO Restructuring and before our IPO.

(2) Based on the enlarged total number of 450,000,000 Shares after our IPO.

As at LPD, our Promoters and substantial shareholders have the same voting rights as the other shareholders of our Company and there is no arrangement between us and our shareholders with any third parties, the operation of which may, at a subsequent date, result in the change of control of our Company.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.1.2 Profiles of our Promoters and substantial shareholders

The profiles of our Promoters and substantial shareholders are set out below:

(a) Lee Thiam Hing
Promoter, substantial shareholder, Executive Director and Chief Executive Officer

Lee Thiam Hing, a Malaysian, aged 58, is our Promoter, substantial shareholder, Executive Director and Chief Executive Officer. He was appointed to our Board on 24 January 2025. He is responsible for the setting of our Group's overall strategic direction, driving growth across all our Group's business segments and overseeing the overall operations of our Group.

He obtained his Diploma in Electrical Engineering from Pertama Institute of Technology in 1991.

Upon graduation in 1991, he commenced his career with Hiti Engineering (M) Sdn Bhd, a company principally involved in cleanroom, civil, and structural engineering, as a Project Engineer. In this role, he was responsible for project and site supervision, including tender management, cost control, site execution, as well as design and value engineering. He was promoted to Assistant Project Manager in 1995 and subsequently to Project Manager in 1997, where his responsibilities expanded to include supervising field engineers, managing project costs and budgets and coordinating task timelines to ensure efficient workflow and seamless project execution.

In 2005, he left Hiti Engineering (M) Sdn Bhd and took a career break before he founded Lexus Vision Sdn Bhd in 2008, a company principally involved in the trading of aluminium door and window systems. He was responsible for the business development and growth of the company. The company became inactive in 2014 and was later dissolved in 2020.

He joined Sum System in 2015 as Project Director, where he took over responsibility for the company's day-to-day business operations, including project management, business development and operational decision-making, from Ng Yew Sum and Chin Sze Kee (our Promoters and substantial shareholders). In 2017, he acquired a substantial interest (20.00%) in Sum Technic and established the business operations in the same year. In 2018, he acquired a substantial interest (5.00%) in Micronaire Global and established the business operations together with Cheng Kai Sean (our Promoter, Executive Director and Chief Operating Officer) in the same year, and both of them are being entrusted with full authority over the management and operations of Micronaire Global.

Lee Thiam Hing does not have any familial relationship with any of the Directors, substantial shareholders and key senior management of our Group.

As at the LPD, he holds no involvements in any companies outside our Group.

[The rest of this page is intentionally left blank]

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(b) Cheng Kai Sean

Promoter, Executive Director and Chief Operating Officer

Cheng Kai Sean, a Malaysian, aged 38, is our Promoter, Executive Director and Chief Operating Officer. He was appointed to our Board on 23 September 2025. He is responsible for managing the day-to-day operations of our Group and the implementation of strategic initiatives to drive our Group's growth across all our Group's business segments.

He obtained his Bachelor of Engineering with Honours (Mechanical Engineering) from Universiti Kebangsaan Malaysia in 2011. He later obtained his Master of Business Administration from Cardiff Metropolitan University in 2017 through a part-time study programme at Westminster International College.

Upon graduation, he joined Welcome Air-Tech Malaysia Sdn Bhd as Systems & Applications Engineer. In this role, he managed overseas sales and marketing, handled distributorships, as well as spearheaded market expansion efforts. Additionally, he also supervised and mentored junior team members to ensure operational efficiency and growth.

In 2017, he was transferred to Welcome Air-Tech Sales & Services Sdn Bhd and was promoted to the role of Systems & Applications Assistant Manager. In this capacity, he managed the local business market, oversaw client management to ensure strong engagement and long-term partnerships and led a team of sales and application engineers.

He joined our Group in March 2018 as General Manager of Micronaire Global. Later in July 2018, he was appointed as a director of Micronaire Global and acquired a substantial interest (20.00%) in Micronaire Global. He was instrumental in establishing Micronaire Global's business operations together with Lee Thiam Hing (our Promoter, substantial shareholder, Executive Director and Chief Executive Officer) and both of them are being entrusted with full authority over the management and operations of Micronaire Global. In these roles, he oversaw daily operations, enhancing efficiency, sales growth, and market expansion while leading the development of Micronaire Global's proprietary Air Handling Unit (AHU) designs.

He does not have any familial relationship with any of our Directors, substantial shareholders and key senior management of our Group.

As at the LPD, he holds no involvements in any companies outside our Group.

[The rest of this page is intentionally left blank]

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(c) Ng Yew Sum

Promoter and substantial shareholder

Ng Yew Sum, a Malaysian, aged 60, is our Promoter and substantial shareholder.

He completed his Malaysia Higher School Certificate (STPM) at Sekolah Menengah Kebangsaan Tuanku Muhammad in 1986.

In 1990, he joined Micron (M) Sdn Bhd, a company engaged in the integration, manufacturing, trading, and installation of cleanroom equipment, as Sales Executive. In this role, he was responsible for driving sales and marketing initiatives for cleanroom solutions. In 1994, he was promoted to Sales Manager, where he led the sales and marketing team, overseeing business development and client engagement strategies.

He later assumed the role of Managing Director of Micron (M) Sdn Bhd (since April 2006), Channel Systems Asia Sdn Bhd (since September 2006) and CSA Technic Sdn Bhd (since March 2017), where he was responsible for steering business operations, driving growth, and setting strategic direction of the respective companies. These companies subsequently became part of CM Hi-Tech Cleanroom Limited's group of companies in connection with its listing on the Hong Kong Stock Exchange in 2020. In conjunction with its listing, he was appointed as Executive Director and Chairman of CM Hi-Tech Cleanroom Limited in 2019, where he oversaw the operations, business development, and long-term strategic initiatives of the group. CM Hi-Tech Cleanroom Limited was subsequently privatised and delisted from the Hong Kong Stock Exchange in January 2025. He currently serves as an Executive Director of CM Hi-Tech Cleanroom Limited.

He incorporated Sum System in 2013 together with Chin Sze Kee (our Promoter and substantial shareholder) and established its business operations in the same year, with the objective of trading air conditioning equipment for semiconductor industry applications, particularly for MEPF utilities and controlled environment including cleanrooms. In 2015, when Lee Thiam Hing (our Promoter, substantial shareholder, Executive Director and Chief Executive Officer) joined Sum System, Ng Yew Sum and Chin Sze Kee handed over the responsibility for the company's day-to-day business operations, including project management, business development and operational decision-making, to Lee Thiam Hing, as part of a planned leadership transition to support and develop the Group's long-term growth while he focuses on his other existing businesses.

In 2014, he incorporated Micronaire Global and in 2016, he acquired a substantial interest (50.00%) in Sum Technic with the objective of expanding our products and services catering for MEPF utilities for the cleanroom industry. Both Sum Technic and Micronaire Global remained dormant before the business operations of Sum Technic were subsequently established by Lee Thiam Hing in 2017, with Lee Thiam Hing being entrusted with full authority over the management and operations of Sum Technic, followed by Micronaire Global's business operations being established by Lee Thiam Hing in 2018 together with Cheng Kai Sean (our Promoter, Executive Director and Chief Operating Officer), with both Lee Thiam Hing and Cheng Kai Sean being entrusted with full authority over the management and operations of Micronaire Global. Ng Yew Sum was not involved in both companies' day-to-day business operations and his role was limited to providing advisory support when required. As at the LPD, he has resigned from all directorships within our Group and no longer holds any role in our Group.

He does not have any familial relationship with any of our Directors, substantial shareholders and key senior management of our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(d) Chin Sze Kee

Promoter and substantial shareholder

Chin Sze Kee, a Malaysian, aged 50, is our Promoter and substantial shareholder.

He graduated from the Western Michigan University with a Bachelor of Science in Engineering (Mechanical) in 2000.

In 2001, he joined Micron (M) Sdn Bhd as Sales Engineer, during which he was responsible for preparing tenders and sales quotations, providing engineering support for project implementation, and managing after-sales services. He was subsequently promoted to Assistant Manager, Regional Sales & Marketing in 2004, focusing on the sales and marketing of the company's fan filter units and specialty cleanroom equipment in the markets of the People's Republic of China ("**PRC**") and the Philippines.

In 2005, he was promoted to Area Manager (PRC Operations) and in 2006, he was promoted to Senior Area Manager (PRC Operations). In these roles, he was responsible for overseeing sales and marketing, project implementation and after-sales services for cleanroom equipment and fan filter units. In 2007, he was promoted to General Manager where he was responsible for overseeing the overall operations of the company and its subsidiaries, with a primary focus on product development. He was later appointed as a director of Micron (M) Sdn Bhd in 2022, a role that he currently holds, overseeing the overall operations in sales and marketing, engineering as well as the manufacturing of the company.

He was appointed as the Executive Director of CM Hi-Tech Cleanroom Limited (formerly listed on the Hong Kong Stock Exchange) in August 2019, overseeing the sales and marketing, engineering and manufacturing operations of Micron (M) Sdn Bhd. CM Hi-Tech Cleanroom Limited was subsequently privatised and delisted from the Hong Kong Stock Exchange in January 2025. He currently serves as an Executive Director of CM Hi-Tech Cleanroom Limited.

He incorporated Sum System in 2013 together with Ng Yew Sum (our Promoter and substantial shareholder) and established its business operations the same year, with the objective of trading air conditioning equipment for semiconductor industry applications, particularly in MEPF utilities and controlled environment including cleanrooms. In 2015, when Lee Thiam Hing (our Promoter, substantial shareholder, Executive Director and Chief Executive Officer) joined Sum System, Ng Yew Sum and Chin Sze Kee handed over the responsibility for the company's day-to-day business operations, including project management, business development and operational decision-making, to Lee Thiam Hing, as part of a planned leadership transition to support and develop the Group's long-term growth while he focuses on his other existing businesses.

In 2014, he incorporated Sum Technic and in 2017, he acquired a substantial interest (30.00%) in Micronaire Global with the objective of expanding our products and services catering for MEPF utilities for the cleanroom industry. Both Sum Technic and Micronaire Global remained dormant before the business operations of Sum Technic were subsequently established by Lee Thiam Hing in 2017 with Lee Thiam Hing being entrusted with full authority over the management and operations of Sum Technic, followed by Micronaire Global's business operations being established by Lee Thiam Hing in 2018 together with Cheng Kai Sean (our Promoter, Executive Director and Chief Operating Officer), with both Lee Thiam Hing and Cheng Kai Sean being entrusted with full authority over the management and operations of Micronaire Global. Chin Sze Kee was not involved in both companies' day-to-day business operations and his role was limited to providing advisory support when required. As at the LPD, he has resigned from all directorships within our Group and no longer holds any role in our Group.

He does not have any familial relationship with any of our Directors, substantial shareholders and key senior management of our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(e) Francis Chia Mong Tet

Substantial Shareholder

Francis Chia Mong Tet, a Malaysian, aged 75, is our substantial shareholder. He commenced his investment in our Group in 2013 when he acquired a substantial interest (20.00%) in Sum System. He acquired a substantial interest (12.00%) in Sum Technic in 2017 which he then fully disposed of in the same year. He had subsequently acquired an interest (12.00%) in Sum Technic in 2025. He acquired substantial interests in Micronaire Global (7.00%) in 2018.

Pursuant to his acquisition of 120,000 shares in Sum Technic in April 2025 for a purchase consideration of RM120,000.00 from Ng Yew Sum, Francis Chia Mong Tet is deemed a pre-listing investor.

Francis Chia Mong Tet is a Chartered Accountant of the Malaysian Institute of Accountants (MIA) and a Fellow of the Institute of Chartered Accountants (England and Wales).

He commenced his career with an accounting firm from 1976 to 1979 and he ran his own accounting firm from 1980 to 2019. Since February 2006, he has served as the Executive Director of Unisem (M) Berhad, a company listed on the Main Market of Bursa Securities.

Francis Chia Mong Tet does not have any familial relationship with any of the Directors, substantial shareholders and key senior management of our Group.

[The rest of this page is intentionally left blank]

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.1.3 Changes in the Promoters' and substantial shareholders' shareholdings

Save as disclosed below, there have been no changes in the shareholdings of our Promoters and substantial shareholders in our Company since our incorporation and up to the LPD:

	As at 24 January 2025 (Date of Incorporation)				Before IPO				After IPO			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**(1)%**	**No. of Shares**	**(1)%**	**No. of Shares**	**(2)%**	**No. of Shares**	**(2)%**
Promoters and substantial shareholders												
Ng Yew Sum	-	-	-	-	122,832,905	36.89	-	-	122,832,905	27.30	-	-
Chin Sze Kee	-	-	-	-	67,623,850	20.31	-	-	67,623,850	15.03	-	-
Lee Thiam Hing	1	100.00	-	-	40,383,599	12.13	-	-	40,383,599	8.97	-	-
Promoter												
Cheng Kai Sean	-	-	-	-	19,001,857	5.71	-	-	19,001,857	4.22	-	-
Substantial shareholder												
Francis Chia Mong Tet	-	-	-	-	46,329,417	13.91	-	-	46,329,417	10.30	-	-

Notes:

(1) Based on the total number of 333,000,000 Shares after the completion of our Pre-IPO Restructuring and before our IPO.

(2) Based on the enlarged total number of 450,000,000 Shares after our IPO.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.1.4 Persons exercising control over the corporation

Save for our Promoters and/or substantial shareholders who collectively hold approximately 65.82% of our enlarged number of Issued Shares upon our Listing, we are not aware of any other person who are able to, directly or indirectly, jointly or severally, exercise control over our Company. As at the LPD, there is also no arrangement between our Company and our shareholders with any third party, which may, at a subsequent date, result in a change in control of our Company.

5.1.5 Benefits paid or intended to be paid or given to our Promoters or substantial shareholders

Save for the issuance of our Shares as consideration pursuant to the Acquisitions as disclosed in Section 6.1.2, the dividends paid as set out in Section 12.16 and the aggregate remuneration and benefits paid and proposed to be paid for services rendered to our Group in all capacities as disclosed in Section 5.2.4, there are no other amounts or benefits that have been paid or intended to be paid to our Promoters and substantial shareholders within the 2 years preceding the date of this Prospectus.

[The rest of this page is intentionally left blank]

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.2 DIRECTORS

5.2.1 Directors' shareholdings

The shareholdings of our Directors of our Company, before and after our IPO are set out below:

Name	Designation / Nationality	Before IPO				After IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(2)%	No. of Shares	(2)%
Dato' Sri Mohammad Nadjion Bin Nasir	Independent Non-Executive Chairman / Malaysian	-	-	-	-	-	-	-	-
Lee Thiam Hing	Executive Director and Chief Executive Officer / Malaysian	40,383,599	12.13	-	-	40,383,599	8.97	-	-
Cheng Kai Sean	Executive Director and Chief Operating Officer / Malaysian	19,001,857	5.71	-	-	19,001,857	4.22	-	-
Yvonne Low Win Kum	Independent Non-Executive Director / Malaysian	-	-	-	-	-	-	-	-
Wong Koon Keng	Independent Non-Executive Director / Malaysian	-	-	-	-	-	-	-	-
Ng Lee Thin	Independent Non-Executive Director / Malaysian	-	-	-	-	-	-	-	-

Notes:

(1) Based on the total number of 333,000,000 Shares after the completion of our Pre-IPO Restructuring and before our IPO.

(2) Based on the enlarged total number of 450,000,000 Shares after our IPO.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.2.2 Profiles of Directors

Save for the profiles of Lee Thiam Hing and Cheng Kai Sean, which have been disclosed in Section 5.1.2 of this Prospectus, the profiles of our Directors are as follows:

(a) Dato' Sri Mohammad Nadjion Bin Nasir
Independent Non-Executive Chairman

Dato' Sri Mohammad Nadjion Bin Nasir, a Malaysian, aged 54, is our Independent Non-Executive Chairman. He was appointed to our Board on 24 September 2025.

He graduated from the Universiti Utara Malaysia with a Bachelor of Accounting with Honours in 1996.

Upon graduation, he commenced his career with UDA Dayaurus Sdn Bhd in 1996 as the Head of Training and Auditing Unit, where he was responsible for managing training programmes for employees as well as carrying out internal audit functions.

In 2001, he ventured in business and established Inframax Communication Sdn Bhd, a company primarily involved in the information technology, where it supplied technology solutions to the government sector. The company was subsequently dissolved in 2017.

In 2007, he founded Asia Controline Sdn Bhd, a company engaged in the trading of petroleum products, where he continues to serve as a director to date, overseeing the company's business growth and development.

In 2019, he acquired a 20% equity interest in Technology Innovation Resources Sdn Bhd, a company principally involved in information technology system integration, where he provided advisory support on the business development. His equity interest in the company is currently held through Dou N Tec Sdn Bhd, a company wholly owned by him. He was subsequently appointed as a director of Technology Innovation Resources Sdn Bhd in October 2025, where he provides advisory support on the company's business operations, a role he currently holds.

In 2021, he was appointed as a director for Formis Network Services Sdn Bhd, a subsidiary of Omesti Berhad (listed on the Main Market of Bursa Securities), where he advised on the development and optimization of financial tools powered by artificial intelligence. He resigned from this position in February 2025.

In 2024, he was appointed as Group Associate Director and Board Advisor for TGCC PLT, a firm principally involved in the provision of human resources consultancy, training and certification services. He collaborated with major financial institutions to deliver up-to-date certification courses, focusing on artificial intelligence implementation. In April 2025, he became a partner of TGCC PLT. He subsequently resigned from all his roles in TGCC PLT in November 2025.

Dato' Sri Mohammad Nadjion Bin Nasir does not have any familial relationship with any of the Directors, substantial shareholders and key senior management of our Group.

Please refer to Section 5.2.3 (a) of this Prospectus for the involvement of Dato' Sri Mohammad Nadjion Bin Nasir in other companies outside our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(b) Yvonne Low Win Kum

Independent Non-Executive Director

Yvonne Low Win Kum, a Malaysian, aged 39, is our Independent Non-Executive Director. She was appointed to our Board on 24 September 2025. She is the Chairman of our Nomination Committee and is a member of our Remuneration Committee and Audit and Risk Management Committee.

Yvonne Low Win Kum graduated with a Bachelor of Laws from Cardiff University in 2009. She was called to the Bar of England and Wales as a Barrister-at-Law of the Honourable Society of Lincoln's Inn in 2010. In 2012, she was admitted as an Advocate & Solicitor of High Court of Malaya.

In 2011, she commenced her legal career with Azmi & Associates, where she completed her pupillage and was subsequently retained by the firm as a Legal Associate in 2012. During her tenure, she was attached with the real estates practice area and was involved in advisory work on project development, mining operations and corporate commercial transactions.

In 2014, she left Azmi & Associates and joined F3 Capital Sdn Bhd as Assistant Vice President, Corporate & Legal. In the same year, she was promoted to Head of Legal and Corporate Affairs and took on the responsibility of shaping the company's governance framework, spearheading corporate strategy and enhancing stakeholder engagement. In this role, she also supported business growth initiatives by driving the company's positioning as a proactive development partner in identifying new land banks.

In 2018, she joined Jing Wani & Co as Partner. Her legal practice focused on advising project promoters, concessionaires, land developers and investors on the structuring, development, construction and financing of real estate projects in Malaysia. Following the merger of Jing Wani & Co with Ling & Theng Book in 2019, she continued her legal practice as a partner under the name Ling & Theng Book.

In 2021, she left Ling & Theng Book and founded her own firm, Yvonne Low & Co, and focused on corporate commercial matters. Following a merger in 2024, she assumed the role of Managing Partner at Suhaili & Song, a position she currently holds. In this role, she continues to take a lead role in corporate and commercial transactions, private mergers and acquisitions, and regulatory compliance.

She currently serves as an Independent Non-Executive Director of Solution Group Berhad (listed on ACE Market of Bursa Securities) since 2022. She was appointed as an Independent Non-Executive Director of ICO Group Limited (listed on Hong Kong Stock Exchange) in 2020 and served in that capacity until her retirement from the position in August 2025.

Yvonne Low Win Kum does not have any familial relationship with any of the Directors, substantial shareholders and key senior management of our Group.

Please refer to Section 5.2.3 (b) of this Prospectus for the involvement of Yvonne Low Win Kum in other companies outside our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(c) Wong Koon Keng

Independent Non-Executive Director

Wong Koon Keng, a Malaysian, aged 63, is our Independent Non-Executive Director. He was appointed to our Board on 24 September 2025. He is the Chairman of our Remuneration Committee and is a member of our Nomination Committee and Audit and Risk Management Committee.

He graduated with a Bachelor of Economy (Honours) from Universiti Kebangsaan Malaysia in 1987. He has been a member of the Institute of Corporate Directors Malaysia since 2022.

Upon graduating in 1987, he participated in a graduate management trainee programme offered by British American Tobacco (Malaysia) Berhad. Upon completion of the programme in 1988, he was retained by the company and was appointed as Area Sales Manager, where he oversaw the sales operations, distribution and trade marketing teams. In 1993, he was promoted to Marketing Manager, taking charge of executing sales and trade marketing strategies nationwide to achieve brand objectives. In 1999, he was redesignated as Group Brand Manager, where he led cross-functional teams and managed multiple brands to expand the company's market share. Later in 2004, he was moved to a regional role as Area Marketing Manager – Far East South Area, which was based in Singapore. In this regional role, he was responsible for driving and implementing marketing strategies to support business growth across the region. In 2005, he was seconded to Thailand as Brand Marketing Director, where he continued to lead strategic brand initiatives and marketing execution for the company's operation in Thailand. In 2006, he left the company and took a one-year career break to explore personal interests.

In 2007, he was appointed as Chief Marketing Officer of Packet One Networks (Malaysia) Sdn Bhd (now known as TM Technology Services Sdn Bhd), where he built and launched new product and brand and established a national distribution and dealer network for the company. In 2010, he joined TGV Cinemas Sdn Bhd as the Chief Operating Officer, where he led the launch of new cinemas, introduced new cinema technologies and developed new revenue streams through concessions, advertising and premium cinema experiences. In 2011, he was promoted to Chief Executive Officer, where he oversaw the company's business growth nationwide.

In 2013, he joined AirAsia Berhad (a subsidiary of Capital A Berhad, a company listed on the Main Market of Bursa Securities) as Country Head of Commercial, where he focused on increasing the company's revenue. In 2014, he was moved to a group role as Group Head of Ancillary Income, where he continued to lead the business development of ancillary income streams across the company's regional operations beyond Malaysia.

In 2015, he joined GLM Property Management Co Sdn Bhd (now known as Corebright Property Management Co Sdn Bhd), a wholly owned subsidiary of GuocoLand (Malaysia) Berhad (a company listed on the Main Market of Bursa Securities) as General Manager (Marketing and Sales) where he developed sales and marketing strategies to contribute to the growth of the company's projects in Malaysia. He left the company in 2016 and became a freelance trainer certified by Human Resource Development Corporation (HRD), where he provided training, coaching, advisory and consultancy services to companies across various industries.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

In 2018, he was appointed as Chief Marketing Officer of UEM Sunrise Berhad (a company listed on the Main Market of Bursa Securities), a role he held until his retirement in 2024. During his tenure with UEM Sunrise Berhad, he led the development and execution of branding, sales, marketing, and customer experience strategies. He also oversaw internal and external communications, and managed relationships with key stakeholders and government entities.

He does not have any familial relationship with any of our Directors, substantial shareholders and key senior management of our Group.

Please refer to Section 5.2.3 (c) of this Prospectus for the involvement of Wong Koon Keng in other companies outside our Group.

(d) Ng Lee Thin
Independent Non-Executive Director

Ng Lee Thin, a Malaysian, aged 59, is our Independent Non-Executive Director. She was appointed to our Board on 24 September 2025. She is the Chairman of our Audit and Risk Management Committee and is a member of our Remuneration Committee and Nomination Committee.

Ng Lee Thin graduated with a Bachelor of Economics (Honours) from Universiti Utara Malaysia in 1992. She was admitted as a Member in 2000 and subsequently as a Fellow of the Association of Chartered Certified Accountants ("**ACCA**") in 2005. She has been a Chartered Accountant of the Malaysian Institute of Accountants (MIA) since 2000.

She commenced her career in 1992 with Artwright Marketing Sdn Bhd as an Assistant Business Executive and was promoted to the position of Business Executive in the same year. During her tenure with Artwright Marketing Sdn Bhd, she was responsible for project tendering and supporting marketing and sales activities to promote the company's products.

In 1994, she joined Chiang & Chiang as an Audit Associate, where she was involved in audit engagements for clients of the firm.

In 1996, she joined Ernst & Young as an Audit Assistant, where she was involved in audit engagements for clients of the firm. In 1999, she was promoted to the position of Audit Senior. In 2001, she joined Binaik Equity Berhad (formerly listed on Bursa Securities) as Finance Manager, where she was involved in all finance and accounting matters of the group and the company including the preparation of quarterly and annual reports. In 2009, she was redesignated to the position of Financial Controller, where she oversaw the finance and accounts department of the group and the company.

In 2008, she founded Yellow Business Solution, a sole proprietorship offering company secretarial services, and was managing the daily operations of the business, including business development. In 2015, she transferred her sole proprietorship in Yellow Business Solution to her brother-in-law. In 2012, she co-founded Yellow Tax Services Sdn Bhd, a company that remains in operation and continues to offer tax services. In 2015, she set up an audit firm known as NLT & Co where she is a sole practitioner and she is responsible for managing audit engagements for clients of the firm. She continues to hold this position to-date.

She currently serves as an Independent Non-Executive Director of UUE Holdings Berhad (a company listed on the ACE Market of Bursa Securities) since 2023.

Ng Lee Thin does not have any familial relationship with any of the Directors, substantial shareholders and key senior management of our Group.

Please refer to Section 5.2.3 (d) of this Prospectus for the involvement of Ng Lee Thin in other companies outside our Group.

[The rest of this page is intentionally left blank]

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.2.3 Involvement of our Directors in other principal business activities outside our Group

Save as disclosed below, none of our Directors have any other principal directorship and/or principal business activities performed outside our Group in the past 5 years up to the LPD:

(a) Dato' Sri Mohammad Nadjion Bin Nasir

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Present involvement						
Asia Controline Sdn Bhd	• General trading, reseller & distributor of petroleum products	Director / shareholder	2 February 2007	-	80.00	-
Dou N Tec Sdn Bhd	• Held shares in Technology Innovation Resources Sdn Bhd, a company principally involved in information technology system integration	Director / shareholder	5 August 2019	-	100.00	-
Technology Innovation Resources Sdn Bhd	• Information technology system integration services	Director / indirect shareholder	23 October 2025	-	-	20.00[(1)]
CATS Data Systems Sdn Bhd	• Provision of credit report	Director / shareholder	6 January 2025	-	5.00	-
Harta I Global Services Berhad	• Building cleaning services	Director	12 July 2021	-	-	-
Yayasan Modal Insan Harta	• Non-governmental organisation for education and charitable works	Director	22 February 2022	-	-	-
Khidmat Jayasama Sdn Bhd	• Dormant with no intended operations	Director / shareholder	18 February 2021	-	100.00	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Khidmat Jaya Holdings Sdn Bhd	• Dormant with no intended operations	Director / shareholder	23 February 2021	-	24.00	-
Tanjung Duta Sdn Bhd	• Dormant with no intended operations	Director / shareholder	7 November 2001	-	99.99	-
Hybrid Scooter Sdn Bhd	• Dormant with no intended operations	Director	23 October 2012	-	-	-
Past involvement						
Formis Network Services Sdn Bhd (a subsidiary of Omesti Berhad (listed on the Main Market of Bursa Securities)	• Provision of information technology services in terms of hardware, software, consultancy and maintenance to the telecommunication, oil and gas and government sectors.	Director	4 January 2021	20 January 2021	-	-
			15 February 2021	14 February 2025	-	-
Tremendous Judgement Sdn Bhd	• Dormant with no intended operations • Dissolved on 5 May 2023	Director / shareholder	23 July 2007	-	60.00	-
Total Durable Sdn Bhd	• Dormant with no intended operations • Dissolved on 5 May 2023	Director / shareholder	2 May 2012	-	2.00	-
Total Durable TD Sdn Bhd	• Dormant with no intended operations • Ceased to be a shareholder on 19 October 2025	Director / shareholder	6 January 2025	6 June 2025	<0.01	-
Ikhasas Land Transit Sdn Bhd	• Property management services	Director	3 November 2015	28 May 2025	-	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Sutera Manja Resources Sdn Bhd	• Dormant with no intended operations • Dissolved on 10 February 2022	Director	18 March 2019	-	-	-
Golden Globe Land Sdn Bhd	• Dormant with no intended operations	Director	21 July 2020	9 March 2023	-	-
Ikhasas Galian Sdn Bhd	• Dormant with no intended operations • Wound up on 16 December 2022	Director	3 August 2020	-	-	-
MHC Trading (M) Sdn Bhd	• Dormant with no intended operations • Dissolved on 29 October 2024	Shareholder	-	-	15.00	-
Gold Plan Advisory	• Dormant with no intended operations • Expired on 2 September 2023	Sole proprietor	23 August 2018	-	-	-
Gold Tree Consultancy Malaysia	• Dormant with no intended operations • Expired on 15 June 2023	Sole proprietor	23 May 2021	-	-	-
Gold Cash Consultant	• Dormant with no intended operations • Expired on 19 June 2023	Sole proprietor	23 May 2021	-	-	-
PS Sejahtera Sdn Bhd	• Dormant with no intended operations • Dissolved on 5 January 2026	Director / shareholder	19 April 2021	-	50.00	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
All In Dalaman Sdn Bhd	• Dormant with no intended operations • Dissolved on 22 December 2025	Director / shareholder	27 September 2018	-	35.00	-
SkinMagic PLT	• Wellness and aesthetic care services	Partner	19 November 2024	3 November 2025	-	-
TGCC PLT	• Provision of human resources consultancy, training and certification services	Partner	14 April 2025	26 November 2025	-	-

Note:

(1) Deemed interest by virtue of his interest in Dou N Tec Sdn Bhd pursuant to Section 8 of the Act.

[The rest of this page is intentionally left blank]

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(b) Yvonne Low Win Kum

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Present involvement						
Solution Group Berhad (Listed on ACE Market of Bursa Securities)	• Investment holding with subsidiaries involved in designing and developing equipment and pilot plants for engineering education and research, biotechnology, and pharmaceutical industries, as well as offers telemetry and automation solutions	Independent Non-Executive Director	28 June 2022	-	-	-
FWS Advisory Sdn Bhd	• Business advisory & consultancy	Director / shareholder	12 December 2023	-	50.00	-
Past involvement						
ICO Group Limited (Listed on Hong Kong Stock Exchange)	• Provision of information technology application and solution development services, information technology infrastructure solutions services, information technology secondment services, information technology maintenance and support services and property leasing	Independent Non-Executive Director	22 April 2020	29 August 2025	-	-
Entrelutions PLT	• Management consultancy services • Dissolved on 21 December 2023	Partner	11 October 2021	-	-	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(c) Wong Koon Keng

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Past involvement						
Horizon Hills Development Sdn Bhd	• Property development	Director	1 July 2021	15 June 2024	-	-
Nusajaya Consolidated Sdn Bhd	• Property development and related activities	Director	1 July 2021	15 June 2024	-	-
Sunrise MCL Land Sdn Bhd	• Property development	Director	1 July 2021	13 January 2023	-	-
UEM Sunrise Wotso Malaysia Sdn Bhd	• Provision of flexible commercial office tenancies	Director	15 January 2019	15 June 2024	-	-
Mega Legacy (M) Sdn Bhd	• Property development and investment	Director	2 January 2020	21 June 2021	-	-
Rise Digital Sdn Bhd	• Provision of digital services	Director	3 January 2020	15 June 2024	-	-
Aura Muhibah Sdn Bhd	• Property development	Director	8 October 2018	9 June 2021	-	-
Nusajaya Rise Sdn Bhd	• Property development, land trading, investment holding and licensed money lending activity	Director	8 October 2018	19 August 2022	-	-
Sunrise Berhad	• Property development and investment holding	Director	8 October 2018	1 July 2021	-	-
Ibarat Duta Sdn Bhd	• Property development	Director	8 October 2018	13 January 2023	-	-
Milik Harta Sdn Bhd	• Property development	Director	15 January 2019	13 January 2023	-	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Desaru North Course Residences Sdn Bhd	• Property development	Director	8 October 2018	15 June 2024	-	-
Desaru South Course Residences Sdn Bhd	• Property development	Director	8 October 2018	15 June 2024	-	-
Desaru South Course Land Sdn Bhd	• Property development	Director	8 October 2018	15 June 2024	-	-
Symphony Hills Sdn Bhd	• Property development, land trading and investment holding	Director	8 October 2018	15 June 2024	-	-
UEM Land Berhad	• Property development, property investment, project procurement and management, and strategic investment holding	Director	8 October 2018	1 July 2021	-	-
Haute Property Sdn Bhd	• Property development and property marketing	Director	15 August 2018	1 July 2021	-	-
Sime Darby Property Sunrise Development Sdn Bhd	• Property development	Director	8 October 2018	15 June 2024	-	-

[The rest of this page is intentionally left blank]

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(d) Ng Lee Thin

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Present involvement						
UUE Holdings Berhad (Listed on ACE Market of Bursa Securities)	• An investment holding company with subsidiaries involved in offering solutions for underground utilities engineering, with a specialization in the trenchless horizontal directional drilling (HDD) method for pipe installation	Independent Non-Executive Director	25 May 2023	-	-	-
Yellow Tax Services Sdn Bhd	• To provide tax services, consultancy and other related activities	Director / shareholder	25 June 2012	-	50.00	-
Wang Premier Assets Sdn Bhd	• Buying, selling, renting and operating of self-owned or leased non-residential real estate	Director / shareholder	31 December 2020	-	35.00	-
Wang Asset Solutions Sdn Bhd	• Real estate activities with own or leased property buying, selling, renting and operating of self-owned or leased real estate – non-residential buildings	Director / shareholder	12 October 2023	-	35.00	-
Yellow Point Marketing Sdn Bhd	• Provision of telecommunication services and retail sales of telecommunication equipment and other related products	Shareholder	-	-	50.00	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
BPO Founders Sdn Bhd	• Investment advisory services	Shareholder	-	-	4.00	-
NLT & Co	• Auditing activities	Sole proprietor	16 August 2015	-	-	-
MX Healthcare Holdings Sdn Bhd	• Investment holding company and its subsidiaries are principally involved in providing medical aesthetic and general medical services	Director	24 September 2025	-	-	-
Past involvement						
Wang Management Services	• Business management consultancy services • Expired on 27 April 2023	Sole proprietor	21 December 2001	-	-	-
Able Global Berhad (Listed on Main Market of Bursa Securities)	• An investment holding company with subsidiaries involved in manufacturing and selling tin cans and dairy products	Independent Non-Executive Director	6 May 2014	15 April 2026	-	-
Axteria Group Berhad (Listed on Main Market of Bursa Securities)	• An investment holding company with subsidiaries involved in development and management of real estate projects	Independent Non-Executive Director	15 May 2021	21 April 2026	-	-

The involvement of our Independent Non-Executive Directors in other directorships or businesses outside our Group will not affect their contribution to our Group as they are not involved in the day-to-day operations of our Group.

[The rest of this page is intentionally left blank]

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.2.4 Directors' remuneration and benefits

The remuneration of our Directors including fees, salaries, bonuses, other emoluments and benefits-in-kind, must be reviewed and recommended by our Remuneration Committee and subsequently, be approved by our Board. The fees and any benefits payable to our Directors shall be subject to annual approval by our shareholders pursuant to an ordinary resolution passed at a general meeting in accordance with our Constitution. Please refer to Section 15.2 for further details.

The aggregate remuneration and material benefits-in-kind paid and proposed to be paid to our Directors for services rendered in all capacities to our Group for FYE 2025 and FYE 2026 are as follows:

FYE 2025 (Paid)	Directors' fees [(1)] RM'000	Salaries RM'000	Bonuses RM'000	Benefits-in-kind and allowance RM'000	Statutory contributions[(2)] RM'000	Total RM'000
Executive Directors						
Lee Thiam Hing	[(3)]10	324	27	73	53	487
Cheng Kai Sean	[(3)]10	204	46	36	37	333
Independent Non-Executive Directors						
Dato' Sri Mohammad Nadjion Bin Nasir	14	-	-	1	-	15
Yvonne Low Win Kum	9	-	-	1	-	10
Wong Koon Keng	9	-	-	1	-	10
Ng Lee Thin	10	-	-	1	-	11

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

FYE 2026 (Proposed)	Directors' fees RM'000	Salaries RM'000	Bonuses RM'000	Benefits-in-kind and allowance RM'000	Statutory contributions[2] RM'000	Total RM'000
Executive Directors						
Lee Thiam Hing	[3] 40	402	67	17	62	588
Cheng Kai Sean	[3] 40	240	40	46	43	409
Independent Non-Executive Directors						
Dato' Sri Mohammad Nadjion Bin Nasir	55	-	-	4	-	59
Yvonne Low Win Kum	36	-	-	4	-	40
Wong Koon Keng	36	-	-	4	-	40
Ng Lee Thin	40	-	-	4	-	44

Notes:

(1) For FYE 2025, the Directors' fees are pro-rated based on their respective appointment dates.

(2) Statutory contributions consist of EPF, Social Security Organisation and Employment Insurance System.

(3) The Directors' fees paid and payable to the Executive Directors for FYE 2025 and FYE 2026 are in respect of their services rendered in their capacity as members of the Board, which are separate and distinct from the salaries and other remuneration received by them in their executive capacity for the discharge of their management and operational responsibilities within our Group.

[The rest of this page is intentionally left blank]

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.3 BOARD PRACTICE

5.3.1 Board

Our Board has adopted the following for effective discharge of its functions:

(a) Ethics and Compliance

(i) The Board is charged with leading and managing our Group effectively and responsibly. Each Director has a legal duty to act in the best interest of our Group. The Directors are, collectively and individually, aware of their responsibilities to the shareholders and stakeholders for the manner in which the affairs of the Company are managed. The Board sets our Group's values and standards and ensures that its obligations to its stakeholders are understood and met.

(ii) All Directors observe high ethical business standards, honesty and integrity and to apply these values to all aspects of our Group's business and professional practice and act in good faith in the best interests of our Group and its stakeholders.

(iii) The Board understands that the responsibility for good corporate governance rests with them and therefore strives to comprehend and apply the principles and practices stated in the MCCG.

(iv) The Board shall oversee and ensure a sustainable Anti-Bribery and Anti-Corruption Framework, which includes the Anti-Bribery and Anti-Corruption Policy, and provide the necessary leadership, resources and support to implement the Anti-Bribery and Anti-Corruption Framework.

(v) The Board meets at least once every quarter to facilitate the discharge of their responsibilities.

(vi) The Board establishes the corporate vision and mission, as well as the philosophy of our Company, setting the aims of the management and monitoring the performance of the management.

(vii) The Board oversees the business and affairs of our Company and will assume, amongst others, the following duties and responsibilities in meeting the goals and objectives of our Company:-

(1) to review, approve and monitor the overall strategies and direction of our Group and to ensure that the strategic plan of our Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;

(2) overseeing and evaluating the conduct and performance of our Group's businesses, including its control and accountability systems;

(3) together with senior management, promoting good corporate governance culture within our Company, which reinforces ethical, prudent and professional behaviours;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(4) to identify, understand and manage principal risks affecting our Group and to recognise that business decisions involve the taking of appropriate risks;

(5) approving policies relating to investor relations programme and shareholder communication and overseeing stakeholder communications;

(6) reviewing the adequacy of our Group's internal control policy;

(7) providing input and the final approval of the annual operating budget;

(8) approving major capital expenditure, capital management and acquisitions/divestitures;

(9) reviewing and monitoring systems of risk management and internal compliance and controls, codes of conduct, continuous disclosure, legal compliance and other significant corporate policies;

(10) to ensure that senior management has the necessary skills and experience and that measures are put in place to provide for the orderly succession of Board and senior management;

(11) to ensure the integrity of our Company's financial and non-financial reporting; and

(12) to encourage the usage of information technology when communicating with our Group's shareholders and/or other stakeholders.

(b) Policies and Strategies

(i) The Board has established written procedures (such as the Constitution of our Company and other policies) to determine the types of issues that require the decisions of the full Board, Board committees or the management.

(ii) The Board oversees our Company policies as a whole. This includes the Code of Conduct and Business Ethics Policy, Anti-Bribery and Anti-Corruption Policy, Whistleblowing Policy and other significant policies recommended under the MCCG. The Code of Conduct and Business Ethics Policy promotes ethical values and standards in the workplace while ensuring appropriate internal systems are in place to support, promote and ensure its compliance. The Anti-Bribery and Anti-Corruption Policy outlines the principles, guidelines and requirements on how to deal with corrupt and bribery practices that may arise within the operations of our Company. The Whistleblowing Policy sets the appropriate communication channels to facilitate whistleblowing by employees, customers, suppliers and other stakeholders.

(iii) The Board reserves full decision-making powers, amongst others, on the following matters (save to the extent that the decision on the matter is delegated by the Board to the Board committees or management):-

(a) conflict of interest issues relating to a major shareholder or Director;

(b) material acquisitions and disposals of undertakings and properties not in the ordinary course of business;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(c) annual budgets (including major capital commitments);

(d) material contracts/agreements, corporate or financial exercise/restructuring; and

(e) declaration of dividend and Directors' fees and benefits.

(c) Internal Controls and Risk Management

(i) The Board oversees, reviews and monitors the operations, adequacy, integrity and effectiveness of our Group's system of internal controls in compliance with the applicable laws, regulations, rules, directives and guidelines.

(ii) The Board identifies the risk appetite, approves and oversees the operations of our Group's Risk Management Framework, assesses its effectiveness and reviews any major/ significant risks faced by our Group.

As at the LPD, the details of the date of expiration of the current term of office for each of our Directors and the period that each of our Directors has served in office are as follows:

Name	Designation	Age	Date of appointment as Director	Date of expiration of the current term in office in AGM	Approximate no. of years in office as at the LPD
Lee Thiam Hing	Executive Director and Chief Executive Officer	58	24 January 2025	At our first AGM	1 year and two months
Cheng Kai Sean	Executive Director and Chief Operating Officer	38	23 September 2025	At our first AGM	Less than a year
Dato' Sri Mohammad Nadjion Bin Nasir	Independent Non-Executive Chairman	54	24 September 2025	At our first AGM	Less than a year
Yvonne Low Win Kum	Independent Non-Executive Director	39	24 September 2025	At our first AGM	Less than a year
Wong Koon Keng	Independent Non-Executive Director	63	24 September 2025	At our first AGM	Less than a year
Ng Lee Thin	Independent Non-Executive Director	59	24 September 2025	At our first AGM	Less than a year

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

In accordance with our Company's Constitution, all Directors shall retire from office at the first annual general meeting and an election of Directors shall take place every year. At every subsequent annual general meeting, 1/3 of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to 1/3 shall retire from office and be eligible for re-election, provided always that all Directors shall retire from office at least once every three years. A retiring Director shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires. The members of our Board are set out in Sections 1 and 5.2 of this Prospectus.

Our Board acknowledges and is aware of the MCCG which contains best practices and guidance for listed companies to improve upon or to enhance their corporate governance as it forms an integral part of their business operations and culture. In order to promote business prosperity and corporate accountability with the ultimate objective of realising long term shareholder value while taking into account the interest of our stakeholders, we have adopted all relevant recommendations under the MCCG.

Our Board believes that our current Board composition provides an appropriate balance in terms of skills, knowledge and experience to promote the interest of all shareholders and to govern our Group effectively.

Our Company has adopted the recommendations under the MCCG to have a Board comprising 50% or more of Independent Non-Executive Directors, that our chairman of the Board should not be a member of our Audit and Risk Management Committee, Nomination Committee or Remuneration Committee, and to have at least 30% women directors on our Board.

5.3.2 Audit and Risk Management Committee

The members of our Audit and Risk Management Committee as at the LPD are as follows:

Name	Designation	Directorship
Ng Lee Thin	Chairman	Independent Non-Executive Director
Yvonne Low Win Kum	Member	Independent Non-Executive Director
Wong Koon Keng	Member	Independent Non-Executive Director

The main function of our Audit and Risk Management Committee is to assist our Board in fulfilling its responsibility to oversee our Group's accounting and financial reporting matters as well as on matters relating to our Group's risk management. The Audit and Risk Management Committee's duties and responsibilities as stated in its terms of reference include, amongst others, the following:

(a) to review, assess and monitor the performance, suitability, objectivity and independence of the internal and external auditors;

(b) to consider any matters concerning the appointment and re-appointment, the audit fee and any questions of resignation or dismissal of external auditors, and further ensure the suitability, objectivity and independence of external auditors;

(c) to review with the external auditors:

  (i) their audit plan, scope and nature of the audit of our Group;

  (ii) their evaluation and findings of the system of internal controls;

  (iii) their audit reports;

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(iv) the management letter and management's response with regard to problems and reservations arising from their audits; and

(v) any other matters that the external auditors may wish to discuss (in the absence of management where necessary;

(d) to review the assistance given by the management and employees of our Group to the external auditors;

(e) to review and assess the adequacy of the scope, functions, competency and resources of the internal audit functions of which the internal auditors should report directly to the Audit and Risk Management Committee;

(f) to review the internal audit plan, processes, the results of the internal audit assessments, investigation undertaken and whether or not appropriate action is taken on the recommendations;

(g) to review the adequacy and effectiveness of our Group's internal control systems and risk management framework as evaluated, identified and reported by our management and internal or external auditors, as well as to review the appropriate and timely corrective actions undertaken to ratify the same;

(h) to review the quarterly and year-end financial statements of our Group before the approval by our Board, focusing particularly on the following:

(i) any changes in or implementation of major accounting policy changes;

(ii) significant matters highlighted, including financial reporting issues, the significant judgement made by management, significant unusual events or transactions, and how these matters are addressed; and

(iii) compliance with accounting standards and other legal requirements;

(i) to review any related party transactions and conflicts of interest situations that may arise within our Company or Group, including any transactions, procedures or course of conduct that raises questions of management integrity;

(j) to review any letter of resignation from the external auditors of our Company;

(k) to review whether there is a reason (supported by grounds) to believe that our Company's external auditors are not suitable for re-appointment;

(l) to recommend the nomination of a person or persons as external auditors; and

(m) to carry out such other functions or assignments as may be delegated by our Board from time to time.

Our Nomination Committee and Board will review the composition, performance and effectiveness of our Audit and Risk Management Committee annually.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.3.3 Remuneration Committee

The members of our Remuneration Committee as at the LPD are as follows:

Name	Designation	Directorship
Wong Koon Keng	Chairman	Independent Non-Executive Director
Yvonne Low Win Kum	Member	Independent Non-Executive Director
Ng Lee Thin	Member	Independent Non-Executive Director

The main function of our Remuneration Committee is to assist our Board in fulfilling its responsibility on matters relating to our Group's compensation, bonuses, incentives, and benefits. The Remuneration Committee's duties and responsibilities as stated in its terms of reference includes, amongst others, the following:

(a) to review and recommend to our Board the appropriate remuneration packages for the Independent Non-Executive Directors as well as the Executive Directors of our Company, with or without other independent professional advice or other third-party advice;

(b) to formulate policies, guidelines and set criteria for remuneration packages for the Directors of our Company;

(c) to ensure that the Directors are fairly and appropriately remunerated according to the industry, general market sentiments or conditions;

(d) to determine the composition of the various types of components of remuneration such as basic salary, bonus and other benefits in kind for the executive directors and key senior management of our Company;

(e) to ensure all necessary actions are taken expediently by our Board to offer appropriate rewards, benefits, compensation and remuneration and to ensure that the levels of remuneration are sufficiently attractive to retain Directors and structuring the remuneration packages to link rewards to the individual performance;

(f) to ensure that all remuneration packages and benefits given to the Directors are in compliance with all laws, rules, requirements, regulations and guidelines set by the relevant authorities and our Board from time to time;

(g) to attend to any other function that may be delegated by our Board which would be beneficial to our Company and ensure the effective discharge of the Committee's duties and responsibilities;

(h) to carry out such other functions or assignments as may be delegated by our Board from time to time; and

(i) to ensure the Remuneration Policies and Procedures take into consideration the

(1) demands, complexities, and performance of the company as well as skills and experience required.

(2) different roles and responsibilities of non-executive directors, executive directors, and senior management.

The recommendations of our Remuneration Committee are subject to the approval of our Board.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.3.4 Nomination Committee

The members of our Nomination Committee as at the LPD are as follows:

Name	Designation	Directorship
Yvonne Low Win Kum	Chairman	Independent Non-Executive Director
Wong Koon Keng	Member	Independent Non-Executive Director
Ng Lee Thin	Member	Independent Non-Executive Director

The Nomination Committee's duties and responsibilities as stated in its terms of reference includes, amongst others, the following:

(i) to consider and recommend to our Board suitable candidates for appointment as Directors of our Company.

(ii) to annually review, or as required, the correct mix of skills, business and professional experiences including diversity in terms of gender, ethnicity and age that should be added to our Board, and to ensure that all our Directors undergo appropriate introduction and training programmes;

(iii) to appraise each individual Director including Independent Non-Executive Directors as well as the Executive Directors in terms of his experience, knowledge, credibility and credentials, and assess their effectiveness and contribution in carrying out their obligations and duties as a Board member of our Company. All assessments and evaluations carried out by the Committee in the discharge of all its functions should be properly documented;

(iv) to examine the ability of each Director to contribute to the effective decision-making process of our Board and ensure that our Board is functioning actively, efficiently and effectively in all its decision making;

(v) to review annually, the term of office and performance of the Audit and Risk Management Committee and each of its members to determine whether such Audit and Risk Management Committee and members have carried out their duties in accordance with their terms of reference;

(vi) to assess the effectiveness of our Board and the Committees as a whole;

(vii) to review and assess the independence of the Independent Non-Executive Directors of our Company;

(viii) to recommend our Board concerning the re-election/re-appointment of Director to our Board pursuant to our Company's Constitution;

(ix) to carry out such other functions or assignments as may be delegated by our Board from time to time.

(x) to review the tenure of an independent director if the terms are about to exceed the term limit of nine years.

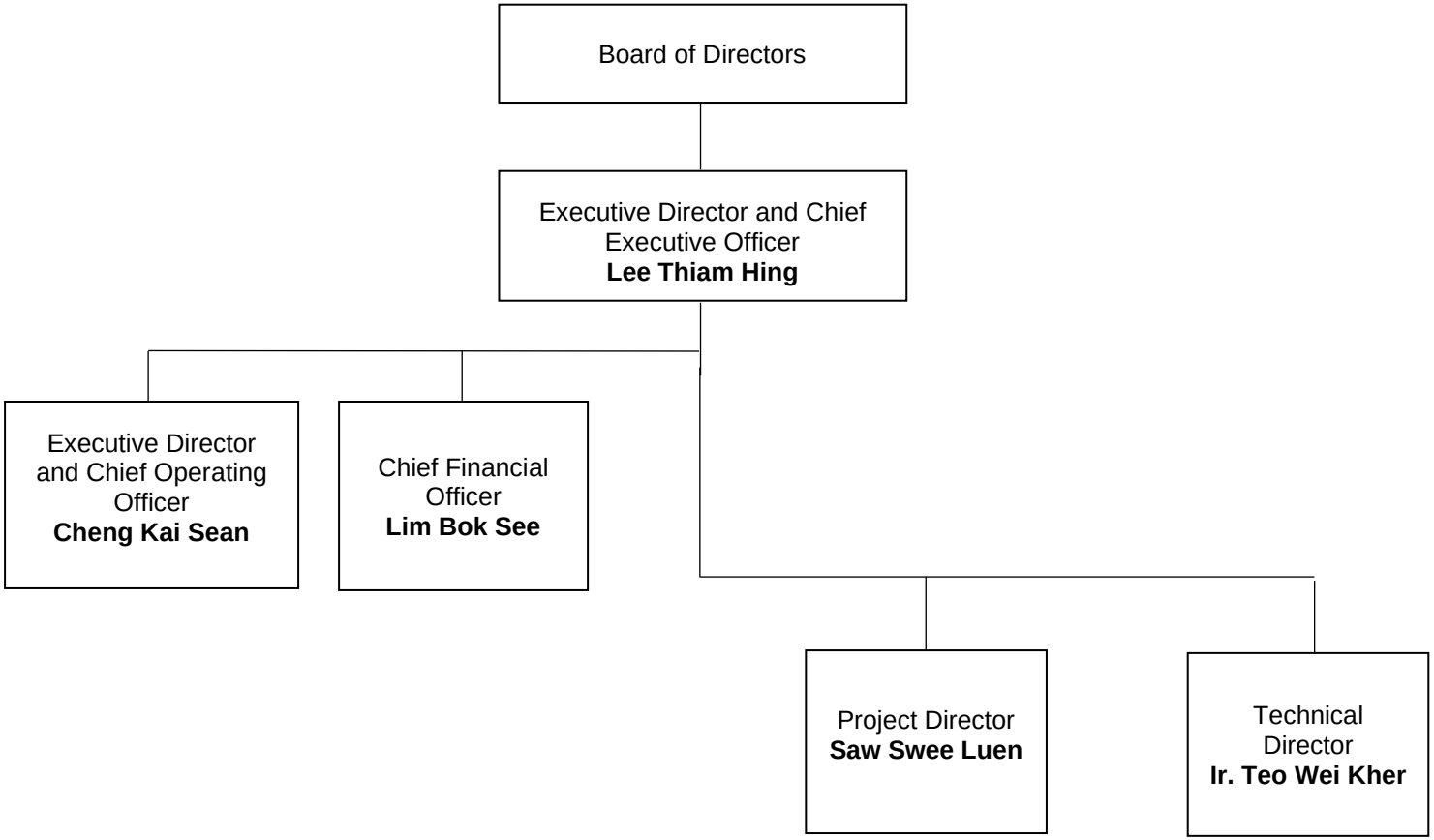
The recommendations of our Nomination Committee are subject to the approval of our Board.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.4 KEY SENIOR MANAGEMENT

5.4.1 Management structure

The management reporting structure of our Group is as follows:



5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.4.2 Key Senior Management's shareholdings

The shareholdings of our Key Senior Management in our Company before and after IPO, save for the shareholdings of Lee Thiam Hing and Cheng Kai Sean which are set out in Sections 5.2.1 and 5.2.2 of this Prospectus, assuming that they will fully subscribe for their respective entitlements under the Pink Form Allocations are set out below:

		As at the LPD and before IPO				After IPO			
		Direct		Indirect		Direct		Indirect	
Name	Designation / Nationality	No. of Shares	%	No. of Shares	%	No. of Shares	(1)%	No. of Shares	(1)%
Lim Bok See	Chief Financial Officer / Malaysian	-	-	-	-	60,000	0.01	-	-
Saw Swee Luen	Project Director / Malaysian	-	-	-	-	587,000	0.13	-	-
Ir. Teo Wei Kher	Technical Director / Malaysian	-	-	-	-	175,000	0.04	-	-

Note:

(1) Based on the enlarged total number of 450,000,000 Shares after our IPO and assuming that our Key Senior Management fully subscribe for their respective entitlements under the Pink Form Allocations.

[The rest of this page is intentionally left blank]

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.4.3 Profiles of Key Senior Management

Save for the profiles of Lee Thiam Hing and Cheng Kai Sean which are set out in Sections 5.1.2 of this Prospectus, the profiles of our Key Senior Management are as follows:

(a) Lim Bok See
Chief Financial Officer

Lim Bok See, a Malaysian, aged 65, is our Chief Financial Officer. He joined our Group in September 2024 and is responsible for overseeing our Group's financial matters which encompasses financial planning, reporting and management of cash flow and risks.

He obtained his certificate for proficiency in accounting from the London Chamber of Commerce and Industry (LCCI) in 1985. He was admitted as an Associate of the Association of International Accountants (AIA) in 1998. He was admitted as a Member and subsequently a Fellow of the ACCA in 2001 and 2006 respectively. He has also been a Chartered Accountant of the Malaysian Institute of Accountants (MIA) since 2001.

He commenced his career with HH Tan & Co as Audit Assistant in 1980 where he was involved in the audit of clients' account and assisted in the preparation of audit reports. In 1982, he joined Koperasi Serbaguna Leasing dan Kredit Malaysia Berhad (now known as Koperasi Serbaguna Malaysia Berhad) as their Finance Clerk, preparing and maintaining the company's accounts.

In 1983, he joined Swee Chong Long Sdn Bhd as Account Executive. During his tenure with the company, he was involved in managing the full set of accounts, liaising with auditors and tax agents for annual audits and ensuring timely tax submissions.

He later joined Pacific Cosmetics (M) Sdn Bhd in 1987 as Account Manager where he took on the responsibility of leading the accounting department, overseeing a team of assistants to ensure accurate monthly financial reporting for management review and performance analysis.

In 1990, he joined Telekom Malaysia Berhad (a company listed on Main Market of Bursa Securities) as Account Assistant in the Corporate Finance Department, assisting the Head of Department in budget planning. In 2000, he was promoted to Unit Head of the Budget Department of the Corporate Finance Division. In this role, he was responsible for preparing annual budgets for the approval of the board, monitoring and adjusting monthly performance against budgets and reviewing group financial performance to address variances.

In 2005, he left Telekom Malaysia Berhad to manage his own business, Pro-One Management Services, which is principally involved in the provision of general management consultancy services.

In 2020, the business of Pro-One Management Services became inactive, after which he assumed the role of Chief Financial Officer at LNB Wood Base Sdn Bhd from 2020 until 2024. During his period, he was responsible for the company's overall financial matters, including the review of management reports to ensure compliance with financial reporting standards and regulatory requirements.

He joined our Group in September 2024 as our Chief Financial Officer, a role he currently assumes. Prior to his joining our Group, our Group's financial matters were managed by our existing team of accounting staff headed by our Financial Controller, who left the Group in May 2024.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Lim Bok See does not have any familial relationship with any of the Directors, substantial shareholders and key senior management of our Group.

Please refer to Section 5.4.4 (a) of this Prospectus for the involvement of Lim Bok See in other companies outside our Group.

(b) Saw Swee Luen
Project Director

Saw Swee Luen, a Malaysian, aged 50, is our Project Director. He joined our Group in 2023 and is responsible for overseeing Sum Technic's projects, including budgeting, resource allocation, strategic planning and client management to ensure compliance and quality project execution.

He obtained BTEC Higher National Diploma in Engineering in 1997 from Penang Skills Development Centre.

He commenced his career with Leong Electrical Co as Junior Technician where he was responsible for inspecting and assessing cabling and wiring installations. He later left Leong Electrical Co in 1997 and was engaged by Gold Dragon-CBL Engineering Sdn Bhd as a contractor for projects involving electrical works in Indonesia and Philippines.

In 2005, he returned to Malaysia and joined Syarikat Ong Yoke Lin Sdn Bhd as Project Coordinator during which he was responsible for the coordination between subcontractors and factory owners as well as the implementation and execution of project plans.

In 2007, he joined Khean Huat Electrical Sdn Bhd as Project Coordinator. In this role, he was responsible for the coordination between main contractors and subcontractors whilst overseeing project scheduling and planning. He left in 2008 and took a career break.

In 2009, he joined Magna Core Engineering Sdn Bhd as a Project Executive and was promoted to Project Manager within the same year. During his tenure, he managed subcontractor and factory owner coordination, project execution, budgeting and cost management as well as oversaw costing and profit margins.

He joined Calibre M & E Sdn Bhd in 2011 as a Project Engineer and was promoted to Project Manager within the same year. He remained with Calibre M&E Sdn Bhd until 2021 leaving as Senior Project Manager, where he was responsible for designing AC ventilation systems, coordinating with consultants for approvals, facilitating communication between clients, main contractors and subcontractors and monitoring project timelines to ensure adherence to the master schedule.

He later joined Kejuruteraan Segar Sdn Bhd in 2021 as Project Manager and joined Mark Jaya Engineering Sdn Bhd in 2022 as Project Manager. In these positions, he was responsible for overseeing projects, driving cost control strategies, managing project teams, securing regulatory approvals and ensuring smooth project execution.

He then joined our Group in 2023 as our Project Director, a role he currently assumes.

Saw Swee Luen does not have any familial relationship with any of the Directors, substantial shareholders and key senior management of our Group.

Please refer to Section 5.4.4 (b) of this Prospectus for the involvement of Saw Swee Luen in other companies outside our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(c) Ir. Teo Wei Kher
Technical Director

Ir. Teo Wei Kher, a Malaysian, aged 45, is our Technical Director. He joined our Group in 2018 and is responsible for overseeing the tendering process, including technical support, preliminary design, bid preparation and proposal development, as well as managing the tendering team and the preparation of technical proposals.

He obtained his Bachelor of Engineering from the University of Sheffield in 2002 and was admitted to the Board of Engineers Malaysia ("**BEM**") as a Graduate Engineer in the same year. He became a Graduate Member of the Institution of Engineers, Malaysia ("**IEM**") in 2009. He was admitted as a Corporate Member of the IEM in December 2025 and subsequently obtained the Professional Engineer status from the BEM in January 2026.

He commenced his career with Hexatech Sdn Bhd (now known as Galaxy Quantum Vision Sdn Bhd) in 2002 as Mechanical Engineer. In this position, he oversaw building HVAC systems, including the installation, balancing, testing and commissioning of air conditioning and mechanical ventilation systems.

He left Hexatech Sdn Bhd and joined Hiti Engineering (M) Sdn Bhd in 2004 as Project Engineer and was involved in the design and construction of cleanrooms, overseeing testing and commissioning of cleanroom facilities, as well as project coordination and management.

In 2008, he joined Western Digital (Malaysia) Sdn Bhd as Senior Project Engineer and was responsible for developing construction drawings, preparing project proposals, assessing system balancing and testing and commissioning methodologies, evaluating tenders and compiling comprehensive tender evaluation reports.

He joined ALSTOM Asia Pacific Sdn Bhd (now known as GE Power Solutions (Malaysia) Sdn Bhd) in 2011 as Subcontracting & Tender Engineer in the Construction & Commissioning Department. During his tenure, he was responsible for preparing subcontracting strategy reports, including package definitions, budget allocations, scheduling and technical requirements, as well as conducting commercial analyses and preparing recommendation reports.

He subsequently joined Panasonic Eco Solutions Malaysia Sdn Bhd (now known as Panasonic Life Solutions Malaysia Sdn Bhd) in 2013 as Assistant Manager. In this role, he conducted energy diagnostics on air conditioning, air compressor, and electrical systems to optimise efficiency and performance.

In 2018, he joined our Group as Project Manager and was tasked with overseeing the design, construction, installation and commissioning of clean rooms and M&E systems and assisting in client discussions for design confirmation. He was promoted to Senior Project Manager in 2022, leading the project management team, overseeing consultant submissions and approvals, ensuring compliance with quality assurance and quality control procedures, managing clean room envelope testing and certification and supervising the overall testing and commissioning of mechanical, electrical and plumbing systems. In 2024, he was promoted to his current position as Technical Director.

Ir. Teo Wei Kher does not have any familial relationship with any of the Directors, substantial shareholders and key senior management of our Group.

Please refer to Section 5.4.4 (c) of this Prospectus for the involvement of Ir. Teo Wei Kher in other companies outside our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.4.4 Principal business performed outside our Group

Save for disclosed below and in Section 5.2.3 of this Prospectus (in respect of Lee Thiam Hing and Cheng Kai Sean), none of our Key Senior Management has any other principal directorship and/or principal business activities performed outside our Group in the past 5 years up to the LPD.

(a) Lim Bok See

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Present involvement						
Pro-One Management Services	• Dormant, previously involved in providing general management consultancy services	Sole proprietor	24 November 1997	-	-	-
Strategic Pro Corporate Advisory	• Dormant with no intended operations	Sole proprietor	20 November 2018	-	-	-
Past involvement						
Lim Bok See	• Dormant with no intended operations • Expired on 24 March 2025	Sole proprietor	18 February 2009	-	-	-
United Vision Enterprise Sdn Bhd	• Property investment holding • Ceased to be a shareholder on 18 December 2025	Shareholder	-	-	14.28	-
Strategic Successology Enterprise	• Dormant with no intended operations • Expired on 26 February 2026	Sole proprietor	16 May 2023	-	-	-

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

(b) Saw Swee Luen

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Past involvement						
Octarine Globe Sdn Bhd	• Construction and trading of pipe fittings • Dissolved on 22 July 2022	Director / Shareholder	15 December 2020	-	50.00	-

(c) Ir. Teo Wei Kher

Company	Principal activities	Position held	Date of appointment	Date of resignation	% of shareholding held	
					Direct	Indirect
Present involvement						
Multitec Venture Sdn Bhd	• Dormant with no intended operations	Director / Shareholder	14 November 2013	-	100.00	-
Past involvement						
Bestari Teguh Engineering	• Building and mechanical engineering contractor • Expired on 22 July 2022	Partner	23 July 2015	-	-	-
Brightsys Engineering	• Dormant with no intended operations • Expired on 18 May 2025	Sole proprietor	14 May 2020	-	-	-

The involvement of Lim Bok See and Ir. Teo Wei Kher in other directorships or businesses outside our Group will not affect their contribution to our Group as the businesses or corporations are dormant and hence does not affect their abilities to perform their roles and responsibilities for our Group.

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.4.5 Key Senior Management's remuneration and benefits

The remuneration of our Key Senior Management including salaries, bonuses, allowances, other emoluments and benefits-in-kind, must be reviewed and recommended by our Remuneration Committee and subsequently, be approved by our Board.

Save as disclosed in Section 5.2.4 of this Prospectus in respect of Lee Thiam Hing and Cheng Kai Sean, the aggregate remuneration and material benefits-in-kind (including any contingent or deferred remuneration) paid and proposed to be paid to our Key Senior Management for services rendered in all capacities to our Group for FYE 2025 and FYE 2026 are as follows:

	Remuneration band (RM)[(1)]	
Name	**FYE 2025 (Paid) RM'000**	**FYE 2026 (Proposed) RM'000**
Lim Bok See	100 to 150	150 to 200
Ir. Teo Wei Kher	200 to 250	250 to 300
Saw Swee Luen	200 to 250	250 to 300

Note:

(1) Comprising salaries, statutory contributions and bonuses. The bonuses for FYE 2026 are not included. Such bonuses, if any, will be determined later depending on the performance of our Group, subject to the recommendation of the Remuneration Committee and approved by our Board.

5.5 RELATIONSHIPS AND/OR ASSOCIATIONS

There are no family relationships or association between or amongst our Promoters, substantial shareholders, Directors and Key Senior Management.

[The rest of this page is intentionally left blank]

5. INFORMATION ON PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

5.6 EXISTING OR PROPOSED SERVICE AGREEMENTS

As at the LPD, there are no existing or proposed service agreements (contracts for services) which provide for benefits upon termination of employment entered or to be entered into between the companies within our Group, with our Directors or Key Senior Management.

Our Group had on 5 May 2026 entered into service contracts with our Executive Directors, Lee Thiam Hing and Cheng Kai Sean, to appoint them as Executive Directors for a minimum period of three (3) years from the date of our Listing ("**Service Contracts**"). For avoidance of doubt, the Service Contracts do not provide for any benefits upon termination. The salient terms of the Service Contracts are as follows:

Details	Salient Terms
Term	The appointment of each Executive Director shall continue for a minimum period of three (3) years from the date of our Listing ("**Minimum Term**"). During the Minimum Term, neither our Company nor the Executive Director shall be entitled to terminate the Service Contract, save in accordance with the termination provisions set out therein. Upon expiry of the Minimum Term, the Service Contract shall thereafter continue unless terminated in accordance with the terms of the Service Contract. The appointment shall in all cases remain subject to the provisions of our Company's Constitution, shareholder approval at the annual general meeting and applicable laws and regulations. Following the expiry of the Minimum Term, the Executive Director's appointment may continue or be renewed on such terms as may be agreed by the parties, subject to our Company's internal governance process, provisions of our Company's Constitution, shareholder approval at the annual general meeting and applicable laws and regulatory requirements.
Duties and Responsibilities	Each Executive Director shall devote such time and attention as is reasonably necessary for the proper performance of duties and shall use best endeavours to promote the success of our Company and our Group. The Executive Directors' duties include, inter alia, providing leadership and executing strategies and business plans approved by our Board, ensuring proper management of our Group's operations and resources within delegated authority, acting honestly, in good faith and in the best interests of our Company, exercising reasonable care, skill and diligence, ensuring timely escalation of material issues, risks and incidents to our Board, participating in leadership development and succession planning initiatives, and complying with all applicable laws, regulations, listing requirements and our Company's policies.
Key Performance Indicators ("**KPIs**")	Each Executive Director's performance will be assessed against KPIs set, reviewed or amended by our Board and/or the Nomination Committee and Remuneration Committee from time to time. KPI outcomes may affect remuneration, variable compensation, continued appointment and succession planning, subject to due process and our Company's Constitution.
Termination	Our Company may terminate the Service Contract immediately by written notice if the Executive Director: (i) commits fraud, dishonesty, serious misconduct or material breach of fiduciary duties;

	(ii) commits gross negligence or wilful default causing or likely to cause material harm to our Company; (iii) is convicted of an offence involving dishonesty or is disqualified from acting as a director; (iv) becomes bankrupt or enters into any insolvency arrangement; (v) materially breaches applicable laws, regulatory requirements or our Company's policies; or (vi) repeatedly fails to meet KPIs, after due notice and a reasonable opportunity to improve. For the avoidance of doubt, our Company shall not be entitled to terminate the Service Contract or the Executive Director's appointment for any reason other than those expressly set out above, subject always to provisions of applicable laws and our Company's Constitution.

5.7 DECLARATION FROM PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, none of our Promoters, Directors or Key Senior Management is or has been involved in any of the following events (whether within or outside Malaysia):

(a) in the last 10 years, a petition under any bankruptcy or insolvency law filed (and not struck out) against such person or any partnership in which he was a partner or any corporation of which he was a director or a member of Key Senior Management;

(b) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;

(c) in the last 10 years, charged and/or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;

(d) in the last 10 years, any judgment that was entered against him, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his part, involving a breach of any law or regulatory requirement that relates to the capital market;

(e) in the last 10 years, was the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his part that relates to the capital market;

(f) being the subject of any order, judgment or ruling of any court, government, or regulatory authority or body temporarily enjoining him/her from engaging in any type of business practice or activity;

(g) in the last 10 years has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body, or government agency; and

(h) has any unsatisfied judgment against him/her.

6. INFORMATION ON OUR GROUP

6.1 INFORMATION ON OUR COMPANY

6.1.1 History and Background

Our Company was incorporated in Malaysia on 24 January 2025 under the Act as a private limited company under the name of Sum Technology Sdn Bhd. On 24 September 2025**,** our Company was converted to a public limited company and assumed our present name as Sum Technology Berhad.

Our Company was incorporated to facilitate our Listing and is principally an investment holding company. There has been no material change in the manner in which we conduct our business or activities since our incorporation and up to LPD.

Our Company is an investment holding company. Through our subsidiaries, we are principally involved in mechanical and electrical engineers and engineering works, contractors and consulting engineers for utilities piping and cleanroom architecture works, trading of customised industrial MVAC products and solar PV panels and manufacturing of customised industrial MVAC products**.**

As at the LPD, we have a share capital of RM22,260,001.00 comprising 333,000,000 Shares, all of which have been issued and fully paid-up. The movements in our share capital since the date of our incorporation are set out below:

Date of allotment	No. of ordinary shares allotted	Consideration	Cumulative issued share capital (RM)
24 January 2025	1	Cash	1.00
7 April 2026	332,999,999	Otherwise than Cash(1)	22,260,001.00

Note:

(1) The allotment of shares was pursuant to the Acquisitions which were completed on 7 April 2026. Further details of the Acquisitions are set out below in Section 6.1.2 of this Prospectus.

As at the LPD, we do not have any outstanding warrants, options, convertible securities and uncalled capital. In addition, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotment.

Upon the completion of our IPO, our enlarged share capital will increase to RM53,452,837 comprising 450,000,000 Shares.

6.1.2 Pre-IPO Restructuring

To facilitate our Listing, we undertook the following Acquisitions:

(a) Sum Technic Acquisition

On 23 September 2025, our Company entered into a conditional share sale agreement to acquire the entire equity interest in Sum Technic comprising 1,000,000 ordinary shares from the vendors for a total purchase consideration of RM12,940,000 which is to be fully satisfied by the issuance and allotment of 193,576,819 new Shares to the following vendors at an issue price of approximately RM0.0668 per Share:

Vendors	Shareholdings in Sum Technic		Purchase consideration (RM)	No. of new Shares
	No. of shares	% of share capital		
Ng Yew Sum	379,460	37.95	4,910,212.42	73,454,660
Chin Sze Kee	204,325	20.43	2,643,965.53	39,552,584
Lee Thiam Hing	194,595	19.46	2,518,059.16	37,669,079
Francis Chia Mong Tet	116,757	11.68	1,510,835.60	22,601,449
Law Eng Hock	48,649	4.86	629,518.08	9,417,319
Yap Chui Fan	30,000	3.00	388,200.03	5,807,305
Datuk Lim Tong Lee	26,214	2.62	339,209.18	5,074,423
Total	**1,000,000**	**100.00**	**12,940,000.00**	**193,576,819**

The purchase consideration for the Sum Technic Acquisition of RM12,940,000 was arrived at based on a "willing-buyer willing-seller" basis after taking into consideration the audited net assets of Sum Technic as at 31 December 2024 of RM12,936,084.

The Sum Technic Acquisition was completed on 7 April 2026. Thereafter, Sum Technic became our wholly-owned subsidiary.

(b) Sum System Acquisition

On 23 September 2025, our Company entered into a conditional share sale agreement to acquire the entire equity interest in Sum System comprising 300,000 ordinary shares from the vendors for a total purchase consideration of RM5,590,000 which is to be fully satisfied by the issuance and allotment of 83,623,989 new Shares to the following vendors at an issue price of approximately RM0.0668 per Share:

Vendors	Shareholdings in Sum System		Purchase consideration (RM)	No. of new Shares
	No. of shares	% of share capital		
Ng Yew Sum	132,347	44.12	2,466,065.68	36,891,279
Chin Sze Kee	71,490	23.83	1,332,097.03	19,927,597
Francis Chia Mong Tet	71,490	23.83	1,332,097.03	19,927,597
Yap Chui Fan	6,810	2.27	126,893.03	1,898,265
Law Eng Hock	6,626	2.21	123,464.46	1,846,975
Lim Kai Seng	3,313	1.10	61,732.26	923,488
Datuk Lim Tong Lee	7,924	2.64	147,650.51	2,208,788
Total	**300,000**	**100.00**	**5,590,000**	**83,623,989**

The purchase consideration for the Sum System Acquisition of RM5,590,000 was arrived at based on a "willing-buyer willing-seller" basis after taking into consideration the audited net assets of Sum System as at 31 December 2024 of RM5,580,921.

The Sum System Acquisition was completed on 7 April 2026. Thereafter, Sum System became our wholly-owned subsidiary.

6. INFORMATION ON OUR GROUP *(Cont'd)*

(c) Micronaire Global Acquisition

On 23 September 2025, our Company entered into a conditional share sale agreement to acquire the entire equity interest in Micronaire Global comprising 500,000 ordinary shares from the vendors for a total purchase consideration of RM3,730,000 which is to be fully satisfied by the issuance and allotment of 55,799,191 new Shares to the following vendors at an issue price of approximately RM0.0668 per Share:

Vendors	Shareholdings in Micronaire Global		Purchase consideration (RM)	No. of new Shares
	No. of shares	% of share capital		
Cheng Kai Sean	170,270	34.05	1,270,214.23	19,001,857
Ng Yew Sum	111,892	22.38	834,714.31	12,486,966
Chin Sze Kee	72,973	14.59	544,378.60	8,143,669
Francis Chia Mong Tet	34,054	6.81	254,042.82	3,800,371
Lee Thiam Hing	24,324	4.86	181,457.04	2,714,519
Law Eng Hock	34,054	6.81	254,042.82	3,800,371
Yap Chui Fan	25,000	5.00	186,500.03	2,789,960
Lim Kai Seng	14,595	2.92	108,878.67	1,628,778
Datuk Lim Tong Lee	12,838	2.57	95,771.48	1,432,700
Total	**500,000**	**100.00**	**3,730,000.00**	**55,799,191**

The purchase consideration for the Micronaire Global Acquisition of RM3,730,000.00 was arrived at based on a "willing-buyer willing-seller" basis after taking into consideration the audited net assets of Micronaire Global as at 31 December 2024 of RM3,724,996.

The Micronaire Global Acquisition was completed on 7 April 2026. Thereafter, Micronaire Global became our wholly-owned subsidiary.

The Acquisitions are subject to the following conditions precedent, as stipulated under the respective conditional share sale agreements:

(a) Bursa Securities' approval for the Listing being obtained;

(b) the approval-in-principle by Bursa Securities for the registration of the Prospectus being obtained; and

(c) any other approvals required in relation to the Acquisitions being obtained, if any.

The new Shares issued pursuant to the Acquisitions rank equally in all respects with our existing Shares including voting rights and will be entitled to all rights and dividends and/or other distributions, the entitlement date of which is subsequent to the date of issuance of the new Shares.

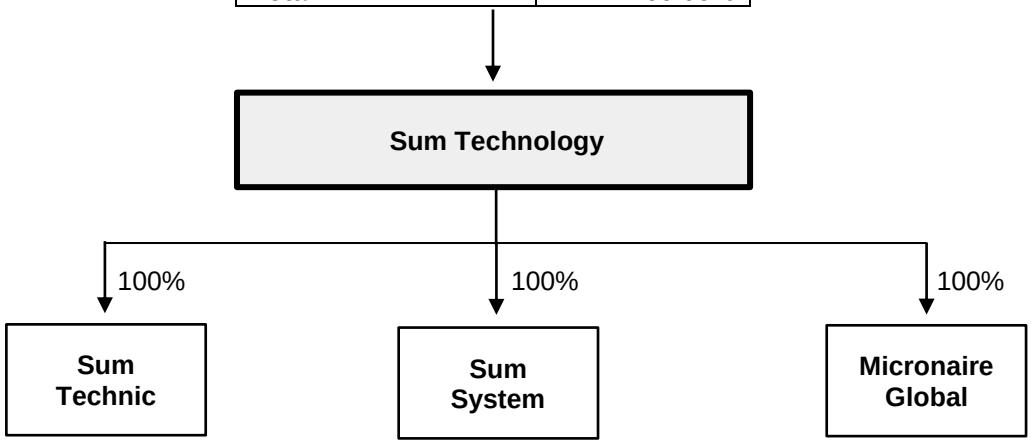
6. INFORMATION ON OUR GROUP *(Cont'd)*

6.2 OUR SHAREHOLDERS AND GROUP STRUCTURE

Our shareholders and Group structure after the Acquisitions and before the IPO and after the IPO are as follows:

After the Acquisitions and before our IPO

Shareholders	Shareholdings
Ng Yew Sum	36.89%
Chin Sze Kee	20.31%
Francis Chia Mong Tet	13.91%
Lee Thiam Hing	12.13%
Cheng Kai Sean	5.71%
Law Eng Hock	4.52%
Yap Chui Fan	3.15%
Datuk Lim Tong Lee	2.62%
Lim Kai Seng	0.76%
Total	**100.00%**



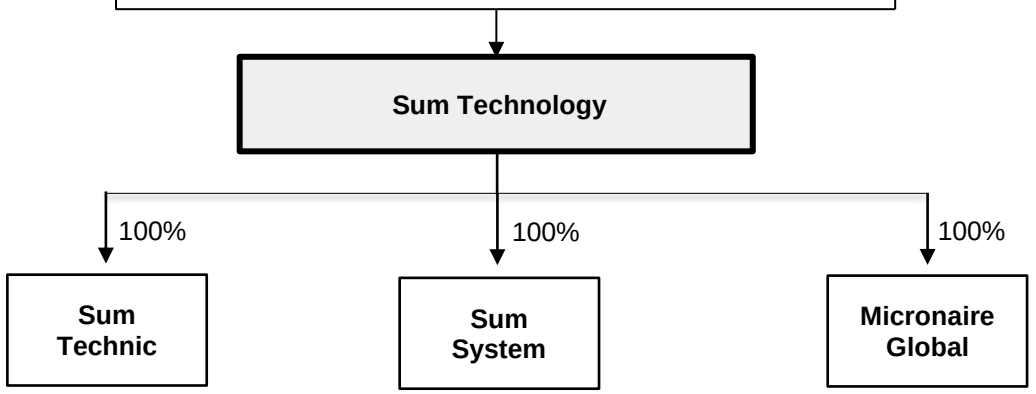
[The rest of this page is intentionally left blank]

6. INFORMATION ON OUR GROUP *(Cont'd)*

After our IPO

Name	Shareholdings
Promoter, Director, substantial shareholder and Specified Shareholder	
Lee Thiam Hing	8.97%
Promoters, substantial shareholders and Specified Shareholders	
Ng Yew Sum	27.30%
Chin Sze Kee	15.03%
Promoter, Director and Specified Shareholder	
Cheng Kai Sean	4.22%
Pre-IPO investor and substantial shareholder	
Francis Chia Mong Tet (2)	10.30%
Pre-IPO investor	
Datuk Lim Tong Lee (3)	1.94%
Total	**67.76%**

Other shareholders	Shareholdings
Malaysian Public (via balloting)	5.00%
Pink Form Shares allocation	1.00%
Placement to Bumiputera investors approved by MITI	12.50%
Placement to institutional/ selected investors	7.50%
Existing shareholders(1)	6.24%
Total	**32.24%**



Notes:

(1) Existing shareholders comprise Law Eng Hock, Yap Chui Fan and Lim Kai Seng with shareholding of 3.35%, 2.33% and 0.56% respectively.

(2) Francis Chia Mong Tet had acquired shares of Sum Technic in 2025. Pursuant to his recent acquisition of shares in Sum Technic in 2025, Francis Chia Mong Tet is deemed a pre-listing investor.

(3) Datuk Lim Tong Lee was invited to participate as a strategic investor, given his diverse experience in the corporate sector and ability to contribute to the Group's future growth. He became a shareholder of Sum Technic and Sum System in June 2025 and a shareholder of Micronaire Global in July 2025.

6. INFORMATION ON OUR GROUP *(Cont'd)*

6.3 INFORMATION ON OUR SUBSIDIARIES

As at the LPD, we have 3 subsidiaries, namely Sum Technic, Sum System and Micronaire Global. The details of our subsidiaries as at the LPD are summarised below:

Company name	Principal activities	Date and place of incorporation	Principal place of business	Issued share capital (RM)	Effective equity interest
Sum Technic	Mechanical and electrical engineers and engineering works, contractors and consulting engineers for utilities piping and cleanroom architecture works	11 April 2014 / Malaysia	Malaysia	1,000,000.00	100%
Sum System	Trading of MVAC products and solar PV panels	23 May 2013 / Malaysia	Malaysia	300,000.00	100%
Micronaire Global	Manufacturing of MVAC products	11 April 2014 / Malaysia	Malaysia	500,000.00	100%

As at the LPD, we do not have any associated companies.

6.3.1 Sum Technic

(a) Background, history and principal activities

Sum Technic was incorporated on 11 April 2014 in Malaysia under the Companies Act 1965 as a private limited company under the name Power Sum Sdn. Bhd. and is deemed incorporated under the Act. On 14 March 2016, it changed to its present name. Sum Technic commenced its business operations in 2017.

Sum Technic is principally involved in the mechanical and electrical engineers and engineering works, contractors and consulting engineers for utilities piping and cleanroom architecture works.

(b) Share capital

As at the LPD, the issued share capital of Sum Technic is RM1,000,000 comprising 1,000,000 ordinary shares. There were no changes in the issued share capital of Sum Technic during the Financial Years Under Review and up to the LPD. Sum Technic does not have any outstanding warrants, options, convertible securities and uncalled capital.

(c) Shareholder and directors

Sum Technic is a wholly-owned subsidiary of our Company.

As at the LPD, the directors of Sum Technic are Lee Thiam Hing and Cheng Kai Sean.

(d) Subsidiary, associate company and joint venture

As at the LPD, Sum Technic does not have any subsidiary, associate company or joint venture.

6. INFORMATION ON OUR GROUP *(Cont'd)*

6.3.2 Sum System

(a) Background, history and principal activities

Sum System was incorporated on 23 May 2013 in Malaysia under the Companies Act 1965 as a private limited company under its present name and is deemed incorporated under the Act. Sum System commenced its business operations in 2013.

Sum System is principally involved in the trading of customised industrial MVAC products and solar PV panels.

(b) Share capital

As at the LPD, the issued share capital of Sum System is RM300,000 comprising 300,000 ordinary shares. There were no changes in the issued share capital of Sum System during the Financial Years Under Review and up to the LPD. Sum System does not have any outstanding warrants, options, convertible securities and uncalled capital.

(c) Shareholder and directors

Sum System is a wholly-owned subsidiary of our Company.

As at the LPD, the directors of Sum System are Lee Thiam Hing and Cheng Kai Sean.

(d) Subsidiary, associate company and joint venture

As at the LPD, Sum System does not have any subsidiary, associate company or joint venture.

6.3.3 Micronaire Global

(a) Background, history and principal activities

Micronaire Global was incorporated on 11 April 2014 in Malaysia under the Companies Act 1965 as a private limited company under the name Sum Energy Sdn. Bhd. and is deemed incorporated under the Act. On 7 June 2017, it changed to its present name. Micronaire Global commenced its business operations in 2017.

Micronaire Global is principally involved in the manufacturing of customised industrial MVAC products.

(b) Share capital

As at the LPD, the issued share capital of Micronaire Global is RM500,000 comprising 500,000 ordinary shares. There were no changes in the issued share capital of Micronaire Global during the Financial Years Under Review and up to the LPD. Micronaire Global does not have any outstanding warrants, options, convertible securities and uncalled capital.

(c) Shareholder and directors

Micronaire Global is a wholly-owned subsidiary of our Company.

As at the LPD, the directors of Micronaire Global are Cheng Kai Sean and Lee Thiam Hing.

6. INFORMATION ON OUR GROUP *(Cont'd)*

(d) Subsidiary, associate company and joint venture

As at the LPD, Micronaire Global does not have any subsidiary, associate company or joint venture.

6.4 PUBLIC TAKE-OVERS

During the last financial year and up to the LPD, there were no:

(a) public take-over offers by third parties in respect of our Shares; and

(b) public take-over offers by our Company in respect of other companies' shares.

[The rest of this page is intentionally left blank]

6. INFORMATION ON OUR GROUP *(Cont'd)*

6.5 INTELLECTUAL PROPERTIES

As at the LPD, our Group does not own and has not applied for the registration of any other intellectual properties other than those disclosed below:

6.5.1 Trademark Registrations

No.	Registration no. / Class / Place of Registration	Approving authority	Trademark	Registered Owner	Description / Product name	Status / Validity Period
1.	TM2024038804 / 35 / Malaysia	Intellectual Property Corporation of Malaysia ("**MyIPO**")		Sum Technic	Administration of businesses; Business management; Online advertising; Business and marketing research; Business management analysis; Retail services relating to engineering goods; Business process re-engineering; Advertising and marketing; Business marketing; Corporate marketing; Digital marketing.	Registered / 9 December 2024 to 9 December 2034
2.	TM2024038807 / 42 / Malaysia	MyIPO		Sum Technic	Mechanical engineering; Electrical engineering; Air flow measurement services; Planning and layout design services for cleanroom environments; Design and development of medical technology; Advisory services relating to industrial engineering; Consultancy in the field of engineering; Engineering services for the gas industry; Engineering services; Engineering services in the field of industrial refrigeration installation industry; Engineering services relating to liquefied natural gas storage; Research in the field of engineering; Design of electronic systems.	Registered / 9 December 2024 to 9 December 2034

6. INFORMATION ON OUR GROUP *(Cont'd)*

No.	Registration no. / Class / Place of Registration	Approving authority	Trademark	Registered Owner	Description / Product name	Status / Validity Period
3.	TM2024039732 / 35 / Malaysia	MyIPO	MICRONAIRE	Micronaire Global	Air quality data collection services; Providing advice and recommendations to consumers of products for commercial purposes; Advisory and consultancy services relating to the procurement of goods for others; Procurement of goods on behalf of other businesses; Brand testing; Business project management and administration; Business project management for others; Compilation of information relating to environmental conditions; Advertising; Marketing; Business administration; Brand management.	Registered / 16 December 2024 to 16 December 2034
4.	TM2024039734 / 42 / Malaysia	MyIPO	MICRONAIRE	Micronaire Global	Air flow biochemical analysis services; Air flow component testing services; Air flow measurement services; Air quality analysis; Planning and layout design services for cleanroom environments; Calibration of analytical apparatus; Calibration of detectors; Calibration of electronic apparatus; Calibration of instruments; Calibration of machines; Calibration of sensors; Calibration services; Design of industrial machinery; Development of industrial machinery; Engineering services in the field of reducing operational costs of industrial machinery; Quality control testing services for industrial machinery; Research relating to industrial machinery.	Registered / 16 December 2024 to 16 December 2034

Our Group has established a strong presence in the industry through our project track record and our commitment to quality assurance. Our Group will not be materially affected in the event of non-renewal of the abovementioned trademarks, as our competitiveness stems primarily from our technical expertise and product quality rather than reliance on brand names. In addition, our Group may still be able to initiate a passing off action against any person using a mark which is similar or identical to the trademarks pursuant to common law principles.

6. INFORMATION ON OUR GROUP *(Cont'd)*

6.6 MATERIAL LICENCES AND PERMITS OF OUR GROUP

Save as disclosed below, there are no other licences and permits which our Group is materially dependent on for our business or profitability as at the LPD:

No.	Licencee	Issuing authority/ Licence No.	Date of issue or Date of commencement / Date of expiry	Nature of approval/Licences	Equity and/or major conditions imposed	Compliance status
1.	Sum System	Petaling Jaya City Council / L2540000687870	1 January 2026 / 31 December 2026	Business licence for administrative office at unit no. D-2-6 of the Ara Damansara Office	Sum System shall ensure that there is no misuse of the licence other than the original purpose of the licence.	Complied.
					Sum System shall not hire foreign workers without working permit.	Complied.
					Planning approval from the Development Planning Department and structure permit approval from the Petaling Jaya City Council Building Control Department shall be obtained for any building modifications, additional buildings or changing building/land use status.	Complied.
					The premises shall not be used as workers' accommodation.	Complied.
2.	Sum Technic	Construction Industry Development Board of Malaysia ("**CIDB**") / 0120171215-NS006804	6 May 2026 / 2 May 2029	Certificate of Registration issued by CIDB certifying that Sum Technic has been registered as a contractor with CIDB.	Sum Technic shall submit information regarding any construction works or contracts within 14 days of the award or before the commencement of work, whichever is earlier.	Complied.
					Sum Technic shall display the registration certificate issued by CIDB or a copy duly certified as true copy by CIDB at the place of business.	Complied.

6. INFORMATION ON OUR GROUP *(Cont'd)*

<table>
<tr><th>No.</th><th>Licencee</th><th>Issuing authority/ Licence No.</th><th>Date of issue or Date of commencement / Date of expiry</th><th>Nature of approval/Licences</th><th>Equity and/or major conditions imposed</th><th>Compliance status</th></tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>
<table>
<tr><th>Grade (1)</th><th>Category (2)</th><th>Specialisation (3)</th></tr>
<tr><td>G7</td><td>B</td><td>B04</td></tr>
<tr><td>G7</td><td>CE</td><td>CE21</td></tr>
<tr><td>G7</td><td>ME</td><td>M01 M02 M15</td></tr>
</table>
Notes:
<table>
<tr><th>Grade (1)</th><th>Tender value / construction work value</th></tr>
<tr><td>G7</td><td>No limit</td></tr>
</table>
<table>
<tr><th>Category (2)</th><th>Description</th></tr>
<tr><td>B</td><td>Construction building</td></tr>
<tr><td>CE</td><td>Civil engineering construction</td></tr>
<tr><td>ME</td><td>Mechanical and electrical engineering</td></tr>
</table>
</td>
<td>Sum Technic shall apply for renewal of registration at any time within 60 days before the expiry date specified in this certificate.</td>
<td>Noted.</td>
</tr>
</table>

6. INFORMATION ON OUR GROUP *(Cont'd)*

<table>
<tr><th>No.</th><th>Licencee</th><th>Issuing authority/ Licence No.</th><th>Date of issue or Date of commencement / Date of expiry</th><th>Nature of approval/Licences</th><th>Equity and/or major conditions imposed</th><th>Compliance status</th></tr>
<tr><td></td><td></td><td></td><td></td><td>
<table>
<tr><th>Specialisation (3)</th><th>Description</th></tr>
<tr><td>B04</td><td>Building construction works – construction works of any building and plant</td></tr>
<tr><td>CE21</td><td>Civil engineering construction – construction works, maintenance and repair of any civil engineering construction</td></tr>
<tr><td>M01</td><td>Air-conditioning and ventilation systems</td></tr>
<tr><td>M02</td><td>Fire prevention and protection system</td></tr>
<tr><td>M15</td><td>Various mechanical equipment</td></tr>
</table>
</td><td></td><td></td></tr>
</table>

[The rest of this page is intentionally left blank]

6. INFORMATION ON OUR GROUP *(Cont'd)*

No.	Licencee	Issuing authority/ Licence No.	Date of issue or Date of commencement / Date of expiry	Nature of approval/Licences	Equity and/or major conditions imposed	Compliance status
3.	Sum Technic	Petaling Jaya City Council / L254000687945	1 January 2026 / 31 December 2026	Business licence for administrative office and signboard licence at unit no. D-3-6 of the Ara Damansara Office	Sum Technic shall ensure that there is no misuse of the licence other than the original purpose of the licence.	Complied.
					Sum Technic shall not hire foreign workers without working permit.	Complied.
					Planning approval from the Development Planning Department and structure permit approval from the Petaling Jaya City Council Building Control Department shall be obtained for any building modifications, additional buildings or changing building/land use status.	Complied.
					The premises shall not be used as workers' accommodation.	Complied.
4.	Sum Technic	Energy Commission Malaysia / ST(TKL)SGR /C/KE/03173/ 2019	10 July 2024 / 9 July 2029	Certificate of Registration as a Class C electrical contractor	Nil	-

6. INFORMATION ON OUR GROUP *(Cont'd)*

No.	Licencee	Issuing authority/ Licence No.	Date of issue or Date of commencement / Date of expiry	Nature of approval/Licences	Equity and/or major conditions imposed	Compliance status
5.	Micronaire Global	Klang Royal City Council / 0052024112094723	10 February 2026 / 31 December 2026	Business licence for manufacturing, storing and wholesale of air conditioning components and administrative office and signboard licence at the Klang Factory	Micronaire Global shall obtain and provide licencing support from the Fire and Rescue Department of Malaysia.	Complied.
					Micronaire Global shall obtain and provide support from the Selangor Department of Environment.	Complied.
					Micronaire Global shall obtain and provide registration docket in relation to workplace information from the Selangor Department of Occupational Safety and Health.	Complied.
					Micronaire Global shall ensure that all industrial activities and storage of goods must be carried out in the factory building only.	Complied.
6.	Micronaire Global	MITI / A026612	Valid from 17 March 2025 until terminated or revoked	Manufacturing licence for the manufacturing of air handling unit and related components at the Klang Factory	MITI and MIDA shall be notified of any sale of shares in Micronaire Global.	Complied.
					Micronaire Global shall comply with the minimum Capital Investment Per Employee (CIPE) of at least RM140,000.	Complied.
					The full-time workforce of Micronaire Global shall comprise of at least 80% Malaysians.	Complied.

6. INFORMATION ON OUR GROUP *(Cont'd)*

No.	Licencee	Issuing authority/ Licence No.	Date of issue or Date of commencement / Date of expiry	Nature of approval/Licences	Equity and/or major conditions imposed	Compliance status
7.	Sum Technic	Petaling Jaya City Council / L2540000693960	21 January 2026 / 31 December 2026	Business licence for administrative office at unit no. D-2-5 of the Ara Damansara Office	Sum Technic shall ensure that there is no misuse of the licence other than the original purpose of the licence.	Complied.
					Sum Technic shall not hire foreign workers without working permit.	Complied.
					Planning approval from the Development Planning Department and structure permit approval from the Petaling Jaya City Council Building Control Department shall be obtained for any building modifications, additional buildings or changing building/land use status.	Complied.
					The premises shall not be used as workers' accommodation.	Complied.

[The rest of this page is intentionally left blank]

6. INFORMATION ON OUR GROUP *(Cont'd)*

6.7 PROPERTIES OWNED BY OUR GROUP

The property owned by our Group as at LPD is set out below:

Title / Postal address	Registered / Beneficial owner	Description / existing use	Express conditions/ Restrictions in interest/ Category of land use /Encumbrance	Land area/ Built-up area (approximate) sq ft	Tenure	Date of issuance of CCC	Audited NBV as at FYE 2025 RM'000
Title details Geran 454557, Lot 86458, Mukim Tanjong Duabelas, Daerah Kuala Langat, Negeri Selangor **Postal address** No. 9, Jalan Inovatif 2/2, KIIP@Kuala Langat, 42700 Banting, Selangor	**Registered owner** WorldKlang Group Properties Sdn Bhd **Beneficial owner** Micronaire Global(1)	**Description** 1 unit of 1½ storey semi-detached factory with an office (Jenjarom Factory) **Existing Use** Vacant	**Express condition** Medium industry **Restriction in interest** Nil **Category of land** Industry **Encumbrances** Nil	**Land area** 22,528.86 **Built-up area** 14,280	Freehold	13 January 2026	6,034

Note:

(1) The acquisition of the Jenjarom Factory was completed and vacant possession was delivered to Micronaire Global on 19 January 2026. Micronaire Global is able to occupy and use the Jenjarom Factory, while pending the transfer of legal title from WorldKlang Group Properties Sdn Bhd to Micronaire Global, which is expected to be completed by end of 2026.

[The rest of this page is intentionally left blank]

6. INFORMATION ON OUR GROUP *(Cont'd)*

6.8 PROPERTIES RENTED BY OUR GROUP

The properties rented by our Group as at the LPD are set out below:

No.	Description / Postal address	Landlord / Tenant	Existing Use	Date of issuance of CF / CCC	Built-up area (sq ft)	Period of tenancy / Rental per month
1.	1 unit of 1 ½ storey semi-detached factory / No. 11, Jalan Permata 2B/KS9, Taman Perindustrian Air Hitam, 41200 Klang, Selangor (Klang Factory)	Marvel Genius Sdn Bhd / Micronaire Global	Manufacturing factory, office and storage (1)	7 November 2013	7,750	**Period of tenancy** 1 September 2025 – 31 August 2026 **Rental per month** RM17,000.00
2.	2 units of office located on the first and second floor of a 3-storey shop lot / D-2-6 & D-3-6, Pacific Place Commercial Centre, Jalan PJU 1A/4, Ara Damansara, 47301 Petaling Jaya, Selangor (Ara Damansara Office)	JQX Ventures Sdn Bhd / Sum Technic	Office	31 March 2014	4,186	**Period of tenancy** 1 February 2025 – 31 December 2026 **Rental per month** RM5,500.00
3.	1 unit of office located on the first floor of a 3-storey shop lot / D-2-5, Pacific Place Commercial Centre, Jalan PJU 1A/4, Ara Damansara, 47301 Petaling Jaya, Selangor (Ara Damansara Office)	Teh Yeng Song / Sum Technic	Office	31 March 2014	2,486	**Period of tenancy** 16 October 2025 – 15 October 2027 **Rental per month** RM2,800.00
4.	1 unit of 1½ storey semi-detached factory with an office / No. 11, Jalan Inovatif 2/2, KIIP@Kuala Langat, 42700 Banting, Selangor	Active Tank Sdn Bhd / Micronaire Global	Vacant, intended to be used for manufacturing, office and storage purposes (2)	13 January 2026	14,280	**Period of tenancy** 1 March 2026 – 29 February 2028 **Rental per month** RM27,000.00

6. INFORMATION ON OUR GROUP *(Cont'd)*

No.	Description / Postal address	Landlord / Tenant	Existing Use	Date of issuance of CF / CCC	Built-up area (sq ft)	Period of tenancy / Rental per month
5.	1 unit of 1 storey factory / No. 7, Jalan Ekoperniagaan 3/7 Taman Ekoperniagaan, 81100 Johor Bahru, Johor	Jin Yang Fishery (Malaysia) Sdn Bhd / Sum Technic	Vacant, intended to be used for office and storage purposes (3)	25 July 2025	4,172	**Period of tenancy** 7 March 2026 – 6 March 2028 **Rental per month** RM8,700.00

Notes:

(1) Our Group will cease its operations at the Klang Factory upon the completion of the relocation of our manufacturing operations to the Jenjarom Factory. The tenancy for the Klang Factory, which is due to expire on 31 August 2026, will not be renewed following the said relocation.

(2) The rental of this factory unit adjacent to the Jenjarom Factory is necessary as the existing Klang Factory is inadequate to support the expansion of our manufacturing operations. This adjacent factory unit provides our Group with additional space to accommodate our business expansion, including but not limited to the purchase and storage of machinery and materials. Our Group expects to commence operations at this premises by the third quarter of 2026.

(3) The factory in Johor Bahru was rented to support potential projects to be secured by our Group in Johor. As our Group's operations are principally based in the Klang Valley, the rental of this premises provides our Group with a local base in Johor for the storage of project materials and as an office to facilitate the management and coordination of projects, thereby reducing logistical costs and improving operational efficiency for the projects. Our Group expects to commence operations at this premises by the third quarter of 2026.

The properties rented by our Group are not in breach of any land use or regulatory requirements.

[The rest of this page is intentionally left blank]

6. INFORMATION ON OUR GROUP *(Cont'd)*

6.9 MATERIAL REGULATORY REQUIREMENTS

Save as disclosed below and in Section 15.6 of this Prospectus on the exchange controls, there are no other regulatory requirements which may materially affect our operations and utilisation of our property, plant and equipment.

The following is an overview of the relevant laws, regulations and requirements of Malaysia governing the conduct of our Group's business and environmental issue which may materially affect our business operations:

(a) Lembaga Pembangunan Industri Pembinaan Malaysia ("CIDB") Act 1994 ("CIDB Act")

Pursuant to the CIDB Act, no person shall carry out or complete, undertake to carry out or complete any construction work or hold himself out as a contractor, unless he is registered with the CIDB and holds a valid certificate of registration issued by the CIDB. Non-compliance of which is any offence and shall, on conviction, be liable to a fine of not less than RM10,000 but not more than RM100,000.

A contractor is defined as a person who carries out or completes or undertakes to carry out or complete any construction works and for the purposes of the CIDB Act, any person who has been awarded or executed any contract for construction works, or has undertaken to carry out, manage or complete any construction works, or has carried out, managed or completed any construction works, shall be deemed to be a contractor unless proven otherwise.

Pursuant to Section 34(1) of CIDB Act, every contractor shall declare and submit to CIDB any contract which he has been awarded on any construction works. Section 34(2) of CIDB Act provides that for every contract referred to in Section 34(1) of CIDB Act, whether stamped or not, having a contract sum of above RM500,000, the contractor shall be liable to pay to CIDB a levy at the rate of 0.25% of the contract sum. Pursuant to CIDB (Imposition of Levy) (No. 2) Order 2024, which takes effect until 31 December 2025, the current rate of levy imposed on a contractor is varied from 0.25% to 0.125% of the contract sum. Section 34(9) of CIDB Act provides that where a contractor fails to pay any levy due within the prescribed period by the CIDB, the contractor shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 or 4 times the amount of such levy payable, whichever is higher.

Sum Technic had on 2 separate occasions in 2021 and 2023 failed to make payment for the levies imposed by CIDB within the prescribed period. The compound of RM500 that was imposed on Sum Technic by CIDB was fully settled in 2021. Additionally, CIDB on 30 August 2023 temporarily blocked Sum Technic's access to the CIDB's Centralised Information Management System ("**CIMS**") due to non-payment of levy amounting to RM16,410.00 to CIDB. Upon being notified, Sum Technic promptly settled the levy payment and Sum Technic's access to the CIMS was restored on 1 September 2023. This instance of non-compliance did not result in any disruption to Sum Technic's business operations.

In order to prevent such incidents from reoccurring, our Group has implemented corrective measures within our internal control systems, comprehensive policies and procedures to ensure compliance with CIDB requirements. These include the declaration and submission of the letter of award to CIDB, timely payment of the applicable levy and compliance with relevant registration, accreditation, certification and employee training obligations.

As at the LPD, Sum Technic holds a valid certificate of registration (Grade 7) issued by CIDB. As at the LPD, save for the non-compliances disclosed above, our Group complies with the CIDB Act.

6. INFORMATION ON OUR GROUP *(Cont'd)*

(b) Electricity Supply Act 1990 ("ESA 1990")

Pursuant to Section 9(1) of the ESA 1990, no person, other than a supply authority, shall (a) use, work or operate or permit to be used, worked or operated any installation; or (b) supply to or for the use of any other person electricity from any installation except under and in accordance with the terms and conditions of a licence as may be prescribed authorising the supply or use, as the case may be.

Section 37(5) of the ESA 1990 provides that any person who, in contravention of Section 9 of the ESA 1990, supplies electricity from an installation to or for the use of any person commits an offence and shall, on conviction, be liable to a fine not exceeding RM100,000 and to a further fine not exceeding RM1,000 for every day or part of a day during which the offence continues after conviction.

As at the LPD, our subsidiary, Sum Technic, holds a valid certificate of registration issued by Energy Commission as an electrical contractor for Class C, which allows Sum Technic to carry out electrical works up to RM500,000 in value. For electrical works for the projects with a contract value exceeding RM500,000, our Group engages subcontractors registered with the Energy Commission to perform or carry out the electrical works. This approach allows the Group to undertake and deliver larger-value projects which encompasses electrical works with a contract value exceeding RM500,000, without incurring the additional manpower requirement to maintain a higher-class electrical contractor certification. As at the LPD, our Group complies with the ESA 1990.

(c) Industrial Co-ordination Act 1975 ("ICA")

Pursuant to Section 3(1) of the ICA, no person shall engage in any manufacturing activity unless he is issued a licence in respect of such manufacturing activity. Failure to comply is an offence and such person shall be liable on conviction to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding 6 months and to a further fine not exceeding RM1,000 for every day during which such default continues.

"Manufacturing activity" is defined under the ICA as the "making, altering, blending, ornamenting, finishing or otherwise treating or adapting any articles or substance with a view to its use, sale, transport, delivery or disposal and includes the assembly of parts and ship repairing but shall not include any activity normally associated with retail or wholesale trade".

Manufacturing companies with shareholders' funds of RM2.50 million and above or engaging 75 or more full-time paid employees are required to apply to the MITI for a manufacturing licence.

Micronaire Global is involved in the manufacturing of customised industrial MVAC products at the Klang Factory. This activity constitutes "manufacturing activity" under the ICA 1975. Micronaire Global only became subject to the licencing requirement and was required to obtain a manufacturing licence under the ICA 1975 when its shareholders' funds exceeded RM2.5 million in April 2024. However, Micronaire Global only submitted an application to the Malaysian Investment Development Authority ("**MIDA**") on 3 March 2025 to obtain the manufacturing licence, upon being made aware of the requirement of a manufacturing licence for its manufacturing operations. Subsequently, MIDA had, on 17 March 2025, granted Micronaire Global a 6-month interim approval for the manufacturing of air handling unit and related components at the Klang Factory. As such, Micronaire Global had operated without approval for its manufacturing operations at the Klang Factory during this period from April 2024 until the interim approval was issued by MIDA on 17 March 2025.

Pursuant to the terms of the interim approval issued by MIDA, the interim approval is conditional upon Micronaire Global submitting an application together with the requisite documents to the MIDA before 17 September 2025 for the issuance of a manufacturing licence. Micronaire Global had on 24 June 2025 submitted an application to MIDA for the issuance of a manufacturing licence. The manufacturing licence was issued to Micronaire Global on 4 July 2025.

In order to prevent such incidents from reoccurring, our Group has implemented internal controls to conduct periodic reviews of all licencing requirements applicable to its business operations, ensuring that our Group's operations are regularly assessed for compliance with laws and regulations.

Notwithstanding the above, our Group has not received any fines, penalties, compounds, or notices of non-compliance from the authority. As at the LPD, Micronaire Global, which carries out the manufacturing activities of our Group holds a valid manufacturing licence for the manufacturing of air handling unit and related components at the Klang Factory. As at the LPD, save for the non-compliances disclosed above, our Group complies with the ICA.

(d) Local Government Act 1976 ("LGA 1976")

The LGA 1976 empowers every local authority to grant licence or permit for any trade, occupation or premise through by-laws. Every licence or permit granted shall be subject to such conditions and restrictions as the local authority may think fit and shall be revocable by the local authority at any time without assigning any reason therefor. As our Group's business activities are mainly carried out in Petaling Jaya and Klang, we are subject to the following by-laws of the respective states:

(i) Petaling Jaya City Council ("**MBPJ**")

Licensing of Trades, Businesses and Industries (Petaling Jaya City Council) By-Laws 2007 provides that it is an offence for a person to operate any activity of trade, business and industry or use any place or premise in the local area of the MBPJ for any activity of trade, business and industry without a licence issued by the MBPJ. Any person who contravenes any provision of the by-laws commits an offence and shall, on conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or both and in the case of a continuing offence to a fine not exceeding RM200 for each day during which such offence is continued after conviction.

Advertisement (Petaling Jaya City Council) By-Laws 2007 provides that no person shall exhibit any advertisement without a license issued by the MBPJ. Any person who contravenes any of the provision of the by-laws shall be guilty of an offence and shall upon conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or both such fine and imprisonment and in the case of a continuing offence to a fine not exceeding RM200 for each day during which such offence is continued after conviction.

(ii) Klang Royal City Council ("**MPK**")

Licensing of Trades, Businesses and Industries (Klang Municipal Council) By-Laws 2007 provides that it is an offence for a person to operate any activity of trade, business and industry or use any place or premise in the local area of the MPK for any activity of trade, business and industry without a licence issued by the MPK. Any person who contravenes any provision of the by-laws commits an offence and shall, on conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or both and in the case of a continuing offence to a fine not exceeding RM200 for each day during which such offence is continued after conviction.

Advertisement (Klang Municipal Council) By-Laws 2007 provides that no person shall exhibit any advertisement without a license issued by the MPK. Any person who contravenes any of the provision of the by-laws shall be guilty of an offence and shall upon conviction be liable to a fine not exceeding RM2,000 or to imprisonment for a term not exceeding 1 year or both such fine and imprisonment and in the case of a continuing offence to a fine not exceeding RM200 for each day during which such offence is continued after conviction.

In June 2025, Sum Technic and Sum System relocated the business operations to the unit no. D-2-6 and D-3-6 of Ara Damansara Office. However, the business licences for both entities were only issued by the MBPJ on 9 July 2025. As such, both of our subsidiaries operated without valid business licences during the interim period before the business licences were issued.

Micronaire Global was issued a temporary business licence by the MDK for its manufacturing operations at the Klang Factory and the temporary business licence expired on 1 June 2025. Although Micronaire Global has submitted the renewal application to MDK in May 2025 prior to its expiry, the renewed temporary business licence was only issued on 14 July 2025. As such, Micronaire Global operated without a valid business licence during the interim period before the temporary licence was renewed.

In order to avoid such incidents from reoccurring, our Group has implemented stricter internal controls to ensure that all requisite business licences are duly obtained prior to the commencement of any business operations. Additionally, our Group has established a standard operating procedure ensuring that all licence renewal applications are submitted at least two months prior to the respective expiry dates. This will ensure continuous compliance with applicable laws and regulations, thereby avoiding business disruptions.

Notwithstanding the above, our Group has not received any fines, penalties, compounds, or notices of non-compliance from the respective local authorities. As at the LPD, our Group holds and maintains valid business premise licences for all our operating business premises, valid signboard licences in respect of all premises with external signboards as well valid storage licences in respect of all premises used for storage purposes. As at the LPD, save for the non-compliances disclosed above, our Group complies with the LGA 1976.

(e) Occupational Safety and Health Act 1994 ("OSHA 1994") (as amended by the Occupational Safety and Health (Amendment) Act 2022 which came into force from 1 June 2024)

The OSHA 1994 regulates the safety, health and welfare of persons at work, to protect others against risks to safety or health in connection with the activities of persons at work, as well as to promote an occupational environment for persons at work.

Pursuant to Section 16 of the OSHA 1994, it is the duty of every employer to prepare and as often as may be appropriate revise a written statement of his general policy with respect to the safety and health at work of his employees and the organisation and arrangements for the time being in force for carrying out that policy, and to bring the statement and any revision of it to the notice of all of his employees. Employer who contravenes this provision shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM500,000 or to imprisonment for a term not exceeding 2 years or to both.

Section 29 of the OSHA 1994 requires an occupier of a place of work to which this section applies to employ a competent person to act as a safety and health officer at the place of work. An occupier who contravenes the provisions of this section shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 or to a term of imprisonment not exceeding 6 months or to both. The employer of the class or description of industries that shall employ a safety and health officer can be found under Order 3 of the Occupational Safety and Health (Safety and Health Officer) Order 1997, which include any work of engineering construction where the total contract price of the project exceeds RM20,000,000.

In addition, Section 30 of the OSHA 1994 provides that every employer shall establish a safety and health committee at the place of work if there are 40 or more persons employed at the place of work or the Director General of DOSH directs the establishment of such a committee at the place of work. A person who contravenes this provision shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 1 year or to both.

As at the LPD, our Group is in compliance with the relevant provisions under the OSHA 1994.

(f) Income Tax Act 1967 ("ITA 1967")

Pursuant to Section 107C(1) of the ITA 1967, every company, limited liability partnership, trust body or co-operative society shall for each year of assessment furnish to the IRB an estimate of its tax payable.

Pursuant to Section 107C(10) of the ITA 1967, where the tax payable under an assessment for a year of assessment exceeds the revised estimate under Section 107C(7) of the ITA 1967 or if no such revised estimate is furnished, the estimate of tax payable for that year of assessment, by an amount of more than 30% of the tax payable under the assessment, then, without any further notice being served, the difference between that amount and 30% of the tax payable under the assessment shall be increased by a sum equal to 10% of the amount of that difference, and that sum shall be recoverable as if it were tax due and payable under ITA 1967.

Micronaire Global had underestimated the tax payable for years of assessment ("**YA**") 2021 and 2022, while Sum System had underestimated the tax payable for YA 2024. Micronaire Global was imposed with a total penalty of RM9,916.78 by IRB for underestimation of tax payable for YAs 2021 and 2022. On the other hand, Sum System was imposed with a penalty of RM151.13 for underestimation of tax payable for YA 2024. All the penalties with a total amount of RM10,068.11 had been fully settled.

In order to prevent such incidents from reoccurring, our Group has implemented corrective measures and a structured tax review procedure within our internal control systems to review tax matters and associated penalties, ensuring proactive identification, assessment and resolution of tax related issues. As at the LPD, save for the non-compliances disclosed above, our Group complies with the ITA 1967.

[The rest of this page is intentionally left blank]

6. INFORMATION ON OUR GROUP *(Cont'd)*

(g) Customs Act 1967

The Customs Act 1967 ("**CA 1967**") provides for the levying of customs duties, the export declarations and other customs-related matters.

Pursuant to Section 80 of CA 1967, every exporter of dutiable goods shall immediately before export personally or by his agent make a declaration of the goods to be exported, produce such goods to such officer at any place as the officer may direct and pay the export duty and any other charge leviable thereon, if any, to such officer. Pursuant to Section 133 of CA 1967, failure to make such declaration as required under CA 1967 is an offence and shall, on conviction, be liable to a fine not exceeding RM500,000 or to imprisonment for a term not exceeding 7 years or to both.

Our Group is required to make export declarations as and when our Group exports MVAC products from Malaysia. Our Group appoints customs agents licensed under CA 1967 to undertake the submission of such declarations. As at the LPD, our Group has complied with the requirements under the CA 1967 for export declarations.

As at the LPD, our Group complies with the material regulatory requirements as disclosed in the Prospectus.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW

7.1 OUR HISTORY AND MILESTONES

Our Company was incorporated in Malaysia under the Act on 24 January 2025 as a private limited company under the name of Sum Technology Sdn Bhd. Our Company was converted to a public limited company on 24 September 2025 and assumed our present name of Sum Technology Berhad to facilitate our Listing. The table below sets out the history and milestones of our Group since 2013.

Year	Key milestones of our Group
2013	▪ Our Group's history began with the incorporation of Sum System as a private limited company under the Act in Malaysia on 23 May 2013 to engage in the trading of air conditioning equipment for semiconductor industry applications, particularly in MEPF utilities and controlled environment including cleanrooms.
2014	▪ Sum Technic and Micronaire Global were incorporated as private limited companies under the Act in Malaysia on 11 April 2014, under the names Power Sum Sdn Bhd and Sum Energy Sdn Bhd, respectively. Following their incorporation, they were dormant. Sum Technic and Micronaire Global subsequently changed to their current names on 14 March 2016 and 7 June 2017, respectively. Both companies were incorporated as part of our strategy to expand our products and services catering for MEPF utilities for the cleanroom industry.
2017	▪ Sum Technic began operations providing turnkey solutions that cover a project's lifecycle, from design and procurement to construction and testing and commissioning of MEPF utilities and/or cleanrooms. ▪ Sum Technic registered with CIDB as a G5 contractor under the building (B04), civil engineering (CE21) and mechanical and electrical engineering (M01 and M15) categories, allowing it to undertake projects with value of up to RM5.0 million.
2018	▪ Sum Technic secured several projects, namely: o a project from Unisem Advanced Technologies Sdn Bhd worth a total of RM6.1 million to design and build of cleanroom system inclusive of MEPF utilities. The project comprised two different work packages, each amounting to RM3.4 million and RM2.7 million respectively. o a project from a customer in the Philippines worth RM4.9 million to design and build of MVAC system for ISO Class 8 cleanroom inclusive of MEPF systems. ▪ Micronaire Global began manufacturing MVAC products, namely AHU and fan filter units that are branded under its house brand, MAC. This manufacturing capability allows our Group to source customised air conditioning equipment for our turnkey projects, while also targeting external customers who require these specialised products.
2019	▪ Sum Technic obtained ISO 9001:2015 certification from Bureau Veritas for its quality management system under the scope of "the provision of design and construction services for cleanroom buildings including mechanical, electrical and infrastructural works".
2020	▪ Sum Technic upgraded its registration with CIDB to G7 in the building (B04), civil engineering (CE21) and mechanical and electrical engineering (M15) categories that allows it to undertake projects with unlimited project value.
2022	▪ Sum Technic tendered for and secured a project in Malaysia worth RM55.9 million from STMicroelectronics Sdn Bhd where we acted as the main contractor to deliver design and build services for cleanrooms inclusive of MEPF utilities. ▪ Tendered for and awarded a project worth RM39.2 million from Customer A to provide MEPF utilities encompassing one (1) block of factory and one (1) block of office building. ▪ Tendered for and awarded a project worth RM19.6 million from Customer B to provide civil, structural and architectural, and M&E works for its manufacturing building.

7. BUSINESS OVERVIEW *(Cont'd)*

Year	Key milestones of our Group
2023	▪ Sum Technic tendered for and secured a project worth RM12.7 million from Customer D to deliver a controlled environment facility (entomology laboratory, office space, and aerosol laboratory) inclusive of MEPF utilities. ▪ Sum Technic renewed its G7 registration with CIDB to G7 in the building (B04), civil engineering (CE21) and mechanical and electrical engineering (M15) categories that allows it to undertake projects with unlimited project value.
2024	▪ Micronaire Global obtained the AHRI certification that acknowledges our MAC-branded AHUs meet the AHRI 1350 performance standard for central station AHU. While the AHRI certification is not a regulatory requirement, it is a globally and industry recognised certification program that tests and verifies manufactured AHU products meet international performance standards, which reflects our Group's commitment to quality and enhances our competitive position. ▪ We secured a project worth RM9.3 million from Honghui Engineering Sdn Bhd for the design and build of fire protection systems for a battery manufacturing plant in Banting, Selangor. ▪ Micronaire Global entered into a business development agreement with Nicomac Taikisha Clean Rooms Private Limited ("**Nicomac**"), a company that is incorporated in India, having its principal place of business in India and is engaged in the design, manufacture, installation and maintenance of cleanrooms and related solutions. Under the agreement, Micronaire Global will provide technical support to Nicomac in respect of the development of AHU products. In consideration thereof, Micronaire Global is entitled to a royalty of 3.5% on annual sales, with a minimum royalty of USD30,000 per annum applicable from April 2026. The term of the agreement commenced on 11 December 2024 and will continue for a period of 10 years. ▪ We secured a project worth RM3.7 million from SSPI Inc (formerly known as Sumsys Solution Phils, Inc) for the project management of MEPF utilities for a data centre in the Philippines.
2025	▪ We moved into our new office premise at unit no. D-2-6 and D-3-6 of Ara Damansara Office. ▪ We secured a project worth RM11.3 million from Honghui Engineering Sdn Bhd for the design and build of fire protection systems for a battery manufacturing plant in Serendah, Selangor. ▪ We secured a project worth RM11.0 million from Unisem (M) Berhad for the supply and installation of MEPF utilities for a semiconductor factory. ▪ We secured a project worth RM5.00 million from Chery Corporate Malaysia Sdn Bhd to provide project management and consultancy service for their automotive assembly plant for completely knock down vehicles in Lembah Beringin, Selangor.
2026	We secured a project worth RM24.80 million from CCIE Engineering (M) Sdn Bhd for the supply and installation of MEPF utilities for a data centre in Johor Bahru, Johor.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.2 PRINCIPAL BUSINESS ACTIVITIES

Our Group is a turnkey solutions provider where we provide (i) design and build solutions for mission critical products, technologies and services for cleanrooms, controlled environments and MEPF utilities, (ii) manufacturing of MVAC products, and (iii) trading of MVAC products and solar PV panels. Our Group's business model is illustrated below:

Business segments	▪ Turnkey solutions: o Cleanroom o Controlled environments o MEPF utilities	▪ Manufacturing of MVAC products	▪ Trading of MVAC products ▪ Trading of solar PV panels
Subsidiaries involved	▪ Sum Technic	▪ Micronaire Global	▪ Sum System
Scope of work	▪ Design and engineering ▪ Procurement ▪ Construction / Project management ▪ Installation ▪ Testing and commissioning ▪ Maintenance and support	▪ Design and manufacturing of customised MVAC products ▪ Maintenance and support of MVAC products	▪ Trading of MVAC products and solar PV panels
Customer industries	▪ Semiconductor ▪ Electrical and electronics ▪ Engineering services* ▪ Consumer products	▪ Semiconductor ▪ Electrical and electronics ▪ Engineering services*	▪ Semiconductor ▪ Electrical and electronics ▪ Engineering services*
End user industries	▪ Semiconductor ▪ Consumer products ▪ Data centres ▪ Electrical and electronics ▪ Automotive and electric vehicle battery	▪ Semiconductor ▪ Electrical and electronics ▪ Pharmaceutical ▪ Biotechnology ▪ Maritime ▪ Medical	▪ Semiconductor ▪ Pharmaceutical ▪ Biotechnology
Principal markets	Malaysia and Philippines		

Note:

* *Refers to main contractors who engage us for our services.*

7. BUSINESS OVERVIEW *(Cont'd)*

Our products and services cater mainly to end users in the semiconductor and electrical and electronics sectors, where our design and build solutions support various stages of the semiconductor manufacturing process, including fabrication, test, and assembly. Other end user industries that we currently serve include automotive and electric vehicle battery, consumer products, and medical, among others.

Our core offerings for the abovementioned industries include the design and build of cleanrooms, controlled environments (such as positive or negative pressure rooms, temperature-controlled rooms), and MEPF utilities. Cleanrooms are essential systems in high-precision industries where presence of microscopic particles can compromise product quality or process performance. These cleanroom infrastructures incorporate multiple sub-systems, including MEPF utilities, which form an integrated network of parts, components and systems to facilitate the operations in manufacturing facilities, commercial buildings and data centres.

Our turnkey solutions encompass the entire project lifecycle, from consultancy, design to procurement, project and construction management to testing, and commissioning. The MEPF utilities we offer include MVAC, facility management, fire protection, and process hook-ups, all of which are critical in maintaining operational reliability and environmental control across industries.

In addition to turnkey cleanroom and utility systems, we are also engaged in the manufacturing and trading of general and customised MVAC products such as AHUs and FCUs. Our MVAC products are designed for industrial applications to regulate temperature, airflow, and airborne pollutant levels such as dust, microbes, and particles which comply with environmental control standards. These systems are tailored to customer specifications and industry requirements and are deployed across cleanroom environments and commercial facilities. Our MVAC products are sold locally as well as overseas. For the overseas market namely, Australia, Indonesia, the Philippines and Singapore, we engage distributors to market and distribute these products in their assigned territories. We also trade MVAC products, mainly AHUs, and solar PV panels (only in the Philippines market as at the LPD) to customers including engineering service providers.

The table below sets out our Group's revenue by product segments for the Financial Years Under Review:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Turnkey solutions								
Cleanroom[(1)]	49,403	59.17	21,467	24.23	12,100	23.56	13,186	20.08
MEPF utilities[(2)]	24,998	29.95	57,392	64.79	22,733	44.27	33,185	50.53
Maintenance	487	0.58	594	0.67	827	1.61	1,128	1.72
	74,888	89.70	79,453	89.69	35,660	69.44	47,499	72.33
Manufacturing of MVAC products	4,762	5.70	4,513	5.09	8,749	17.04	9,355	14.25
Trading								
MVAC products	3,429	4.11	3,844	4.34	6,945	13.52	8,816	13.42
Solar PV panels	408	0.49	775	0.88	-	-	-	-
	3,837	4.60	4,619	5.22	6,945	13.52	8,816	13.42
Total	**83,487**	**100.00**	**88,585**	**100.00**	**51,354**	**100.00**	**65,670**	**100.00**

Notes:

(1) Refers to services which encompass design and build of cleanroom and MEPF utilities.

(2) Refers to services which encompass design and build of standalone MEPF utilities only.

7. BUSINESS OVERVIEW *(Cont'd)*

The table below sets out our Group's revenue by geographical locations for the Financial Years Under Review:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Domestic market								
Malaysia	75,862	90.87	81,015	91.45	35,224	68.59	48,600	74.01
Overseas market								
Philippines[(1)]	6,698	8.02	5,873	6.63	10,003	19.48	13,440	20.46
Others[(2)]	927	1.11	1,697	1.92	6,127	11.93	3,630	5.53
Total	**83,487**	**100.00**	**88,585**	**100.00**	**51,354**	**100.00**	**65,670**	**100.00**

Notes:

(1) Revenue derived from the Philippines market according to product segments are as follows:

	FYE 2022		*FYE 2023*		*FYE 2024*		*FYE 2025*	
	RM'000	*%*	*RM'000*	*%*	*RM'000*	*%*	*RM'000*	*%*
Turnkey solutions	*956*	*14.27*	*1,109*	*18.88*	*2,256*	*22.55*	*5,134*	*32.23*
Manufacturing of MVAC products	*1,905*	*28.44*	*146*	*2.49*	*803*	*8.03*	*1,981*	*12.43*
Trading								
- MVAC products	*3,429*	*51.19*	*3,843*	*65.44*	*6,944*	*69.42*	*8,816*	*55.34*
- Solar PV panels	*408*	*6.09*	*775*	*13.20*	*-*	*-*	*-*	*-*
Total	***6,698***	***100.00***	***5,873***	***100.00***	***10,003***	***100.00***	***15,931***	***100.00***

During the Financial Years Under Review, the Philippines is our trading segment's sole market.

(2) Comprises Taiwan, Singapore, Australia, Bangladesh, India and Indonesia.

7.2.1 Turnkey solutions

We principally provide turnkey solutions which covers controlled environment, such as cleanrooms, and mission critical MEPF utilities for customers and/ or end users in the semiconductor, consumer products, and data centre sectors. This segment contributed RM74.88 million, or 89.70%, RM79.45 million, or 89.69%, RM35.66 million, or 69.44%, and RM47.50 million, or 72.33% respectively, of our revenue during the Financial Years Under Review.

In a turnkey project, our services comprised of the following:

- Design and build of cleanroom and MEPF utilities, where our scope of work typically encompasses designs, procurement, installation and construction of cleanroom, testing and commissioning and certification of cleanrooms and MEPF utilities; and

- Design and build of standalone MEPF utilities only, where our scope of work encompasses engineering and designs, procurement, installation and construction, testing and commissioning of MEPF utilities.

In a turnkey project, our scope of work is confined to the development of designs according to the requirements by end-users, procurement of materials and services as well as the overall management of our turnkey projects. We work with appointed contractors who work under our supervision to carry out selected works which include civil and structural works, installation and construction of cleanroom, MEPF utilities system and other facilities.

7. BUSINESS OVERVIEW *(Cont'd)*

We generally participate in turnkey projects either as the main contractor or subcontractor depending on the party that awards the project. Our roles in projects are detailed as follows:

(i) As a main contractor engaged by end-user, we oversee and supervise every aspect of the project's development. This includes turnkey solutions which encompass designs, procuring materials and services, equipment, and coordinating with subcontractor, managing installation and construction works, and supervising testing and commissioning to ensure the facilities meet all operational requirements.

(ii) As a subcontractor appointed by the main contractor of a project, we deliver turnkey solutions as part of a broader project scope. In such cases, our responsibilities are defined by the main contract and may focus on specific areas such as design and engineering or project management, or other specialised scopes of work.

For both roles, we carry out the design, procurement, and testing and commissioning works and overall project management. We rely on subcontractors to carry out installation and construction work where works are carried out under our management and supervision.

As a turnkey solutions provider, we can deliver cleanrooms across a wide range of classifications, from ISO Class 2 to ISO Class 9 by managing the full project lifecycle from concept to commissioning. This includes architectural planning, MVAC and MEPF system integration, cleanroom-compatible material selection, and environmental validation according to internationally recognised standards.

The following table details our Group's revenue breakdown by type of engagement during the Financial Years Under Review:

	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Main contractor	67,258	89.81	32,788	41.27	27,756	77.86	18,272	38.47
Subcontractor	7,630	10.19	46,665	58.73	7,904	22.14	29,227	61.53
Total	**74,888**	**100.00**	**79,453**	**100.00**	**35,660**	**100.00**	**47,499**	**100.00**

As a main contractor, we are typically engaged directly by the end-user of the solutions to undertake the project. Our role as a subcontractor is typically appointed by a project's main contractor to undertake selected scope of works of a project.

The following details our general scope of work in a turnkey cleanroom project:

(i) Design

A design phase encompasses system design and consultancy developed by in-house design team to execute conceptualised engineering design blueprints. Various aspects of project requirements are considered, ranging from project budget and duration (which ranges from 6 to 18 months), facility size to production output that meets required industry standards. There are several stages of design, namely conceptual design, preliminary design and detailed design, which are summarised as follows:

Conceptual design: We collaborate with our customer on the project parameters according to the intended use, after which a conceptual design will be developed. This includes controlled environment such as cleanrooms and R&D laboratories where the cleanliness levels range from ISO Class 1 to ISO Class 9 (the lower the ISO class number, the cleaner the environment that are measured by the number of airborne particles per cubic meter), sizes, and basic layouts that are conducted during initial visits to the site. The table below lists the cleanroom ISO cleanroom classifications according to maximum allowable particle concentration per cubic meter.

7. BUSINESS OVERVIEW *(Cont'd)*

Cleanroom ISO Classification	Maximum Particle/m^3	
	0.1µm#	0.5µm#
ISO Class 1	10	0.35
ISO Class 2	100	3.50
ISO Class 3	1,000	35
ISO Class 4	10,000	352
ISO Class 5	100,000	3,520
ISO Class 6	1,000,000	35,200
ISO Class 7	10,000,000	352,000
ISO Class 8	100,000,000	3,520,000
ISO Class 9	1,000,000,000	35,200,000

Cleanroom ISO classification refers to a system defined under the ISO 14644 standard that categorises cleanrooms and controlled environment based on the allowable concentration of airborne particles to ensure controlled levels of cleanliness.

We are capable of undertaking projects that require cleanliness levels of up to ISO Class 2. For environments such as data centres, our design will take into account the ventilation and air conditioning requirements to maintain the facilities' optimum temperature for operations. We will then carry out feasibility studies and outline the project's scope, budget, and timeline to establish a foundation for the project.

Preliminary design: We develop initial design concepts by creating preliminary floor plans and layouts that specify amongst others, equipment placement and workflow patterns. We conduct preliminary design calculations for MEPF utilities while ensuring compliance with relevant standards and regulations, for example the ISO 14644.

Detailed design: We finalise all aspects of the cleanroom design with comprehensive drawings and specifications where it integrates all MEPF utilities, select materials and equipment, and prepare detailed documentation required for construction and regulatory approvals.

(ii) Procurement

We oversee the procurement of all necessary materials and equipment within the specified budget and in accordance with the required standards. This process also involves the appointment of subcontractors for installation and construction services. Subcontractors are appointed based on quotation process, where they are assessed on areas which include track records and industry experience, financial capabilities and quoted price. The material and equipment purchased during this stage are supplied to appointed subcontractors and thereby limiting their scope of work to installation and construction works.

(iii) Project management

Throughout the implementation of a turnkey project, we manage and oversee every aspect of the project from the initial stages through to the delivery of cleanroom and MEPF utilities to facility or project owners.

Construction and installation

The construction and installation of cleanroom and equipment are carried out by appointed subcontractors and carried out according to approved drawings and documentation under our supervision. The construction and installation process encompasses the installation of various cleanroom, interior structures and MEPF utilities related components and systems, and construction of cleanroom structure.

7. BUSINESS OVERVIEW *(Cont'd)*

(iv) Testing and commissioning

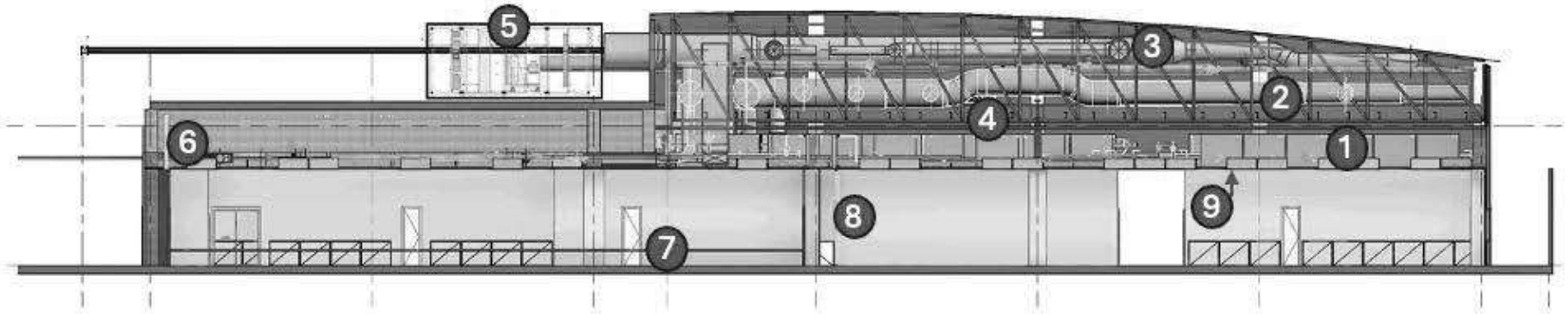
Testing and commissioning process follows after the construction and installation process to ensure all systems perform according to technical specifications. It involves inspecting the installation of mechanical, electrical, and process systems, followed by functional tests of equipment such as AHUs, filtration systems, and control systems. Cleanroom performance is then validated through tests for particle count, airflow, pressure, temperature, and filter integrity, typically in accordance with ISO 14644 standards. Once all systems are verified, the cleanroom undergoes certification carried out by an independent third-party engaged by the project owner to ensure compliance with the required ISO classification prior to handover to the customer.

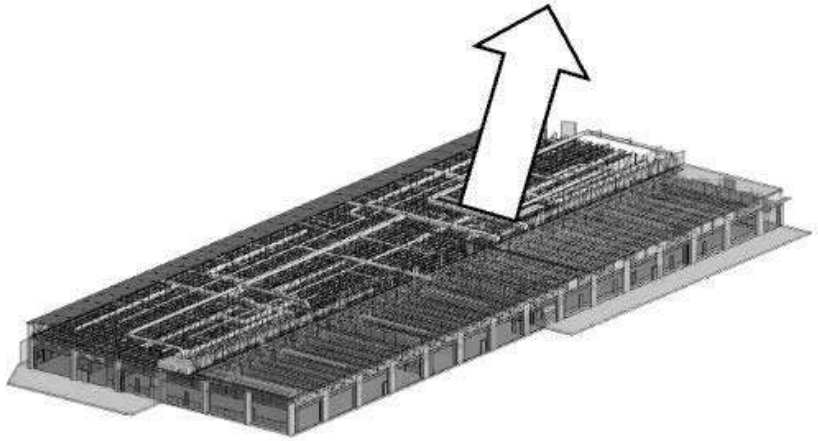
[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.2.1.1 Cleanroom and MEPF utilities

A controlled environment is a purpose-built facility engineered to maintain low concentrations of airborne particles while accommodating mission critical systems, equipment, and tools required for its operation. Examples of controlled environments include but are not limited to cleanrooms, laboratories and data centres. The major components and subsystems of a cleanroom system and its MEPF utilities, and the scope of work undertaken by our Group are depicted below:





Legend:

1. *FFU*
2. *MAU duct*
3. *Air scrubber duct*
4. *Secondary structure*
5. *Outdoor MAU*
6. *Dry coil unit*
7. *Raised floor unit*
8. *Cleanroom wall system*
9. *Cleanroom ceiling system*

7. BUSINESS OVERVIEW *(Cont'd)*

Controlled environments are critical in industries where microscopic contaminants may disrupt manufacturing processes or compromise product integrity. Sectors including semiconductor, electrical and electronics, consumer products and data centres rely on controlled environments to maintain consistent product quality. Amongst these, controlled environments such as cleanrooms are typically used in activities that require a high level of cleanliness and environmental control such as semiconductor wafer fabrication, assembly of electronic components, manufacturing of high-end consumer devices, advanced materials research in laboratories, and equipment maintenance in data centres.

To support the necessary equipment and tools and work flow, controlled environments are fitted with MEPF utilities, which provide water, chemicals, gases, and exhaust systems to the facility. These utilities are designed in accordance with industry standards and tailored to the specific requirements of each facility.

MEPF utilities form a combined network of mechanical, electrical, and process systems that deliver services such as heating, cooling, ventilation, lighting, power distribution, fire protection, and plumbing.

Our MEPF utilities system solution comprises:

(a) Mechanical utilities refer to systems and equipment that handle the generation, distribution, and control of resources (including air, temperature) which include MVAC system, exhaust system and plumbing and sanitary system.

(b) Electrical works to ensure reliable and safe energy supply through the use of, amongst others, power distribution system, electrical lighting and controls system, and security, CCTV, network system.

(c) Process utilities are specialised systems that supply and manage materials, chemicals, steam, or other resources essential for production or industrial processes through the use of various exhaust and vacuum systems.

(d) Firefighting system is an integrated safety system that detects, controls and suppress fire hazards within a facility or building. Key components of a firefighting system include automatic fire detection and alarm system, water and gas-based suppression systems.

MEPF systems are typically integrated with a cleanroom or building's unit facilities through process hook-up services which involves setting up equipment at its intended space and connecting process tools to cleanroom, for example, MVAC component being connected via ducts to cleanroom to provide fresh or recycled clean air. By integrating MEPF utilities into our designs, facilities maintain consistent environmental conditions that enables them to manufacture products that meet stringent purity, safety, and performance criteria.

In addition to cleanrooms, our customers may also engage us to install MEPF utilities for general systems and setup for other non-cleanroom facilities in their premises, which may include office buildings at their premises. Over the course of the projects, we may be involved in managing the overall project, including the procurement as well as installation and structural works activities.

7.2.2 Manufacturing of MVAC products

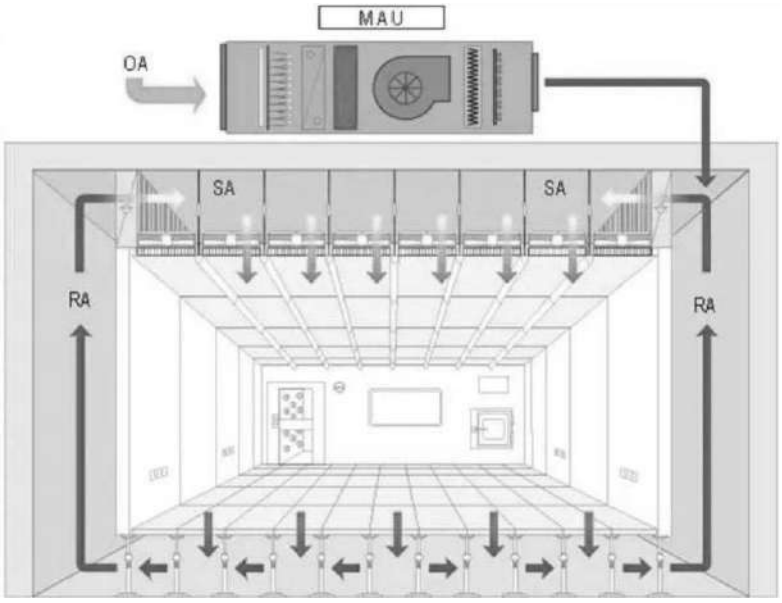
Our subsidiary Micronaire Global is involved in the manufacturing of customised industrial MVAC products, mainly AHUs that are marketed under our MAC brand. This segment contributed RM4.76 million, or 5.70%, RM4.51 million, or 5.09%, RM8.75 million, or 17.04%, and RM9.36 million or 14.25% respectively, of our revenue during the Financial Years Under Review. Our MVAC products are sold locally as well as overseas. For the overseas market namely, Australia, Indonesia, the Philippines and Singapore, we engage distributors to market and distribute these products in their assigned territories.

7. BUSINESS OVERVIEW *(Cont'd)*

AHUs are critical components of MVAC systems used in controlled environments. AHUs condition air by regulating temperature, humidity, pressure, preventing electrostatic discharge and controlling airborne particles, while at the same time, supply fresh air into a facility. FCU on the other hand, is generally used to provide air conditioning in a localised setting, for example, in a small room.

All air conditioning equipment manufactured is designed inhouse and customised to meet customers' specific requirements and intended applications, with the aim of delivering systems that optimise performance and operational costs while ensuring precise environmental control. Our customisation ranges from choice of sizes, capacities and the material used to be installed on existing and new facilities. These tailored MVAC products are ideal for environments with complex requirements, such as semiconductor manufacturing, pharmaceutical laboratories, biotechnology facilities, marine related environments (i.e., ships and vessels, offshore platforms and coastal facilities) as well as commercial building uses.

The diagram below shows a general MVAC solution in a cleanroom:



Notes:
OA: Outside air
MAU: Make-up air unit
SA: Supplied air
RA: Returned air.

The MVAC system works by drawing in external air into the MAU, which then filters and conditions the air through cooling or heating processes to achieve the desired temperature and humidity levels. The processed air is then channelled to the ducting system above the cleanroom, where it passes through FFU equipped with HEPA filters or ULPA filters before the air is introduced into the cleanroom environment.

Inside the cleanroom, the filtered air flows from ceiling to floor, ensuring consistent and controlled airflow that helps remove airborne contaminants. The air exits through return air ducts located beneath the raised floor and is either partially recirculated back into the system or exhausted out, depending on the cleanroom's design and classification requirements.

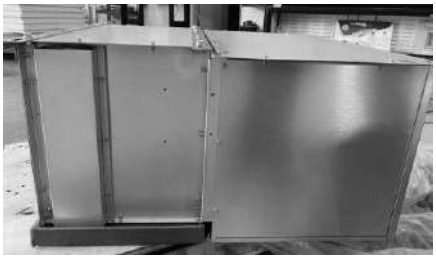
The MVAC products are customised with a control system to ensure that the client's production environment meets the required air quality and critical operating conditions. It can be integrated with the client's BMS to provide a one-stop solution for MVAC products' control and monitoring. The control system is fully customisable to accommodate varying operational duties and environmental requirements specific to each client.

7. BUSINESS OVERVIEW *(Cont'd)*

Our customisation service involves a thorough consultation process where our engineering team collaborates closely with our customers to identify specific needs. The design phase prioritises critical factors such as air flow, filtration, temperature control, humidity levels, and overall system efficiency, ensuring compliance with stringent cleanroom standards and ability to integrate advanced features such as energy recovery, high air flow, and specialised filtration systems.

Our manufactured products are delivered to our customers based on two approaches, namely turnkey solutions where we are responsible for entire project lifecycle from product design, equipment selection and procurement, to installation and commissioning, to validation and compliance with international standards to overall project management. This service is generally provided for customers who intend to integrate MVAC products to their new or existing cleanroom facilities. The second approach involves the manufacturing of MVAC products according to the specification and requirements from the customers. In this model, our scope of work and responsibilities are limited to the manufacturing and delivery of customised AHU based on provided engineering design, and does not include procurement, installation and commissioning and other related activities. All our customised MVAC products include integrated control system which monitors, manages and optimises their performance.

The type of MVAC products we are capable of manufacturing are as follows:

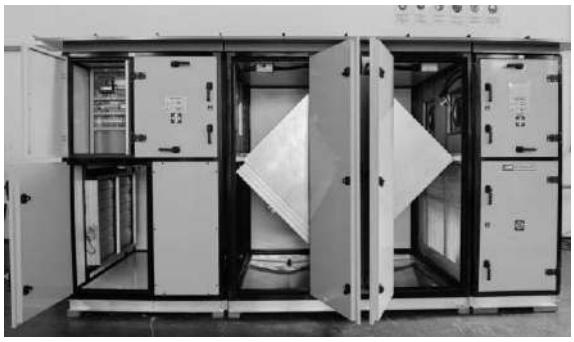
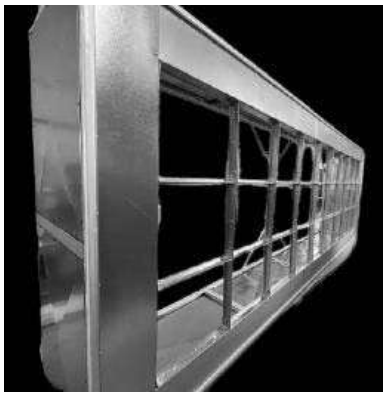
Product	**Description**
Chilled water AHU and FCU	An MVAC component that uses chilled water as a cooling medium to condition and distribute air throughout a building. The unit consists of a cooling coil connected to a chilled water system, which cools warm air by passing it over the coil, transferring heat to the chilled water. We manufacture two types of chilled water system, namely chilled water AHU, a system that uses chilled water circulating through a cooling coil to condition and distribute air across larger building spaces. A chilled water AHU is shown as follows: A chilled water FCU relies on a similar cooling coil and integrated fan and compared to chilled water AHU, it is used to cool smaller or localised areas within the building. A chilled water FCU is shown as follows: 

7. BUSINESS OVERVIEW *(Cont'd)*

Product	Description
Direct expansion ("**DX**") AHU and DX FCU	An MVAC component that uses refrigerant as the cooling medium via a DX coil to condition and distribute air. The DX coil is connected to an outdoor condensing unit, which compresses the refrigerant before it enters the DX coil. As warm air passes over the DX coil, heat from the air is absorbed by the refrigerant, and the cooled air is then distributed to the intended spaces. This process ensures efficient cooling and temperature control.
	DX AHUs are typically used for centralised air handling that conditions and distributes air across multiple zones in a building. They often integrate advanced functionalities such as fresh air intake, humidity control, and enhanced filtration for larger spaces like hospitals, commercial buildings, and cleanrooms. A sample DX AHU is as follows:
Variable refrigerant flow ("**VRF**") AHU and VRF FCU	An MVAC component that combines VRF function with the air distribution capabilities of an AHU. VRF is capable of dynamically adjusting the flow of refrigerant to provide sufficient cool or heated air based on real-time requirements, providing precise temperature control and increase energy efficiency. In a VRF AHU setup, air from an indoor environment is drawn and channelled to the AHU and passed through its coil, where refrigerant absorbs or releases heat to cool or heat the air. In order to cool or heat the air, the VRF adjusts the flow of refrigerant based on real-time temperature demand ensuring energy efficient operation. Meanwhile, a VRF FCU uses a variable refrigerant flow system to deliver precise heating and cooling by adjusting refrigerant flow through its built-in coil. This design allows flexible temperature control for individual or smaller zone applications, providing both comfort and energy savings. A sample VRF AHU is shown as follows:

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

Product	Description
Heat recovery AHU	A type of AHU designed to recover and reuse heat (or cooling energy) from exhaust air. It transfers thermal energy between incoming fresh air and outgoing exhaust air streams where warm air is channelled to heat exchangers. The heat exchangers absorb the heat and then transfer it to the fresh air before distributing it to indoor environment. 
Cabinet fan	An integrated fan system enclosed in a protective cabinet which is used to assist in air distribution.
Filter box	An MVAC component that are typically installed in intake or air distribution section of an AHU to ensure clean air circulation. 

7. BUSINESS OVERVIEW *(Cont'd)*

Product	Description
Pre-cool coil and dry coil	Pre-cool coil refers to a cooling coil that is installed at the air intake to cool air temperature before it passes through the main components of an MVAC system. Dry coil is a heating or cooling coil with chilled water or refrigerant that is used to heat or cool air and can be designed to be the primary cooling system. Both coils can work together whereby pre-cool coil cools the incoming air, before channelling it to dry coil, reducing the cooling load on dry coils.

Our MVAC products are integrated with control systems that is developed and customised in-house according to our customers' requirements and use cases. A control system refers to a combination of hardware (such as sensors and controllers) and software to monitor and control connected equipment. The control system can be integrated with other facility management systems to enhance the coordination, monitoring and control of various system parameters that include temperature, humidity and air flow to achieve optimal system performance.

7.2.3 Maintenance and support services

Upon the delivery of cleanrooms, MEPF utilities and MVAC products, we provide a DLP as well as warranty coverage on equipment such as MVAC, wall panels, raised flooring, amongst others. This period typically ranges from 12 to 18 months from the handover of the products and services to customers. During this period, we provide after-sales support and maintenance activities such as periodic testing, sampling, and measurement (e.g., monthly, bi-monthly, or quarterly basis) to ensure the delivered systems operate under optimal conditions. During the DLP, we are responsible for rectifying any defects or non-conformities that are detected and reported by our customers or the main contractor.

After the DLP, our customer may enter into a service agreement to engage us for maintenance and support services, which typically range from 1 to 3 years and cover the equipment that are delivered for the project. These services can be scheduled (preventive and routine maintenance) or corrective maintenance on ad hoc basis in the event of untimely breakdowns.

7.2.4 Trading of MVAC products and solar PV panels

We are also involved in the trading business, where we trade MVAC products, mainly AHUs, and solar PV panels. As at the LPD, these are only traded in the Philippines where we serve end customers that are in the semiconductor, pharmaceutical and biotechnology industries. In the event the required products and/ or materials are not available internally, we will import these supplies mainly from suppliers in China.

7. BUSINESS OVERVIEW *(Cont'd)*

These products may be used in but are not limited to cleanroom or other controlled environment, solar PV systems as well as commercial buildings, industrial buildings and facilities. This segment contributed RM3.84 million, or 4.60%, RM4.62 million, or 5.22%, RM6.95 million, or 13.52%, and RM8.82 million, or 13.42% respectively, of our Group's revenue during the Financial Years Under Review.

7.3 COMPETITIVE STRENGTHS

We believe that our historical successes and prospects are underpinned by the following competitive strengths: -

7.3.1 Integrated turnkey delivery capabilities

We offer integrated turnkey solutions for cleanrooms and MEPF utilities. Our project delivery model spans the entire project lifecycle, from conceptual, preliminary, and detailed design, to procurement, construction, testing and commissioning, to final handover. This integrated approach enables customers to engage a single party, facilitating streamlined coordination among project stakeholders and ensuring timely delivery.

Our ability to undertake MEPF utilities projects ensures that supporting infrastructure, including MVAC, electrical systems, process utilities, and fire protection systems, can be seamlessly integrated to meet the technical requirements and operational needs of our customers. Our engineers manage the full execution process, delivering solutions that meet customer requirements and technical specifications, while ensuring compliance with internationally recognised standards relevant to each customer's industry.

Our turnkey capabilities are further strengthened by Micronaire Global, whose in-house manufacturing of customised MVAC products gives us a strategic advantage in terms of system quality, technical integration, and delivery efficiency. These solutions are specifically engineered for industrial and mission-critical applications, and can be integrated into our turnkey projects, resulting in greater flexibility to meet performance requirements.

7.3.2 Experienced key management and technical team

We have accumulated experience in providing turnkey solutions and the manufacturing and supply of MVAC products. Our Executive Directors Lee Thiam Hing and Cheng Kai Sean, possess 32 years and 15 years of experience, respectively in their relevant fields, play an imperative role in ensuring the delivery of our services and products. In addition, the hands-on culture we practice saw our Executive Directors handle designated area of services. They each have accumulated years of relevant working experience and skills as follows:

Name	Years of experience	Expertise
Lee Thiam Hing	32 years	Business development, engineering and project management
Cheng Kai Sean	15 years	Business development and operations in HVAC industry

They are supported by our Key Senior Management, which are experienced in their fields and are adept at managing and improving key procedures and utilise technologies as evidenced by the progress made in the recent years. Furthermore, our Group's engineers have the relevant technical qualifications, skills and experience required for the provision of our cleanroom solution services and maintenance and support services for MEPF systems.

7. BUSINESS OVERVIEW *(Cont'd)*

7.3.3 Our commitment to quality assurance

Our commitment to quality is demonstrated through our quality systems, which emphasises the delivery of consistent and reliable service to meet the requirement for the industries we serve. Our internal quality management systems have been assessed and accredited with ISO 9001:2015, reflecting our dedication to meeting internationally recognised standards. We also design and manufacture customised MVAC products mainly, AHUs that are tailored to project-specific requirements. Our AHUs comply with AHRI Standard 410 for air cooling and air heating coils, and AHRI Standard 1350 for central station AHU casings, signifying our adherence to stringent international standards. We continually strive to ensure that our design and engineering capabilities evolve in line with changing industry standards, particularly in the delivery of mission-critical products, technologies, and services to high-tech industries.

As at the LPD, we have not encountered any irregularities affecting the quality of our services or the efficiency of our operations. We implement control measures across our operational processes to monitor all critical parameters and adopt proactive approaches to uphold the high standards required. This enables our management to respond promptly and effectively to any irregularities that may arise, thereby safeguarding the quality and reliability of our solutions.

7.4 BUSINESS STRATEGIES AND FUTURE PLANS

7.4.1 Business expansion

As part of our future expansion plans, we intend to increase our office and headquarters footprint at Pacific Place Commercial Centre, Ara Damansara. Currently, we occupy three units at the Ara Damansara Office, located at D-2-5, D-2-6 and D-3-6, which may occupy up to 47 personnel.

Our Group plans to expand by renting an additional unit within the same premises, with an estimated built-up area of approximately 1,600 sq ft. This expansion is intended to accommodate the projected growth in our business operations. By increasing our physical workspace, we will be able to recruit new personnel, particularly within the tender and technical departments, to undertake more projects concurrently, and scale up our workforce to meet rising project demands. The additional space will also allow us to strengthen our design and project management teams, and support key functions such as design development, procurement coordination, and tender preparation.

We have earmarked approximately RM5.58 million, or 17.03% from the gross proceeds from our Listing for this expansion which will include the following:

Description	**RM'000**
- Office set up costs and rental expenses(1)	3,000
- Recruitment of personnel(2)	2,580
Total	**5,580**

Notes:

(1) Includes rental for a period of 24 months, renovation and installation of fixtures and fittings as set out below:

Description	***Estimated cost (RM'000)***
Rental	*288*
Renovation including interior-fit-out	*2,712*
Total	***3,000***

7. BUSINESS OVERVIEW *(Cont'd)*

(2) Includes recruitment of 16 personnel in the new office involved in tendering, production and/or sales, based on the estimated cost of these new employees for 24 months which are as follows:

Position	***Description***	***No. of new hires (up to)***	***Estimated cost (RM'000)***
Tender Engineer	*Responsible for developing technical aspects of project proposals, including material quantities, project costing, tender documents and internal project evaluation.*	*3*	*710*
Production personnel	*Responsible for supervising and quality control activities*	*10*	*1,196*
Sales personnel	*Responsible for identifying and securing new projects*	*3*	*674*
Total		***16***	***2,580***

We expect to implement this plan within 24 months from the date of our Listing. Accordingly, our Group expects the new office to commence operations by the 2nd quarter of 2027, subject to availability of suitable units within the same commercial centre. Any additional cost of setting up shall be funded via a combination of bank borrowings and internally generated funds.

As at the LPD, we have not entered into any rental agreements and are still identifying units suitable for our purpose and our Group has yet to incur any expenditure on this.

We also intend to relocate our manufacturing of MVAC products operations from our Klang Factory to the Jenjarom Factory. The Jenjarom Factory's larger built-up area of approximately 14,280 sq ft compared to the Klang Factory's built-up area of approximately 7,750 sq ft, represents an increase of approximately 84.25%. The larger built-up area is expected to allow our Group to undertake and accept additional orders, improve workflow as well as to cater for future business expansion. As at the LPD, the factory is undergoing renovation works, and is expected to be set up and commence operations by the third quarter of 2026. In addition, we have rented a one-and-a-half-storey semi-detached factory in Banting, Selangor, which is located adjacent to our Jenjarom Factory. This additional factory space is intended to complement the Jenjarom Factory upon the commencement of its operations and provide additional capacity for machinery, materials and other operational requirements in connection with the expansion of our manufacturing operations. We have also rented a factory in Johor Bahru, Johor, to support projects which our Group may secure in Johor. The Johor Bahru factory is intended to provide our Group with a local operating base for the storage of project materials and project coordination activities, given that our existing operations are principally based in the Klang Valley. This is expected to reduce logistics costs and enhance operational efficiency for projects undertaken in Johor. As at the LPD, both premises are undergoing renovation works and are expected to commence operations by the third quarter of 2026.

7.4.2 Enhance our portfolio through increased bids and number of projects

As part of our strategic focus on sustaining operational momentum and supporting business expansion, our Group has allocated approximately RM17.92 million, or 54.70% from the gross proceeds of the IPO towards working capital requirements and we expect to implement our plans within 36 months from our Listing. This allocation is intended to support various operational needs, including staff-related expenses, the issuance of performance bonds for upcoming projects, selling and marketing efforts, and general administrative and day-to-day operational expenditures.

7. BUSINESS OVERVIEW *(Cont'd)*

In particular, RM11.17 million, or 34.10% of the total gross proceeds of our Listing is earmarked for use as performance bonds for future projects. In line with common contractual requirements, we are often required to provide performance bonds in the form of bank guarantees, typically amounting to approximately 5.00% of the total project value. These performance bonds remain valid from the commencement of the contract up to the completion of testing and commissioning and the issuance of the certificate of practical completion, which may take up to 18 months. During this period, we are unable to utilise the cash set aside for these performance bonds and allocation of proceeds for these performance bonds would free up our internally generated funds and improve our cash flow for usage on other projects or our working capital requirements.

7.4.3 Establish new office in the Philippines

We intend to establish a new office in Manila, Philippines to support the growth of our business in the country. This initiative is driven by the increasing demand for our Group's products and services, particularly in the MVAC sector for mission-critical facilities such as data centres.

As at the LPD, we are undertaking projects in the Philippines involving the supply and installation of MVAC system. In line with this, we plan to establish a physical presence in the Philippines to enhance our ability to pursue future opportunities and increase our profile in the country. As part of our expansion, we intend to lease a commercial property in Manila to serve as our local office to support sales and marketing efforts and facilitate client engagement. This office will also serve as a base for locally recruited personnel, including engineering and project management staff who will assist in securing and delivering new projects in the country and across the region.

As at the LPD, our Group has not entered into any rental agreement as it is currently searching for a property, and our Group has yet to incur any expenditure on this. Accordingly, our Group expects the Philippines office to commence operations by the 2nd quarter of 2027, subject to identifying the location and availability of suitable property in the Philippines.

We have earmarked RM2.86 million, or 8.74% of the total gross proceeds from our Listing for this purpose and expect to implement it within 24 months of our Listing. The estimated costs for establishing the new office in the Philippines are as follows:

Description	**RM'000**
Office in the Philippines	
- Office set up costs (1)	150
- Recruitment of personnel (2)	2,712
Total	**2,862**

Notes:

(1) Includes rental for a period of 24 months with built up area of approximately 500 sq ft, renovation and purchase of office equipment such as IT equipment and software. The set up costs for the proposed office in the Philippines are lower compared to the set up costs of proposed office in Malaysia due to the smaller size of targeted property. In addition, its purpose as a sales and marketing does not require extensive renovation and purchase of equipment.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

(2) Includes recruitment of 23 personnel to support our Group's operations in the Philippines based on the estimated cost of these new employees for 24 months which are as follows:

Position	***Description***	***No. of new hires (up to)***	***Estimated cost (RM'000)***
Manager	*Responsible for overseeing the day to day operations and ongoing projects*	*2*	*552*
Administrative	*Responsible for all administrative matters of the office operations.*	*6*	*786*
*Engineers**	*Responsible for the planning, coordination and execution of projects.*	*3*	*730*
*Technicians**	*To assist in the installation, testing and maintenance of equipment and system.*	*1*	*48*
CAD designers	*Responsible for preparing technical drawings and plans.*	*3*	*163*
*Site supervisors**	*Responsible for the day-to-day supervision and coordination works at project sites.*	*3*	*191*
*Safety officer**	*Responsible for overseeing and implementing safety and health measures at project sites.*	*1*	*62*
*Installers**	*Responsible for carrying out physical installation of MVAC equipment and components at project sites.*	*4*	*180*
Total		***23***	***2,712***

Note:

** These positions will mainly be based on-site.*

The proposed recruitment excludes sales and marketing personnel as existing personnel in Malaysia with relevant technical, and sales and marketing experience will be seconded to the Philippines to lead our Group's sales and marketing efforts in the country.

7.4.4 Design and development activities

We intend to intensify D&D activities as part of our efforts to retain competitiveness and stay abreast with technological advancements and industry developments. We have earmarked approximately RM2.50 million, or 7.63% of the total gross proceeds from our Listing for this purpose and expect to implement the plan within 24 months of our Listing.

As at the LPD, D&D activities are undertaken by production staff within their respective departments and business functions. The allocation of proceeds towards D&D activities will enhance our Group's design capabilities and support the systematic development of new ideas and products.

As part of this plan, we plan to hire two (2) technical engineers and two (2) support staff to strengthen our D&D activities. The estimated staff costs for these new hires over a period of 24 months is RM1.19 million. The gross proceeds from our Listing will also be allocated towards the procurement of software and tools required for design and development activities. The breakdown of the estimated costs is as follows:

7. BUSINESS OVERVIEW *(Cont'd)*

Description	Units	RM'000
Software and equipment		
- Subscription of additional CAD software	3	83
- Subscription to artificial intelligence ("**AI**") software/ platform	10	24
- Subscription to Project Management Software	10	20
- Purchase of CMMS and subscription of CAE software	2	200
- Purchase of equipment, machinery and materials	(1)	984
	Sub-total	**1,310**
Personnel		
- Recruitment of D&D personnel and staff salaries	4	1,190
	Sub-total	**1,190**
Total		**2,500**

Note:

(1) Includes the purchase of the following:

Description	***Units***	***RM'000***
Equipment		
Laptop computers	*5*	*33.5*
Productivity software	*5*	*4.5*
	Sub-total	***38***
Machinery		
*Polyurethane ("**PU**") foaming machine*	*1*	*201*
Hot press machine	*1*	*132*
	Sub-total	***333***
Materials		
Aluminium sheets	*1,750*	*613*
	Sub-total	***613***
Total		***984***

The identified software that are listed above are expected to improve our Group's productivity and efficiency moving forward. The subscription of additional CAD software will enhance its design capabilities through 3D modelling and BIM coordination, which reduces errors and improves communication between project stakeholders. The use of AI software and/or platform is expected to enhance productivity whereby it can be used in document drafting and report generation, amongst others. In addition, the identified project management software streamlines scheduling, progress tracking, and resource planning, while a CMMS, which is a centralised database that allows tracking of work orders as well as project scheduling, amongst others.

Investment in the machineries and material listed above are expected to strengthen our Group's innovation capabilities and enhance product development. The laptops will be utilised for 3D modelling and real-time performance analysis, enabling optimised cleanroom designs. The PU foaming machine and hot press machine will allow material testing and prototyping, whereas aluminium sheets will be utilised for structural and component development.

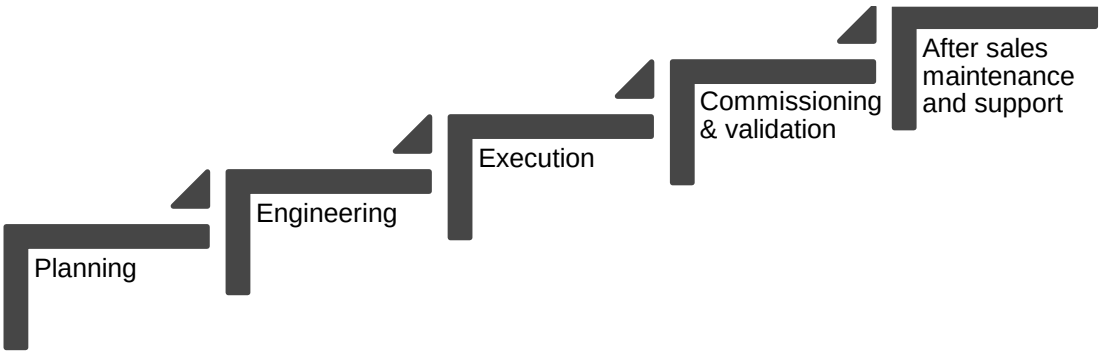
The software and tools acquired will support project management, AI integration, 3D design, and maintenance tracking activities. These systems are expected to enhance our Group's D&D capabilities across various project and product development functions.

7. BUSINESS OVERVIEW *(Cont'd)*

7.5 BUSINESS PROCESSES

7.5.1 Turnkey solutions

We typically receive tenders directly from facility owners or end users for main contractor roles. For subcontractor roles, we submit our proposals to main contractors who have been appointed by the project owner or end user. Additionally, there are occasions when we are appointed as a nominated subcontractor by the project owner or main contractor, allowing us to bypass the standard tendering process.



(i) Planning

The planning phase begins with understanding the specific industry requirements of the products to be manufactured and the unique needs of our customers. This foundational step involves conceptual planning and design, providing the basis for the overall architecture of a cleanroom. Our design team collaborates closely with clients to develop a comprehensive design template or layout that aligns with both industry standards and customer specifications. Some of the key activities that are carried out during the planning stage includes:

Gathering information: We collect detailed data on utility usage (energy, water, gas), available production space (whether new construction or expansion of an existing facility), types of production processes, and the intended end products.

Regulatory compliance: We consider all relevant regulations and standards imposed by local authorities and target markets.

Other activities that we carry out includes ground and site analysis, conceptual designs, preliminary designs, feasibility studies, budgeting and cost analysis, 3D visualisation, MEPF utilities planning and cleanroom conceptualisation.

(ii) Engineering

In the engineering phase, we transform the conceptual plans into detailed engineering designs. Our engineers analyse the initial layouts to optimise the overall design and architecture, tailoring it to meet the required cleanliness levels and industry-specific standards. We select appropriate materials, equipment, and systems, and design the MEPF utilities accordingly.

This phase involves comprehensive technical analyses, including airflow pattern design, power consumption optimisation, noise level assessments, and cleanliness recovery rate calculations. If the project involves modifying or expanding an existing facility, we provide insights to enhance production flow and efficiency. Our goal is to develop a robust engineering solution that meets all operational requirements while ensuring energy efficiency and cost-effectiveness.

7. BUSINESS OVERVIEW *(Cont'd)*

(iii) Execution

The execution phase involves the actual construction and installation of the cleanroom facility. Our procurement team first secures all necessary materials, equipment, and systems. We then manage the installation of MEPF utility systems, construct the cleanroom structures, and integrate monitoring and control equipment. This phase may also include performing retrofits or upgrades to existing systems.

We oversee equipment layout and hook-up, ensuring all components are installed according to the engineering designs and project specifications. Throughout the execution phase, we coordinate all construction activities, closely monitor progress, and maintain strict quality control to ensure the project adheres to the established schedule and budget.

(iv) Commissioning and validation

In the final phase, we conduct thorough testing and validation to ensure the cleanroom operates as intended and meets all specified requirements. This includes tests for airflow and air uniformity, filter integrity, temperature and humidity control, pressurisation, and cleanliness classification. We also perform sound and vibration assessments, lighting level checks, conductivity and electrostatic tests, and cleanliness recovery evaluations.

We verify compliance with all relevant local and international standards and regulations pertinent to the industry and the markets where the end products will be sold. Upon successful completion of all tests and validations, we provide the necessary documentation and officially hand over the fully operational cleanroom to our client, ready for them to commence production.

(v) After sales maintenance and support

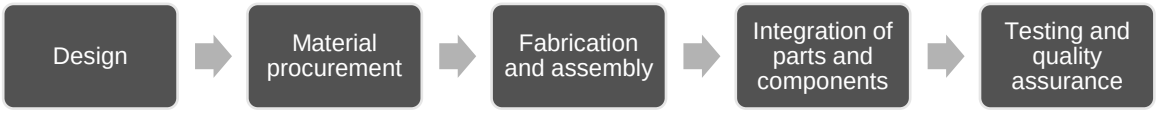
After the handover to our customer, we continue to monitor the cleanroom as part of our maintenance responsibility. After-sales and maintenance services are provided on a periodic basis (either monthly, quarterly or bi-annually, depending on the terms) to ensure that the facility is maintained at its optimal operating conditions and meets with the various regulations.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.5.2 Manufacturing of MVAC products

We manufacture customised air conditioning equipment for commercial and industrial use. We secure projects through project tenders where we supply our MVAC products, mainly AHUs to main contractors or M&E contractors. We also serve customers who place orders directly where products are manufactured according to their specifications. Our AHU manufacturing process flow is depicted as follows:



(i) Design

The manufacturing process begins by reviewing the project's requirements. Our design team gathers input from consultants, contractors and end-users to understand the functional needs of the AHU such as airflow capacity, filtration level, temperature and humidity control and compliance requirements after which we will develop a technical proposal that outlines the unit's specifications and preliminary design.

Once the proposal is accepted, we develop technical drawings, component layouts, and structural configurations using design software. The drawing serves to guide the fabrication process and ensure that all components fit precisely within the intended design. The final design is subject to internal review and customer's approval to ensure accuracy and alignment with project objectives.

(ii) Material procurement

We implement a combination of holding essential inventory and procuring materials on a project specific basis. Commonly used raw materials and components such as sheet metals and coils are often kept in stock to support its production. Specialised equipment or components, such as fans, motors, dampers, insulation materials and filters are generally procured upon order confirmation. Our procurement team coordinates with the design and production teams to ensure material compatibility and quantity accuracy. All incoming materials are inspected for conformity before release to the production floor, and critical components are stored under controlled conditions to preserve quality.

(iii) Fabrication and assembly

The fabrication process begins with the preparation of structural casings, where works include cutting, bending and forming of metal panels according to approved drawings. The casing is typically fabricated in modular form to facilitate transportation and installation on project site. It may also be integrated with insulating materials to achieve thermal and acoustic performance.

After the casing preparation, the internal components such as fan assemblies, coil units, filter housings, and dampers are installed into the AHU module. All joints and access panels are sealed appropriately, and drain pans are installed with proper gradient to prevent water accumulation.

7. BUSINESS OVERVIEW *(Cont'd)*

(iv) Integration of parts and components

Once mechanical assembly is completed, we proceed with electrical works which include but are not limited to installation of wiring, control panels and sensors. Wiring is routed through cable trays or conduits and labelled for identification during future servicing.

The process also includes integrating control systems that allow for monitoring and regulation of airflow, temperature, humidity, and filter status. Depending on the specifications and configurations, the AHU's control system can be configured to be integrated with client's BMS. Functional tests are conducted at this stage to verify areas which include sensor responsiveness, and correct operation of dampers, motors, and relays. Any anomalies are rectified before proceeding to the final testing stage.

(v) Testing and quality assurance

Following the integration of parts and components, we conduct thorough testing to verify that the assembled AHU performs in accordance with design specifications. This includes airflow measurement, pressure testing, inspection of coil arrangements as well as assessing noise and vibration levels. In addition to functional testing, quality assurance personnel inspect the AHU for build quality, dimensional accuracy, finishing, and material conformity. Any defects or deviations are documented and rectified before the unit is cleared for delivery.

7.6 SALES AND MARKETING STRATEGIES

As part of our sales and marketing strategies, we aim to achieve:

- Meeting and satisfying customers' needs, especially in relation to their budget
- To strengthen its business relationships with its customers and marketing intermediaries with the aim to promote references and sustainable business arrangements.
- To achieve a degree of differentiation from the rest of its competitors by consistent delivery of quality products and services; and
- Diversification of product and service offerings into existing and future geographical markets.

We market our products and services directly, either tendering for projects from potential customers or consultants or reaching out to existing customers to secure projects. In addition, we also receive invitations from facility owners or main contractors, referrals from customers and project consultants, and recommendations from subcontractors and project consultants. We engage in 2 primary roles, namely as a main contractor or as a subcontractor.

The role of our sales and marketing team is to seek out prospective companies which require the need for our turnkey solutions and air conditioning equipment. Our efforts are conducted through periodic market research activities such as cold calling prospective customers from various industries as well as through referrals from our customers and suppliers.

We also maintain a corporate website, namely https://www.sum.technology that provides site visitors with introduction to our Group as well as the products and services we provide as well as our portfolio of completed past projects.

7. BUSINESS OVERVIEW *(Cont'd)*

7.7 COMPLETED AND ONGOING PROJECTS

The following table lists our selected completed and ongoing projects for the Financial Years Under Review and up to the LPD (project value of above RM1.00 million):

Completed projects

Client	Types of services provided	Customer's business activities	Location	Commencement date/ completion date[1]	Project value (RM'000)[2]
Texas Instruments Electronics Malaysia Sdn Bhd	Supply and installation of MEPF utilities	Manufacturer of integrated circuits	Melaka	May 2021/ February 2022	1,093
STMicroelectronics Sdn Bhd [3]	Supply and installation of chiller	Manufacturing of electronic components	Muar, Johor	December 2021/ September 2022	3,212
Unisem (M) Berhad [4]	Design and build of cleanroom and MEPF utilities	Provision of semiconductor assembly and test services	Simpang Pulai, Perak	March 2023/ June 2023	1,110
STMicroelectronics Sdn Bhd [3]	Supply and installation of hookup services	Manufacturing of electronic components	Muar, Johor	August 2022/ December 2023	3,460
Unisem (M) Berhad [4]	Supply and installation of process utilities and hook-up services	Provision of semiconductor assembly and test services	Gopeng, Perak	December 2023/ October 2024	6,500
STMicroelectronics Sdn Bhd [3]	Design and build of cooling tower	Manufacturing of electronic components	Muar, Johor	June 2024/ December 2024	1,346
Seedri Asia Sdn Bhd	Supply and installation of ACMV	Provision of building construction services	Johor Bahru, Johor	October 2023/ April 2025	3,134
STMicroelectronics Sdn Bhd [3]	Design and build of cleanroom and MEPF utilities	Manufacturing of electronic components	Muar, Johor	March 2022/ May 2025	74,796
Customer D	Design and build of commercial office space, and commercial laboratory	Research, development and engineering laboratory for consumer products and business support	Kota Damansara, Selangor	September 2023/ May 2025	15,195

7. BUSINESS OVERVIEW *(Cont'd)*

Client	Types of services provided	Customer's business activities	Location	Commencement date/ completion date[1]	Project value (RM'000)[2]
Customer A	Supply and installation of ACMV and utilities services	Provision of power distribution system, other building systems and works, hook-up and retrofitting of electrical equipment and other building systems and works	Gopeng, Perak	June 2022/ May 2025	40,382
Customer E	Design and build of MEPF utilities, and retrofitting of existing factory building	Manufacturing of carrier tapes and other related products and accessories for use in integrated circuit and electronic chip components	Senawang, Negeri Sembilan	June 2024/ June 2025	2,905
Customer B	Design and build of cleanroom and MEPF utilities	Provision of integrated engineering services	Muar, Johor	July 2022/ October 2025	19,094
Unisem (M) Berhad [4]	Supply and installation of MEPF utilities for cleanroom	Provision of semiconductor assembly and test services	Gopeng, Perak	June 2025/ October 2025	11,000
SSPI Inc (formerly known as Sumsys Solution Phils, Inc)	Supply of MEPF utilities and project management	Provision of engineering services	Philippines	December 2024/ November 2025	3,678
Honghui Engineering Sdn Bhd [5]	Supply and installation of MEPF utilities and firefighting system for electric vehicle battery plant	Provision of engineering services	Banting, Selangor	January 2025/ November 2025	2,448
Honghui Engineering Sdn Bhd [5]	Supply and installation of MEPF utilities and firefighting system for electric vehicle battery plant	Provision of engineering services	Banting, Selangor	December 2024/ February 2026	6,900

7. BUSINESS OVERVIEW *(Cont'd)*

Client	Types of services provided	Customer's business activities	Location	Commencement date/ completion date[1]	Project value (RM'000)[2]
Honghui Engineering Sdn Bhd [5]	Supply and installation of MEPF utilities and firefighting system for electric vehicle battery plant	Provision of engineering services	Banting, Selangor	June 2025/ February 2026	1,940
				Total	**198,193**

Notes:

(1) The commencement dates indicated in the table above are based on the date of the purchase order and/or letter of acceptance by our customer.

(2) The project values stated in the table above includes variation orders received during the project lifecycle.

(3) The services provided to STMicroelectronics Sdn Bhd between 2021 and 2025 comprise (i) ad hoc facility repair and upgrading works performed for various blocks within its Muar, Johor facility, and (ii) the RM74.80 million project relating to the supply and build of cleanroom and MEPF utilities for the expansion of Block P3 within the same site.

(4) The services provided to Unisem (M) Berhad comprise (i) ad hoc facility repair and upgrading works performed at its Simpang Pulai and Gopeng facilities, and (ii) the RM11.00 million project relating to the supply and installation of MEPF utilities for the expansion of its Gopeng facility.

(5) The projects undertaken for Honghui Engineering Sdn Bhd relate to different customer sites, in Banting, Selangor and in Serendah, Selangor.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

Ongoing projects

Client	Types of services provided	Customer's business activities	Location	Commencement date/ expected completion date[1]	Project value/ Balance project value as at LPD (RM'000)[2]	Stage of completion as at the LPD (%)
Honghui Engineering Sdn Bhd [3]	Design and build of MEPF utilities and firefighting system for electric vehicle battery plant	Provision of engineering services	Serendah, Selangor	May 2025/ May 2026	8,200/ 1,282	84.37
Honghui Engineering Sdn Bhd [3]	Design and build of MEPF utilities and firefighting system for electric vehicle battery plant	Provision of engineering services	Serendah, Selangor	May 2025/ May 2026	3,060/ 1,000	67.34
Honghui Engineering Sdn Bhd [3]	Supply and installation of MEPF utilities and firefighting system for electric vehicle battery plant	Provision of engineering services	Banting, Selangor	March 2026/ June 2026	2,230/ 1,672	25.02
CCIE Engineering (M) Sdn Bhd	Supply and installation of MEPF utilities for a data centre	Provision of engineering services	Johor Bahru, Johor	January 2026/ June 2026	24,800/ 23,174	6.56
Chery Corporate Malaysia Sdn Bhd [4]	Provision of project management and consultancy services for automotive assembly plant	Manufacturer of automotive vehicles	Lembah Beringin, Selangor	October 2025/ March 2027	4,998/ 4,998	0.00
				Total	**43,288/ 32,126**	

Notes:

(1) The commencement dates indicated in the table above are based on the date of the purchase order and/or letter of acceptance by our customer. The expected completion date is based on the indicated completion dates that are detailed in purchase orders or project contracts.

(2) The project values above do not include variation orders by our customers.

7. BUSINESS OVERVIEW *(Cont'd)*

(3) The ongoing projects undertaken for Honghui Engineering Sdn Bhd comprise multiple work packages as well as variation orders relating to different sites, namely in Banting, Selangor and Serendah, Selangor.

(4) The stage of completion is reflected as 0.00% as the project has yet to reach its billing milestone as at the LPD.

As at the LPD, we have not submitted any extension of time for the ongoing projects stated above.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.8 DEPENDENCY ON CONTRACTS, ARRANGEMENTS, LICENCES AND PATENTS

As at the LPD, save as disclosed below, our Group is not dependent on any other contracts including commercial or financial contracts, arrangements, licences, patents, agreements, intellectual property rights, permits, and business processes: -

(a) major licences and permits as set out in Section 6.6 of this Prospectus; and

(b) registered trademark as set out in Section 6.5.1 of this Prospectus.

7.9 MATERIAL INVESTMENTS AND DIVESTITURES

7.9.1 Material capital expenditure

The following are our material investments in capital expenditure during the Financial Years Under Review and the subsequent period up to the LPD:

	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000	FYE 2025 RM'000	From 1 January 2026 up to the LPD RM'000
Office equipment	29	4	12	62	58
Furniture and fittings	19	30	21	137	4
Computer and software	92	120	58	96	19
Motor vehicles	304	-	-	10	71
Renovation	2	-	-	332	-
Plant and machinery	12	-	-	26	5
Equipment and tools	8	5	6	21	6
Capital work-in-progress	-	4,471	989	380	-
Total	**466**	**4,630**	**1,086**	**1,064**	**163**

In FYE 2022, we incurred investments of approximately RM0.47 million on the purchase of property, plant and equipment which mainly consisted of 1 unit of motor vehicles amounting to RM0.30 million, computer equipment and software amounting to RM0.09 million and office equipment amounting to RM0.03 million for business operation purposes.

In FYE 2023, we incurred investments of approximately RM4.63 million, mainly relating to capital work-in-progress for the progress claim from developer for the acquisition of Jenjarom Factory for own business use amounting to RM4.47 million.

7. BUSINESS OVERVIEW *(Cont'd)*

In FYE 2024, we incurred investments of approximately RM1.09 million, mainly relating to capital work-in-progress amounting to RM0.99 million for the progress claim from developer for the acquisition of Jenjarom Factory for own business use and the acquisition of computer and software amounting to RM0.06 million.

In FYE 2025, we incurred investments of approximately RM1.06 million, mainly relating to the capital work-in-progress amounting to RM0.38 million for the progress claim from developer for the acquisition of Jenjarom Factory, renovation which amounted to RM0.33 million, purchase of computer and software amounting to RM0.10 million and furniture and fittings amounting to RM0.14 million as part of the setup of our Ara Damansara Office.

From 1 January 2026 up to the LPD, we incurred investments of approximately RM0.16 million, mainly relating to the purchase of office equipment amounting to RM0.06 million and purchase of motor vehicles amounting to RM0.07 million.

The investment set out above were financed by our Group's internally generated funds and bank borrowings.

7.9.2 Material capital divestiture

There were no material capital divestiture by our Group during the Financial Years Under Review and the subsequent period up to the LPD.

7.10 MATERIAL MACHINERY AND EQUIPMENT

The details of the material machinery and equipment used and owned by our Group as at 31 December 2025 are as follows:

Machinery and equipment	No. of units	Average age (years)	NBV (RM'000)[(1)]
Injection foam machine	1	7	3
Fork and sleeve fork	1	4	2
Compressor pump	1	3	4
Cutting machine	1	3	4
Press machine	1	1	23
Total	**5**	**-**	**36**

Note:

(1) The NBV values of our material machinery and equipment is attributed to the purchase values and depreciation over the years in use.

7.11 OPERATING CAPACITIES AND OUTPUT

Due to the nature of our operations where our products and services are customised to customers' requirements, measures of productive capacity and utilisation is not relevant to our business.

7. BUSINESS OVERVIEW *(Cont'd)*

7.12 TECHNOLOGIES USED

The following details the technological software used in our operations:

Software	Description
Ansys	A computer aided engineering software used to simulate and optimise engineering designs with modules such as computational fluid dynamics.
Computerised maintenance management system	A type of facility management database software used for tracking of work orders and project scheduling and maintenance.
Google AI Pro	An artificial intelligence platform.
Revit AutoCAD 3D	A computer aided design software used to develop 3-dimensional model visualisation of building designs and structures.

7.13 SEASONALITY AND CYCLICALITY

During the Financial Years Under Review and up to the LPD, we did not experience any material seasonality in our business.

7.14 INTERRUPTIONS TO BUSINESS AND OPERATIONS

We have not experienced any interruptions that had a significant effect on our operations during the past 12 months preceding the LPD.

7.15 RESEARCH AND DEVELOPMENT

During the Financial Years Under Review and up to the LPD, we do not have a research and development department and have not undertaken any research and development activities. However, we have undertaken D&D activities where we explore new ideas and solutions for development of our products and projects. As part of our future plans, we intend to intensify our D&D activities to retain our competitiveness.

Further details on our D&D plans are set out in Section 4.8 of this Prospectus.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.16 EMPLOYEES

As at the LPD, we have a workforce of 99 employees, all of which are local employees. The breakdown of our employees as at the FYE 2025 and the LPD is as follows:

Category	As at FYE 2025	As at the LPD
Directors	2	2
Senior management	5	5
Administrative / Accounts / Human Resources / Support / etc.	28	33
Project / Operations	50	52
Production	8	7
Total	**93**	**99**

Category	As at FYE 2025	As at LPD
Local	93	99
Foreign	-	-
Total	**93**	**99**

Category	As at FYE 2025	As at LPD
Permanent	93	96
Contractual	-	3
Total	**93**	**99**

The 3 contractual employees are part of our project department with their employment contracts set to expire between 31 March 2027 and 30 June 2027. None of our employees belong to any unions and for the Financial Years Under Review, there have been no material disputes between our management and our employees.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.17 MAJOR CUSTOMERS

Our Group's top five (5) major customers for the FYE 2022, FYE 2023, FYE 2024 and FYE 2025 are as follows: -

Customer Name	Country	Customer's business activities	Type of services provided by our Group	Length of business relationship (years)	FYE 2022	
					(RM'000)	(%)
STMicroelectronics Sdn Bhd	Malaysia	Manufacturing of electronic components	Design and build of cleanroom and MEPF	4	64,823	77.64
Customer A[(1)]	Malaysia	Provision of power distribution system, other building systems and works, hook-up and retrofitting of electrical equipment and other building systems and works	Supply and installation of ACMV and utilities services	1	7,630	9.14
SSPI Inc (formerly known as Sumsys Solution Phils, Inc) [(1)]	Philippines	Provision of engineering services	Supply of MVAC products	2	1,904	2.28
Carsem (M) Sdn Bhd	Malaysia	Semiconductor assembly and test services	Design and build of cleanroom	2	1,146	1.37
Daikin Refrigeration Malaysia Sdn Bhd	Malaysia	Supplier of HVAC products and services	Supply of air and aluminium damper	3	958	1.15
				Total	**76,461**	**91.58**
				Total revenue of our Group	**83,487**	**100.00**

7. BUSINESS OVERVIEW *(Cont'd)*

Customer Name	Country	Customer's business activities	Type of services provided by our Group	Length of business relationship (years)	FYE 2023	
					(RM'000)	(%)
Customer A[1]	Malaysia	Provision of power distribution system, other building systems and works, hook-up and retrofitting of electrical equipment and other building systems and works	Supply and installation of ACMV and utilities services	2	30,440	34.36
STMicroelectronics Sdn Bhd	Malaysia	Manufacturing of electronic components	Design and build of cleanroom and MEPF	5	23,174	26.77
Customer B[1]	Malaysia	Provision of integrated engineering services	Design and build of cleanroom and MEPF utilities	4	14,466	16.33
Customer D	Malaysia	Research, development and engineering laboratory for consumer products and business support	Design and build of commercial office space, and commercial laboratory	1	6,899	7.79
SSPI Inc (formerly known as Sumsys Solution Phils, Inc) [1][3]	Philippines	Provision of engineering services	Supply of MVAC products, make-up unit, exhaust fans and solar PV panel mounting structure	3	3,538	3.99
				Total	**78,517**	**89.24**
				Total revenue of our Group	**88,585**	**100.00**

7. BUSINESS OVERVIEW *(Cont'd)*

Customer Name	Country	Customer's business activities	Type of services provided by our Group	Length of business relationship (years)	FYE 2024	
					(RM'000)	(%)
STMicroelectronics Sdn Bhd [(2)]	Malaysia	Manufacturing of electronic components	Design and build of MEPF and cooling tower	6	10,375	20.20
SSPI Inc (formerly known as Sumsys Solution Phils, Inc) [(1)] [(3)]	Philippines	Provision of engineering services	Supply of MVAC products, compressor air system and inverter	4	8,403	16.36
Customer D	Malaysia	Research, development and engineering laboratory for consumer products and business support	Design and build of commercial office space, and commercial laboratory	2	7,583	14.77
Unisem (M) Berhad	Malaysia	Provision of semiconductor assembly and test services	Supply and Installation of process utilities	5	6,691	13.03
Customer C[(1)]	Taiwan	Provision of engineering, procurement and construction services	Supply of MVAC product	2	4,424	8.61
				Total	**37,476**	**72.97**
				Total revenue of our Group	**51,354**	**100.00**

7. BUSINESS OVERVIEW *(Cont'd)*

Customer Name	Country	Customer's business activities	Type of services provided by our Group	Length of business relationship (years)	FYE 2025	
					(RM'000)	(%)
Honghui Engineering Sdn Bhd (4)	Malaysia	Provision of engineering services	Supply and installation of MEPF utilities and firefighting system for electric vehicle battery plant	2	23,631	35.98
SSPI Inc (formerly known as Sumsys Solution Phils, Inc) (1) (3)	Philippines	Provision of engineering services	Supply of MVAC products, compressor air system and inverter	5	11,744	17.88
Unisem (M) Berhad	Malaysia	Provision of semiconductor assembly and test services	Supply and Installation of process utilities	6	11,129	16.95
STMicroelectronics Sdn Bhd (2)	Malaysia	Manufacturing of electronic components	Design and build of MEPF and cooling tower	7	6,368	9.70
Airconics Solution Sdn Bhd	Malaysia	Provision of MEPF related products and services	Supply of MVAC product	1	2,637	4.02
				Total	**55,509**	**84.53**
				Total revenue of our Group	**65,670**	**100.00**

Notes:

(1) Denotes main contractors who engage us for our services.

(2) Includes revenue derived from the provision of ad hoc facility repair and upgrading services.

7. BUSINESS OVERVIEW *(Cont'd)*

(3) Includes revenue derived from the trading of MVAC products, which amounted to RM3.39 million in FYE 2023, RM6.82 million in FYE 2024, and RM7.80 million in FYE 2025. There was no revenue derived from the trading of MVAC products to SSPI Inc. (formerly known as Sumsys Solution Phils, Inc) in FYE 2022.

(4) Includes revenue derived from variation orders relating to additional scope of works under respective projects.

During the Financial Years Under Review, our top 5 major customers collectively contributed 91.58%, 89.24%, 72.97% and 84.53% to our Group's total revenue respectively.

We are exposed to customer concentration risk, whereby a small number of customers accounted for a significant portion of our Group's total revenue during the Financial Years Under Review. As two of our Group's business segments are project based (i.e., turnkey solutions and manufacturing of MVAC products), our revenue is dependent on the number, size, and timing of contracts awarded by our customers.

In particular, during the Financial Years Under Review, our Group's top 5 major customers who accounted for more than 10.00% of our Group's total revenue in one or more financial years in the Financial Years Under Review, collectively accounted for 77.64%, 77.46%, 64.36% and 70.82% of our Group's total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025, respectively. In particular, our largest customer, namely STMicroelectronics Sdn Bhd, contributed approximately 77.64% of our revenue in FYE 2022, 26.77% in FYE 2023, 20.20% in FYE 2024 and 9.70% in FYE 2025. Our largest customer in FYE 2023, namely Customer A accounted for 34.36% of our Group's revenue while Honghui Engineering Sdn Bhd, our largest customer in FYE 2025 accounted for 35.98% of our Group's revenue. These figures indicate a material level of reliance on a small number of customers in certain financial years. Over the Financial Years Under Review, our Group has 28 customers in FYE 2022, 33 customers in FYE 2023, 30 customers in FYE 2024 and 40 customers in FYE 2025.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.18 MAJOR SUPPLIERS

Our Group's top five (5) major suppliers for the FYE 2022, FYE 2023, FYE 2024 and FYE 2025 are as follows: -

Supplier Name	Country	Supplier's business activities	Type of products/ services provided to our Group	Length of business relationship (years)	FYE 2022	
					(RM'000)	(%)
Supplier A	Malaysia	Provision of power distribution system, other building systems and works, hook-up and retrofitting of electrical equipment and other building systems and works	General electrical services and tubes	4	4,513	6.59
Mayair Manufacturing (M) Sdn Bhd	Malaysia	Manufacturing of air filtration and cleanroom parts and components	Panels, pedestals, filters, FFU	2	3,355	4.90
Daikin Applied (Malaysia) Sdn Bhd	Malaysia	Supply of HVAC products and services	Water cooled centrifugal, fan coil	2	2,395	3.50
XTQ Engineering	Malaysia	Provision of construction, mechanical and electrical services	Installation services	2	1,861	2.72
Alumac Industries (Sdn Bhd)	Malaysia	Manufacturer of building materials	Aluminium works	8	1,134	1.66
				Total	**13,258**	**19.36**
				Total purchases of our Group [(1)]	**68,479**	**100.00**

7. BUSINESS OVERVIEW *(Cont'd)*

Supplier Name	Country	Supplier's business activities	Type of products/ services provided to our Group	Length of business relationship (years)	FYE 2023	
					(RM'000)	(%)
WKK Air Con & Engineering Group[2]	Malaysia	Provision of HVAC products and services	Piping works	1	2,127	3.05
Broadway Power Sdn Bhd	Malaysia	Provision of electrical services	Electrical services	2	1,837	2.64
Supplier A	Malaysia	Provision of power distribution system, other building systems and works, hook-up and retrofitting of electrical equipment and other building systems and works	General electrical services and tubes	5	1,772	2.54
Channel Systems Asia Sdn Bhd	Malaysia	Design, manufacture and marketing of clean room walls and component parts	Ceiling grids	3	1,472	2.11
Frimec Manufacturing Sdn Bhd	Malaysia	Provision of HVAC products and services	Electrical components	6	1,274	1.83
				Total	**8,482**	**12.17**
				Total purchases of our Group [1]	**69,673**	**100.00**

7. BUSINESS OVERVIEW *(Cont'd)*

Supplier Name	Country	Supplier's business activities	Type of products/ services provided to our Group	Length of business relationship (years)	FYE 2024	
					(RM'000)	(%)
WKK Air Cond & Engineering (M) Group[2]	Malaysia	Provision of HVAC products and services	Piping works	2	3,301	9.99
Baya Trading Co., Limited	China	Manufacturer of building materials	Mechanical and electrical products	1	2,177	6.59
Tenaga Wan Foong Sdn Bhd	Malaysia	Provision of electrical services	Mechanical and electrical products and services	2	1,527	4.62
HVAC Engineering Co., Limited	Hong Kong	Provision of HVAC products and services	Mechanical and electrical products	2	1,326	4.01
Supplier B	Malaysia	Provision of integrated engineering services	Flooring products and services	1	1,322	4.00
				Total	**9,653**	**29.21**
				Total purchases of our Group [1]	**33,052**	**100.00**

7. BUSINESS OVERVIEW *(Cont'd)*

Supplier Name	Country	Supplier's business activities	Type of products/ services provided to our Group	Length of business relationship (years)	FYE 2025	
					(RM'000)	(%)
Ricwil (Malaysia) Sdn Bhd	Malaysia	Manufacturing and distribution of pipes, fittings, and insulation products	Pipes and fittings	3	4,449	10.42
Beijing Zhongsheng Xincheng Technology Co., Ltd.	China	Manufacturing, marketing and distribution of home appliances, commercial air conditioning systems and industrial automation products	ACMV systems	1	3,924	9.19
MK Engineering & Construction Works	Malaysia	Provision of construction labour services	Construction services	3	3,441	8.06
Loysca Electrical & Engineering Sdn Bhd	Malaysia	Supply and installation of firefighting equipment	Mechanical and electrical products	1	3,023	7.08
Newflo Corporation Sdn Bhd	Malaysia	Supply and distribution of mechanical and piping components and system	Mechanical and piping works	1	2,227	5.22
				Total	**17,065**	**39.98**
				Total purchases of our Group [(1)]	**42,686**	**100.00**

Notes:

(1) *Includes purchases and subcontractor costs.*

(2) *Comprises WKK Air Cond & Engineering and WKK Air Cond & Engineering (M) Sdn Bhd. Wong Kok Keong is the sole proprietor of WKK Air Cond & Engineering and he is also the sole director and shareholder of WKK Air Cond & Engineering (M) Sdn Bhd, which was incorporated on 25 March 2024.*

7. BUSINESS OVERVIEW *(Cont'd)*

During the Financial Years Under Review, our Group's top 5 major suppliers collectively contributed 19.36%, 12.17%, 29.21% and 39.98% to our total purchases respectively.

During the Financial Years Under Review, our Group had one supplier who contributed more than 10.00% of our Group's total purchases, namely Ricwil (Malaysia) Sdn Bhd. The purchases from Ricwil (Malaysia) Sdn Bhd accounted for 10.42% of our Group's total purchases for the FYE 2025. Ricwil (Malaysia) Sdn Bhd was not one of our major suppliers in FYE 2022, FYE 2023 and FYE 2024. Our Group's main purchases from Ricwil (Malaysia) Sdn Bhd are pipe and fitting products. Whilst our Group is dependent on Ricwil (Malaysia) Sdn Bhd for the FYE 2025, we are of the view that we are able to source for similar supplies from other suppliers, if need be, as we have also worked with other suppliers that provide piping and fitting products.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.19 TYPES, SOURCES AND AVAILABILITY OF SUPPLIES

The following lists the major types of inputs and services purchased for our principal activities for the Financial Years Under Review:

Type of expenses	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Purchases[(1)]	29,407	41.90	43,115	58.32	26,984	77.64	23,920	53.19
Subcontractors	39,072	55.67	26,558	35.93	6,068	17.46	18,766	41.72
Others[(2)]	1,701	2.43	4,252	5.75	1,702	4.90	2,288	5.09
Total	**70,180**	**100.00**	**73,925**	**100.00**	**34,754**	**100.00**	**44,974**	**100.00**

Notes:

(1) Purchases comprise materials and equipment for projects which include but are not limited to piping, fittings and compressors, parts and materials for the manufacturing of MVAC products which include but are not limited to steel materials, as well as products under our trading segment such as MVAC products and related components and solar PV panels. The purchases made for our turnkey solutions, manufacturing of MVAC products, and trading segments during the Financial Years Under Review are as follows:

Revenue segment	***FYE 2022***		***FYE 2023***		***FYE 2024***		***FYE 2025***	
	(RM'000)	***(%)***	***(RM'000)***	***(%)***	***(RM'000)***	***(%)***	***(RM'000)***	***(%)***
Turnkey solutions	*25,232*	*85.80*	*39,265*	*91.07*	*18,588*	*68.89*	*14,163*	*59.21*
Manufacturing of MVAC products	*1,764*	*6.00*	*1,126*	*2.61*	*3,575*	*13.25*	*3,915*	*16.37*
Trading	*2,411*	*8.20*	*2,724*	*6.32*	*4,821*	*17.87*	*5,842*	*24.42*
Total	***29,407***	***100.00***	***43,115***	***100.00***	***26,984***	***100.00***	***23,920***	***100.00***

(2) Others comprise projects' other costs (which consists of project consumable spare parts, rental of site premises, hostel utilities charges, and others), forwarding, handling and storage charges, transportation, stock written off, freight charges, sales and services tax and etc.

[The rest of this page is intentionally left blank]

7. BUSINESS OVERVIEW *(Cont'd)*

7.20 ENVIRONMENTAL, SOCIAL AND GOVERNANCE PRACTICES

Our Board retains ultimate accountability for the oversight of our Group's sustainability strategy, including the identification and management of sustainability-related risks and opportunities. In accordance with Listing Requirements, best practices outlined in the MCCG, Bursa Malaysia Securities' Sustainability Reporting Guide (3rd Edition) and National Sustainability Reporting Framework, our Board is committed to embedding sustainability across our Group's business operations. Our sustainability governance is designed to ensure accountability, transparency and long-term value creation.

Our Board sets our Group's sustainability vision, strategy and goals, while our senior management team integrates ESG priorities and practices into operations and long-term planning. The senior management team consists of the Chief Executive Officer, Chief Operating Officer and Chief Financial Officer. Our Board retains ultimate accountability for the oversight of our Group's sustainability strategy, including the identification and management of sustainability-related risks and opportunities.

The ESG implementation is supported by a sustainability working group, comprising heads of departments across planning, supply chain, production, marketing, quality, finance and human resources. This Group is responsible for implementing ESG initiatives, monitoring performance and reporting progress to senior management and the Board. This governance framework ensures sustainability is embedded at all levels of the organisation, with bi-annual updates to the Board and sustainability matters included as a standing agenda item in management meetings.

We have established a sustainability policy which provides strategic direction and embeds ESG commitments across our Group. This ensures consistency and accountability at all levels. It also demonstrates leadership-level commitment to sustainability.

(i) Environmental Practices

Our Group recognises that managing environmental impacts is essential to operational resilience and stakeholder trust. We are committed to minimising resource consumption, reducing emissions and advancing sustainable practices across our value chain.

- Energy Conservation

  Energy-saving measures are being progressively rolled out, including the adoption of LED lighting, optimised air-conditioning usage through automated controls and employee awareness campaigns. These initiatives significantly reduce electricity usage, lower operating costs and mitigate our carbon footprint. Employee engagement campaigns ensure sustainability becomes part of workplace culture, reinforcing collective responsibility. Over time, these measures strengthen resilience against rising energy costs while aligning with climate action goals.

- Digitalisation to Reduce Paper Dependency

  Our digital transformation initiative is reducing reliance on physical documentation by streamlining approval processes and enabling electronic workflows. This reduces paper usage, enhances operational efficiency and strengthens compliance traceability. Over time, the initiative fosters a culture of sustainability through technology adoption. It also demonstrates our alignment with digital-driven ESG practices.

7. BUSINESS OVERVIEW *(Cont'd)*

- Recycling and Waste Segregation

  We have implemented structured waste segregation processes that clearly distinguish recyclable, hazardous and general waste. We maximise recovery rates and minimise landfill disposal. This contributes to the circular economy and reduces environmental liabilities. The effort also raises employee awareness, embedding responsible waste management into daily operations.

- Green Procurement and Supplier Engagement

  Green Procurement practices are being developed to integrate environmental considerations into purchasing decisions. We actively engage with suppliers to reduce packaging usage and adopt sustainable practices. Currently, our Group uses basic recyclable packaging, including bubble wrap, paper tape, paper rolls, polystyrene, stretch film and recycled wooden pallets. To further enhance sustainability, we are implementing supplier engagement activities aimed at reducing packaging waste and sourcing sustainable materials from both existing and potential suppliers. Our Group works with the current packaging suppliers to explore alternative packaging materials that are feasible and sustainable, such as recycled content corrugated boxes, honeycomb paper inserts and recyclable polyethene terephthalate strapping. Selected sample materials will undergo trials to assess their technical performance in terms of protection, strength, durability, handling, ease of use, weight efficiency, recyclability and disposal, as well as cost-effectiveness before any long-term adoption. These efforts extend our ESG principles across the value chain, ensuring shared responsibility.

- Employee Environmental

  Campaigns on resource efficiency and waste reduction are being conducted to strengthen employee understanding of environmental responsibility. This empowers staff to contribute to ESG practices actively. By embedding knowledge at every level, we cultivate a sustainability culture.

(ii) Social Practices

We recognise that people and communities form the foundation of long-term growth. Our Group is committed to creating a safe, inclusive and supportive environment for employees while positively contributing to the communities in which we operate.

- Safety and Health Policy

  Our safety and health policy demonstrates our commitment to ensuring workplace wellbeing and regulatory compliance. Continuous updates ensure alignment with evolving standards and risks. This proactive approach reduces incidents, strengthens employee confidence, and ensures that workplace safety risks are effectively managed.

- ESG and Safety Awareness Briefings

  Regular ESG and safety briefings ensure employees are informed of sustainability commitments and workplace safety practices. These sessions encourage shared responsibility and embed ESG thinking into daily operations. Employee engagement ensures policies are not only implemented but actively lived.

7. BUSINESS OVERVIEW *(Cont'd)*

- Enhanced Workplace Safety Practices

  Personal protection equipment compliance checks and updated first aid stations strengthen our emergency preparedness and safety compliance. These measures reduce risks of workplace accidents, downtime and liabilities. Employees benefit from a safer environment, which in turn reinforces morale and productivity.

- Whistleblowing and Feedback Channels

  A whistleblowing mechanism and anonymous feedback platform have been launched to promote transparency and integrity. Employees can raise concerns without fear of retaliation, ensuring early detection of potential issues. This initiative enhances trust across the workforce and safeguards against misconduct and reputational risk.

- Community Engagement Initiatives

  We engage in initiatives such as donation drives and support for underprivileged groups. These activities demonstrate our commitment to community welfare and inclusive growth. Positive community relations also strengthen our commitment to broader societal impact.

- Employee Engagement

  We place emphasis on fostering employee engagement through regular activities. In November 2024, a team-building program was conducted to cultivate a supportive, inclusive and motivated workforce. Our Group also organised annual dinner, providing employees with opportunities to connect outside of the work environment and celebrate collective achievements.

- Diversity and Inclusion Commitments

  Our diversity policy affirms our Group's commitment to building a workforce and leadership team that reflects inclusivity, equal opportunities and varied perspectives. Diversity and inclusion recruitment practices are being embedded into our human resource management, as they ensure equal opportunities regardless of race or religion, and enhance employee satisfaction. This commitment fosters innovation, inclusivity and improved decision-making.

(iii) Governance Practices

Our governance practices ensure ESG principles are integrated into daily decision-making, risk management and corporate culture. We are committed to upholding the highest standards of transparency, integrity and accountability.

- Ethical Leadership

  Our Group has established a set of governance policies that serve as the foundation for our ESG commitments. Our Anti-Bribery and Corruption Policy reinforces zero tolerance towards unethical practices, ensuring compliance with both local laws and international standards. The Fit and Proper Policy sets out stringent criteria for Board members and key management, ensuring that only individuals with the right integrity, competence and professionalism are entrusted with leadership responsibilities. To safeguard financial integrity, our Anti-Money Laundering Policy provides clear procedures to detect, prevent and report any suspicious activities within our Group's operations.

7. BUSINESS OVERVIEW *(Cont'd)*

- Code of Conducts

  The conflict-of-interest policy requires all employees and directors to declare and manage potential conflicts that could impair independent judgment. Complementing this, we have also put in place a related party transaction policy to ensure that any such transactions are conducted at arm's length, in the best interest of our Group and in compliance with regulatory requirements.

- Stakeholder Communication and Engagement

  In promoting transparency, our corporate disclosure policy ensures that material information is disclosed to stakeholders in a timely, accurate and consistent manner. Our stakeholder communications policy promotes active engagement with all key stakeholders, including regulators, employees, customers, and communities, to ensure their views are heard, considered, and integrated into decision-making. Collectively, these policies form the backbone of our governance framework, fostering accountability, transparency and ethical conduct across our Group.

- Sustainability Risk and Enterprise Risk Management Integration

  We are integrating sustainability risk into enterprise risk management. This ensures ESG risks are systematically identified, assessed and mitigated. Alignment with international best practices enhances operational resilience.

[The rest of this page is intentionally left blank]

8. IMR REPORT

PROTEGE ASSOCIATES SDN BHD (1084693225 (625767-P))
SUITE C-11-12, PLAZA MONT' KIARA
2 JALAN KIARA, MONT' KIARA
50480 KUALA LUMPUR, MALAYSIA
GEN +603 6201 9301 FAX +603 6201 7302
www.protege.com.my

Protégé ASSOCIATES
BRAND | FINANCE | MARKET

The information in this Section 8 is based on the market research conducted by Protégé Associates commissioned by Sum Technology for the purpose of the IPO.

Date: 22 April 2026

The Board of Directors
Sum Technology Berhad
D-2-6 & D-3-6
Pacific Place Commercial Centre
Jalan PJU 1A/4, Ara Damansara
47301 Petaling Jaya, Selangor

Dear Sirs/Madams,

Independent Market Research Report on the Cleanroom Engineering, Procurement, Construction and Management ("EPCM") Services Industry in Malaysia ("IMR Report")

Protégé Associates Sdn Bhd ("**Protégé Associates**") has prepared this IMR Report for inclusion in the prospectus of Sum Technology Berhad ("**Sum Technology**" or the "**Company**") in relation to its listing on the ACE Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

We have been engaged to provide an independent market research of the abovementioned industry in which Sum Technology and its subsidiaries ("**Sum Technology Group**" or the "**Group**") operate in. The market research process undertaken involved secondary research as well as detailed primary research when required, which involves interviews with the relevant stakeholders of the industry to discuss the state of the industry. Quantitative market information could be sourced from such interviews and therefore, the information is subject to fluctuations due to changes in business, industry and economic conditions.

We have prepared this IMR Report in an independent and objective manner and have taken adequate care to ensure the accuracy and completeness of this IMR Report. We believe that this IMR Report presents a balanced view of the industry within the boundaries and limitations of secondary statistics, primary research and continued industry movements. Our research has been conducted to present an overall view of the industry and may not necessarily reflect the performance of individual companies in this industry. Protégé Associates is not responsible for the decisions and/ or actions of the readers of this IMR Report. This IMR Report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in this IMR Report.

Thank you.

Yours sincerely,

Seow Cheow Seng
Managing Director

About Protégé Associates Sdn Bhd

Protégé Associates is an independent market research and business consulting company. Our market research reports provide an in-depth industry and business assessment for companies raising capital and funding in the financial markets; covering their respective market dynamics such as market size, key competitive landscape, demand and supply conditions, government regulations, industry trends and the outlook of the industry.

Profile of signing partner, Seow Cheow Seng

Seow Cheow Seng is the Managing Director of Protégé Associates. He has 26 years of experience in market research, having started his career at Frost & Sullivan where he spent 7 years. He has a Master in Business Administration from Charles Sturt University, Australia and Bachelor of Business majoring in Marketing from RMIT University, Australia.

8. IMR REPORT *(Cont'd)*

COPYRIGHT NOTICE

No part of this IMR Report may be given, lent, resold, or disclosed to non-customers or any other parties, in any format, either for commercial or non-commercial reasons, without express consent from Protégé Associates. Furthermore, no part of this IMR Report may be extracted, reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, for purposes other than the for inclusion in the prospectus of Sum Technology in relation to its listing on the ACE Market of Bursa Securities, without the express consent from Protégé Associates.

Any part of this IMR Report used in third party publications, where the publication is based on the content, in whole or in part, of this IMR Report, or where the content of this IMR Report is combined with any other material, must be cited and sourced to Protégé Associates.

The research for this IMR Report was completed in April 2026.

For further information, please contact:

Protégé Associates Sdn Bhd
Suite C-11-12, Plaza Mont' Kiara,
2 Jalan Kiara, Mont' Kiara,
50480 Kuala Lumpur, Malaysia.
Tel: 603 6201 9301

© 2026, All rights reserved. **Protégé Associates Sdn Bhd**

8. IMR REPORT *(Cont'd)*

Protégé ASSOCIATES
BRAND | FINANCE | MARKET

1.0 Introduction to the Cleanroom EPCM Services Industry

Cleanrooms are controlled environments designed to be free of contaminants, often used in manufacturing and scientific research where even minimal levels of pollutants like dust, microbes, aerosols, and chemical vapours can be detrimental. These facilities vary in sizes, from small chambers known as gloveboxes to large-scale cleanrooms called ballrooms. According to the International Organization for Standardization ("ISO") 14644 definitions, a cleanroom is a space where the concentration of airborne particles is strictly regulated. It is constructed and operated to minimize the introduction, generation, and retention of particles, while other critical factors like temperature, humidity, and pressure are also maintained as needed.

Cleanroom technology is utilised across various industries, including semiconductors, biotechnology, pharmaceuticals, aerospace, food processing, healthcare and medical devices. By using cleanroom technology, an artificial ultra-clean environment with specific conditions can be created. To maintain the required cleanliness, the air within the cleanroom is continuously filtered to eliminate impurities like dust, which could harm the products being manufactured. Air from outside the cleanroom is filtered before entering, and the internal air is recirculated through additional filters to remove any contaminants generated within.

Cleanrooms are generally classified into different levels in accordance to the total number and size of particles allowed per cubic meter. There are nine ISO classes, namely from Class 1 to Class 9. The lower the ISO class rating, the cleaner the environment. Prior to the adoption of the ISO standards as the international standard, the Federal Standard 209E that originated from the United States of America ("**USA**") was widely used. Under the Federal Standard 209E, the cleanliness of cleanrooms were categorised under six classes, namely Class 1, Class 10, Class 100, Class 1,000, Class 10,000 and Class 100,000. As of 29 November 2001, the Federal Standard 209E was officially replaced by the ISO standards. However, due to the long adoption history of the Federal Standard 209E, the industry in general often still reference the standard within the industry.

Figure 1: Comparison of the Cleanliness Level of Cleanrooms by ISO Standards and Federal Standard 209E

ISO Standards			Federal Standard 209E		
Classification	**Maximum Particle/m^3***		**Classification**	**Maximum Particle/ft^3^**	
	0.1µm#	**0.5µm#**		**0.1µm#**	**0.5µm#**
ISO Class 1	10				
ISO Class 2	100	4			
ISO Class 3	1,000	35	Class 1	35	1
ISO Class 4	10,000	352	Class 10	350	10
ISO Class 5	100,000	3,520	Class 100	3,500	100
ISO Class 6	1.0×10^6	35,200	Class 1,000	35,000	1,000
ISO Class 7	1.0×10^7	352,000	Class 10,000	350,000	10,000
ISO Class 8	1.0×10^8	3,520,000	Class 100,000	3.5×10^6	100,000
ISO Class 9	1.0×10^9	35,200,000			

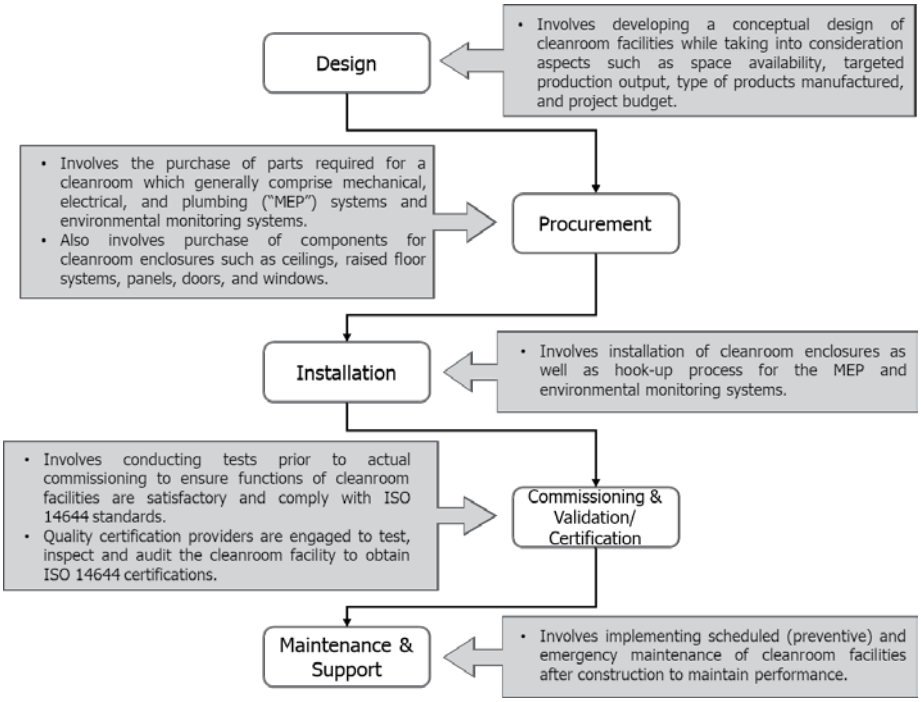
Notes:
*1) * denotes the maximum allowable number of particles within a cubic meter*
2) ^ denotes the maximum allowable number of particles within a cubic foot
3) # denotes microns

Source: Protégé Associates

Lower ISO Class cleanrooms generally demand a higher level of technical expertise due to the increased complexity of their design as cleanliness requirements become more stringent. This complexity stems from the need for advanced engineering and design solutions, such as more sophisticated air filtration systems, precise airflow regulation, advanced contamination control techniques, stricter validation and testing protocols, and enhanced environmental monitoring systems, among other factors.

By extension, cleanroom EPCM services refer to the comprehensive cleanroom solutions offered to clients for both manufacturing and research purposes. These services cover the entire scope of the project, including design, procurement, construction, commissioning, project management, and the final handover of the completed cleanroom facility.

Figure 2: General Cleanroom EPCM Services Process Workflow



Source: Protégé Associates

Sum Technology Group is involved in the entire cleanroom EPCM services process workflow and provides services from design to maintenance and support.

1.1 Overview of the Cleanroom EPCM Services Industry in Malaysia

In Malaysia, the performance of the local cleanroom EPCM services industry relies on the growth and development of the manufacturing sector, particularly the electrical and electronics ("**E&E**") (more specifically, the electronic components sub-sector), food and beverage, pharmaceuticals and biotechnology industries. Cleanroom applications also extend beyond manufacturing industries and are used in environments such as data centres, research laboratories, and hospitals. The growing number of data centres in Malaysia has led to an increased demand for cleanroom EPCM services to comply with ISO 14644 Class 8 standards, the typical cleanliness requirement for data centres.

The cleanroom EPCM services industry in Malaysia is poised to benefit from the expansion of the manufacturing sector. As the second-largest contributor to Malaysia's economy, the manufacturing sector made up 23.0% of the country's GDP in 2025. In 2024, the manufacturing sector expanded by 4.2%, primarily driven by a recovery in export-oriented clusters, underpinned by strengthening global trade conditions and the ongoing technology upcycle. The E&E sector benefited from this trend, as evidenced by rising semiconductor sales. This performance was driven by robust demand across key end-markets, including consumer electronics, computing, and data centres. In 2025, the Malaysian manufacturing sector grew by 4.5%, bolstered by steady growth in both export- and domestic-oriented industries. Sales value of the manufacturing sector in 2025 reached RM1.97 trillion, which was an increase of 4.2% for the previous year. The cleanroom EPCM industry is expected to continue benefiting from growth in the manufacturing sector, which saw significant investment in 2023 despite overall subdued economic performance.

Over the years, there has been consistent investment into the manufacturing sector. In 2025, 1,354 projects totalling RM131.30 billion were approved. This represents an increase of 8.2% from the RM120.48 billion in investments recorded in 2024. The local manufacturing sector has also been advancing up the value chain by prioritising investments in new technologies and creating highly-skilled jobs. Notably, the E&E industry attracted the highest level of investment in Malaysia's manufacturing sector in 2025, with 245 projects worth RM28.46 billion approved. Of this, electronic components/semiconductors, dominated, accounting for approximately 59.3% (59 projects worth RM16.9 billion) of the total investment value in the E&E industry. In the same year, the pharmaceutical sub-sector saw 15 projects worth RM724.8 million approved, while the chemical products industry secured approval for 89 projects worth RM23.9 billion. Additionally, the medical devices industry attracted RM40.0 million in investments for 1 projects, and the food manufacturing industry benefited from 115 approved projects valued at RM6.34 billion. The steady inflow of investments highlights the ongoing development and growth potential of the manufacturing sector, which in turn drives demand for cleanroom EPCM services in Malaysia, underscoring the critical role of maintaining high standards of cleanliness and precision in manufacturing processes.

Protégé ASSOCIATES
BRAND | FINANCE | MARKET

2.0 Historical Market Performance and Growth Forecast

The cleanroom EPCM services industry in Malaysia plays a crucial role in supporting a wide range of end-user industries, including E&E, semiconductors, F&B, pharmaceuticals, medical devices, chemicals, solar, packaging, automotive, data centres, laboratories, and hospitals. As a result, its growth is closely tied to the demand from these industries. However, the industry's growth can also be impacted by cyclical trends affecting its end users, particularly in manufacturing-related sectors.

Export-oriented industries such as E&E, semiconductors, medical devices, and solar are especially vulnerable to fluctuations in global economic growth, which influence external demand for their products. Additionally, volatile foreign exchange rates can impact the competitiveness of exports. These factors, in turn, affect the demand for cleanroom EPCM services, as companies may adjust their capacity expansion plans based on changing market conditions.

The historical performance and growth forecast of the cleanroom EPCM industry in Malaysia is based on a combination of resources, including the end-user market performance statistics data from the Department of Statistics Malaysia, annual reports of public listed companies and searches on private companies in the cleanroom EPCM industry with the Companies Commission of Malaysia ("CCM"). Data is also gathered from further secondary research from government publications, international associations and general news publications. Primary research work was also conducted with stakeholders in the local industry such as end-users of cleanrooms and suppliers of cleanroom components and products to gather their insights on the industry. All the findings are collated, analysed and/or computed to ascertain the outlook of the cleanroom EPCM industry in Malaysia.

Figure 3: Historical Market Size (Revenue) and Growth Forecast for the Cleanroom EPCM Industry in Malaysia, 2022-2029

Year	Market Size (Revenue) (RM billion)	Growth Rate (%)
2022	3.42	-
2023	4.39	28.4
2024	4.55	3.6
2025	4.91	7.9
2026f	5.35	9.0
2027f	5.89	10.0
2028f	6.48	10.0
2029f	7.19	11.0

CAGR (2025-2029) (base year of 2024): 9.6%
Note: f denotes forecast

Source: Protégé Associates

The cleanroom EPCM services industry in Malaysia, in terms of value of products and services provided, was valued at RM4.55 billion in 2024, which was an increase of 3.6% from RM4.39 billion in 2023. This growth is driven by the continued strength of key end-user industries such as semiconductors, pharmaceuticals, chemicals, E&E, and F&B, which have seen significant investment inflows, largely due to the ongoing trade war between the USA and China. Geopolitical tensions across the globe have prompted international companies to diversify their supply chains, redirecting investments from China to Southeast Asia. Malaysia's E&E industry is a major beneficiary of the trade diversion due to its status as the leading manufacturing hub for E&E products in South-East Asia including semiconductors. The growth in 2024 however was slower as compared to the previous year. The post COVID-19 economic recovery led to a surge in investments into various industries including the semiconductor industry, which resulted in high demand for cleanroom EPCM services in 2022 and 2023. This economic expansion led to inflation in the USA and major European economies, which resulted in interest rate hikes in these countries. This then led to a global economic slowdown, which persisted into 2023. At the same time, there was an oversupply in certain segments of the global semiconductor industry, which later led to a curb in new investments into the industry. The slowdown was reflected in decreases in investments into various industries in 2023 and 2024, which later led to slower expansion in the cleanroom EPCM industry in 2024 and 2025.

Looking ahead, the cleanroom EPCM industry is expected to grow in line with the expansion of end-user markets, particularly in the semiconductor, biotechnology, pharmaceutical, aerospace, food processing, medical devices, and healthcare sectors. The growth in the semiconductor is expected to be driven by emergence of new and innovative electronic devices including augmented reality and virtual reality, as well as rise of adoption of IoT and cloud computing, as well as adoption of electric vehicles. At the same time, the pharmaceutical industry is also expected to continue on an expansionary trend, supported by increased demand for healthcare in the country which is driven by an ageing population as well as a proactive approach to health that emphasis prevention. Furthermore, the local data centre industry Malaysia is growing rapidly driven by strong government support, strategic investments, robust digital and physical infrastructure and a commitment to sustainability. Malaysia has also attracted significant investments from global technology companies such as Amazon Website Services, Microsoft Corporation, Google LLC, AirTrunk, and Stack Infrastructure to establish data and cloud centres. This bodes well for demand for cleanroom EPCM services in the country.

Additionally, strong government support for the E&E industry—the largest sector within the manufacturing sector—and the long-term strategies outlined under the New Industrial Masterplan 2030 ("**NIMP**") will further stimulate growth in these key markets.

However, global geopolitical tensions and economic slowdowns in the short to medium term could negatively impact demand in end-user markets, potentially affecting the cleanroom EPCM industry. Despite these challenges, the Malaysian cleanroom EPCM sector reached RM4.91 billion in 2025 and is projected to expand at a CAGR of 9.6%, reaching RM7.19 billion by 2029.

3.0 Competitive Landscape

The cleanroom EPCM services industry is fragmented with differing contracting arrangements, local and MNC market participants, levels of services offered, and industries served. It is a niche market and is especially more so for cleanroom designed to comply with ISO 5 and below as these cleanrooms require higher level of technical expertise along with more stringent compliance standards. These technical expertise include those relating to cleanroom design and engineering such as airflow dynamics, heating, ventilation, and air conditioning ("**HVAC**") systems, as well as understanding of ISO standards for cleanroom classifications and designing to meet the specific cleanliness levels.

The barriers to entry to the cleanroom EPCM industry is moderate in Malaysia. Potential new entrants are required to be equipped with relevant experienced and skilled technicians with industry knowledge for the construction of cleanrooms that meet ISO classification standards. In addition, some industries such as the pharmaceutical, life sciences and biotech industries may require compliance with regulatory requirements such as the Good Manufacturing Practices ("**GMP**") mandated by the National Pharmaceutical Regulatory Agency. Furthermore, clients generally prefer cleanroom EPCM providers with a proven track record, and new entrants may face challenges in securing projects. While the initial capital outlay for cleanroom EPCM services is relatively low as majority of cleanroom components can be purchased from third-party suppliers, capital investment is much higher when establishing manufacturing capabilities due to the need of acquiring land, construction of plant, and purchase of machinery and equipment.

3.1 Selected Market Players

Sum Technology is principally involved as a solutions provider for cleanrooms, mechanical, electrical, process utilities and firefighting ("**MEPF**") utilities and trading of solar photovoltaic ("**PV**") panels, while also manufacturing and trading commercial and industrial air conditioning equipment. Its services are provided to various industries which include semiconductor, E&E, solar, pharmaceutical and biotechnology, data centres, consumer goods as well as R&D laboratories.

For the financial year ended ("**FYE**") 31 December 2025, Sum Technology recorded a revenue of RM65.7 million from its operations. Protégé Associates has selected the following industry players that are comparable to Sum Technology based on primary research work conducted with Malaysia registered companies involved in the provision of cleanroom EPCM services and end-users of cleanrooms and suppliers of cleanroom components and products.

It is estimated that there are around 25 industry players in Malaysia that provide cleanroom EPCM services. It needs to be highlighted that the list of market players is not exhaustive, and only serves as a reference. The remaining industry players that were not included were either exempt private companies, or are also engaged in various other business activities, with cleanroom EPCM not being their core business activities.

Figure 4: Comparison between Sum Technology and Selected Industry Players in Malaysia

Industry player**	Principal Activities	Latest available FYE	Revenue (RM million)	Gross Profit (RM million)	Profit after Tax (RM million)	Gross Profit Margin[(a)] (%)	Profit after Tax Margin[(b)] (%)
Companies with Revenue above RM500 Million							
Exyte Malaysia Sdn Bhd	The company is principally involved in the provision of construction, installation of facilities and building services as a contractor.	31-12-2024	2,329.1	(444.9)	(436.8)	(19.1)	(18.8)
IAQ Solutions Sdn Bhd	The company is principally involved in the business of designing, supplying and installing cleanroom products and applications, and the provision of related services.	31-12-2024	954.4	122.3	69.7	12.8	7.3

8. IMR REPORT *(Cont'd)*

Industry player**	Principal Activities	Latest available FYE	Revenue (RM million)	Gross Profit (RM million)	Profit after Tax (RM million)	Gross Profit Margin[(a)] (%)	Profit after Tax Margin[(b)] (%)
Companies with Revenue below RM500 Million							
Amerco Engineering Sdn Bhd	The company is principally involved in the construction of cleanroom and supply of cleanroom products and equipment.	30-6-2024	8.5	1.9	(0.01)	22.4	(0.1)
Cleanroom Industries Sdn Bhd	The company is principally involved in the trading and manufacturing in cleanroom related materials and building systems, equipment, products and materials for cleanroom, manufacturing and trading in materials for fire doors and steel doors.	30-06-2025	41.4	13.7	8.5	33.1	20.5
Coolaire Engineering Sdn Bhd	The company is principally involved in the business activities of general contractors, mechanical and electrical works, cleanroom contractor, and building and civil construction.	31-12-2024	54.5	6.1	1.6	11.2	2.9
Critical Holdings Bhd[1]	The company is principally engaged in investment holding activities and through its subsidiaries, in the design and build, project management, supply, installation, testing, commissioning, maintenance and services support of MEP systems and equipment for critical facilities.	30-06-2025	328.9	49.6	27.9	15.1	8.5
iCents Group Holdings Berhad[2]	The company is principally engaged in investment holding activities and through its subsidiaries, in the engineering, construction and related services for cleanrooms and other facilities, as well as manufacture of cleanroom fixtures and related products.	30-06-2025	81.6	20.0	8.0	24.5	9.8
Lufter Sdn Bhd	The company is principally involved in the business of turnkey contractor and consultant for cleanroom and air filtration systems.	31-07-2025	47.4	10.6	2.6	22.4	5.5
Micron (M) Sdn Bhd[3]	The company is principally engaged in the integration, manufacture, trading and installation of cleanroom equipment and other related products for cleanroom facilities and high technology plants.	31-12-2024	22.6	9.0	2.4	39.8	10.6
QTS Sdn Bhd	The company is principally engaged as contractors for cleanroom projects, civil and structural projects, mechanical and electrical products, heating, ventilation and air-conditioning systems, distributors of contamination control equipment and provision of engineering services.	31-12-2024	10.0	3.8	0.6	38.0	6.0

8. IMR REPORT *(Cont'd)*

Industry player**	Principal Activities	Latest available FYE	Revenue (RM million)	Gross Profit (RM million)	Profit after Tax (RM million)	Gross Profit Margin[(a)] (%)	Profit after Tax Margin[(b)] (%)
Sum Technology Berhad	**The company is principally involved as a solutions provider for cleanrooms, MEPF utilities and trading of solar PV panels, while also manufacturing and trading commercial and industrial air conditioning equipment.**	**31-12-2025**	**65.7**	**15.6**	**6.1**	**23.7**	**9.3**
T.T.E. Engineering (M) Sdn Bhd	The company is principally involved in the provision of contract services for air conditioning, ventilation and electrical systems.	31-12-2024	170.3	39.4	14.7	23.1	8.6
Vicfil Sdn Bhd	The company is principally engaged in trading and installation of all kinds of cleanroom products, equipment and accessories and its related business activities.	30-06-2025	4.7	0.96	0.15	20.4	3.2
YE Cleanroom Architectural Sdn Bhd	The company is principally involved in the business of installation of partitions and fixtures and providing renovation services.	31-01-2025	9.7	1.7	0.2	17.5	2.1

Notes:

The above figures only provide an indication and are not considered directly comparable to Sum Technology as not all companies:

(1) have the same FYE;

(2) carry out activities which are completely similar to Sum Technology and each other, as well as serve directly the same end-user markets; and

(3) operate in the same geographical area.

[(a)] Gross Profit Margin = Gross Profit/ Revenue

[(b)] Profit after Tax Margin = Profit after Tax/ Revenue

*** All selected industry players are based in Malaysia and have operations in the country.*

[1] Critical Holdings Berhad is listed on the Main Market of Bursa Malaysia Securities Berhad.

[2] iCents Group Holdings Berhad is listed on the ACE Market of Bursa Malaysia Securities Berhad.

[3] Micron (M) Sdn Bhd regards Channel Micron International Limited, CM Hi-Tech Cleanroom Limited (formerly known as Channel Micron Holdings Company Limited), MayAir HK Holdings Limited, and MayAir Technology (China) Co., Ltd as the immediate, intermediate, penultimate, and ultimate holding company, respectively. CM Hi-Tech Cleanroom Limited was formerly listed on The Stock Exchange of Hong Kong and was subsequently privatised by Mayair HK Holdings Limited via a scheme of arrangement. MayAir Technology (China) Co., Limited is listed on the Shanghai Stock Exchange.

Sources: Sum Technology, Prospectus of Critical Holdings Berhad and iCents Group Holdings Berhad, Companies Commission Malaysia, and Protégé Associates

3.2 Estimated Market Share

The cleanroom EPCM industry consists of players ranging from large corporations to small and medium companies; led by industry players such as Exyte Malaysia Sdn Bhd, IAQ Solutions Sdn Bhd, Cleanroom Industries Sdn Bhd, Critical Holdings Bhd, and T.T.E. Engineering (M) Sdn Bhd. These companies cumulatively have revenue of RM3.88 billion which accounts for 85.3% of the RM4.55 billion industry in 2024, with the remaining market share contributed among the other industry players. For the FYE 31 December 2025, Sum Technology generated revenue of RM65.7 million for its operations, which is equivalent to 1.3% share of the cleanroom EPCM services industry in Malaysia of RM4.91 billion in 2025.

4.0 Demand and Supply Conditions

4.1 Demand Conditions

Figure 5: Demand Conditions Affecting the Cleanroom EPCM Services Industry in Malaysia, 2026-2030

Impact	Demand Conditions	Short-Term	Medium-Term	Long-Term
		2026-2027	2028-2029	2030
+	Expansion in End-user Markets	High	High	High
+	Strong Government Support towards the Development of High-Tech Industries	High	High	High
-	Challenges Faced by the Global Economy	High	Low	Low

Source: Protégé Associates

Expansion in End-user Markets

Cleanrooms are contamination-free environments where high technology manufacturing and assembly take place across a wide range of industries. Expansion in the cleanroom EPCM services industry in Malaysia are mainly driven by demand and utilisation of cleanroom EPCM services in various end-user industries. The key selected end-user industries are detailed in the sub-sections as follow:

Semiconductor Industry

The semiconductor industry is a key end-user for the cleanroom EPCM services sector, particularly within the high-end cleanroom segment (ISO Class 5 and below). Semiconductor production, especially silicon wafers, requires an extremely clean and controlled manufacturing environment. After achieving a CAGR of 11.9% from 2021 to 2025 (base of 2020), the global semiconductor industry is expected to continue its growth trajectory, driven by the increasing integration of semiconductor technologies across various devices. Technological advancements will likely fuel demand for semiconductors through the introduction of new electronic devices. This growth is further supported by the widespread adoption of smartphones, the Internet of Things ("**IoT**"), cloud computing, 5G technology, and electric vehicles. The proliferation of 5G smartphones with innovative features is also anticipated to drive users to upgrade, contributing to a global surge in demand.

Moreover, the growing use of IoT and smart devices, along with expanding electronic content across traditional and non-traditional industries, is expected to increase the need for semiconductors. For example, the construction sector is integrating intelligent electricity meters, smart lighting, and smart heat, ventilation, and air conditioning systems, while the manufacturing sector is adopting IoT for production monitoring, remote equipment management, and quality control throughout the value chain. Additionally, the rising adoption of cloud computing, including its associated software and infrastructure such as high-performance computing and data centres, presents another major demand driver for semiconductors. Cloud computing, in particular, creates a strong market for artificial intelligence chips used in data centres to accelerate machine learning tasks. The automotive industry, with its increasing electronic content, is also contributing to semiconductor demand growth.

In Malaysia, the semiconductor industry has seen consistent investment. As an important semiconductor manufacturing hub in the Asia Pacific region, Malaysia's semiconductor production accounted for more than 50% of the country's E&E manufacturing output in 2024, with the E&E sector contributing approximately 6.3% to the nation's GDP. Local companies in the semiconductor and related sectors typically operate within the mid- to lower-tier segments of the global value chain, serving domestic and international semiconductor manufacturers, brand owners, integrated circuit ("**IC**") developers, and fabricators. These local enterprises can be categorized into three main groups. The first group consists of outsourced semiconductor assembly and test ("**OSAT**") companies like Inari Amertron Berhad, Unisem (M) Berhad, and Malaysian Pacific Industries Berhad. The presence of these OSAT firms necessitates the existence of the second group, comprising manufacturers of semiconductor automated test equipment ("**ATE**") such as ViTrox Corporation Berhad, Elsoft Research Berhad, and MMS Ventures Berhad. The third group includes companies engaged in designing and manufacturing supporting solutions like test sockets and stiffeners for OSAT and other semiconductor firms, with FoundPac Group Berhad and JF Technology Berhad among notable examples. Additionally, the E&E value chain encompasses electronics manufacturing services ("**EMS**") providers like V.S. Industry Berhad and K-One Technology Berhad, which, while not classified as semiconductor companies, play a crucial role in the overall ecosystem. The established presence of the country's semiconductor industry has made Malaysia the sixth largest semiconductor exporter in the world, accounting for 13% of the global market for semiconductor packaging, assembly and testing.

Following 46 approved electronic components/semiconductor projects worth RM48.1 billion in 2024, Malaysia approved 59 electronic components/semiconductor projects worth RM16.9 billion in 2025. The Malaysian Government has also placed emphasis to enhance key areas in the semiconductor industry, including strengthening front-end capabilities, supporting local corporations and small and medium enterprises, as well as enhancing research and development. In March 2025, Malaysia entered into a partnership with semiconductor design firm Arm Holdings plc. Under the deal, Arm Holdings plc will provide Malaysia with intellectual property licences and compute subsystems, which is expected to boost the development of the country's chip designing capabilities in the upstream segment of the semiconductor value chain. The continued growth of the semiconductor industry is expected to drive further expansion in the cleanroom EPCM services industry in Malaysia.

8. IMR REPORT *(Cont'd)*

Healthcare Industry

The healthcare industry drives substantial demand for cleanroom environments, particularly in medical facilities for procedures that require sterile, contamination-free conditions, such as in operating theatres and isolation rooms. In Malaysia, healthcare expenditure has been consistently increasing over the years. The healthcare expenditure by public and private system in Malaysia stood at RM89.83 billion in 2024, an increase of 8.4% from RM82.85 billion in 2023. From 2020 to 2024 (base year 2019), public and private healthcare expenditure expanded at a CAGR of 5.9% and 8.2%, respectively. The expansion in public healthcare expenditure can be attributed to the substantial demand for subsidised healthcare services, which are highly affordable for the populace. On the other hand, the private healthcare sector stands to benefit from rising income levels, as affluent individuals often opt for private healthcare services due to shorter waiting times and superior service experiences.

Looking ahead, Malaysia's total healthcare expenditure is projected to continue to rise, driven by factors such as an aging population, an increase in non-communicable diseases, and the expansion of the healthcare travel industry. To accommodate the rising demand for healthcare services, there have been significant investments in healthcare infrastructure, including hospital expansions, the construction of advanced medical facilities, and the development of new healthcare centres. Recent notable projects include the construction of UCSI Hospital and the launch of the KL International Tertiary Hospital and the Columbia Asia Hospital – Bukit Jalil in 2024.

Pharmaceutical and Medical Devices Industry

Pharmaceutical products and medical devices in Malaysia fall under the jurisdiction of the Drug Control Authority and Medical Device Authority, respectively. Both are subject to stringent manufacturing requirements aligned with GMP standards, which mandate high levels of cleanliness and sanitation, often achievable only through the use of cleanrooms. The pharmaceutical and medical device sectors are poised for continued growth, driven by rising healthcare demand. This is partly due to the increasing prevalence of chronic diseases, which require lifelong management through pharmaceuticals and medical devices. Additionally, the aging global population is expected to further boost demand for medical treatments targeting age-related illnesses. With the number of elderly individuals increasing, there will be a heightened need for more effective drugs and medical devices to facilitate both curative and preventive treatments for age-related conditions. The United Nations projects that by 2050, the global population of those aged 65 and above will more than double, rising from 761 million in 2021 to 1.6 billion. In Malaysia, the proportion of individuals aged 60 and above is expected to increase to 16.5% of the total population by 2040, up from 12.0% in 2025. Furthermore, the recent outbreak of pandemics (such as COVID-19) and influenza viruses has also led to a surge in demand for pharmaceutical products, including for vaccines as well as other pharmaceutical supplements intended to enhance one's own health to combat the virus.

Biotechnology Industry

Biotechnology refers to the multidisciplinary field that involves biological systems and organisms to develop technologies and products to improve human life and the health of the planet. Biotechnology is used across diverse applications including healthcare (such as stem cell treatment, biopharmaceuticals and vaccines), food security (such as genetically modified organisms and biofertilisers and biopesticides), and industrial processes (such as biofuels, bioplastics, industrial enzymes, and bio-based chemicals). Biotechnology applications involve research and development in laboratories and biotechnological products are often produced in controlled environment, both of which are conducted in cleanroom environments.

In Malaysia, the BioNexus status is awarded to qualified biotechnology companies engaged in value-added activities within biotechnology and life sciences. The status grants companies fiscal incentives, funds, and support for growth. Furthermore, the National Biotechnology Policy 2.0 also aims to facilitate industry advancement through adoption of cutting-edge technology. There has also been continuous investment into the Malaysian biotechnology industry over the years. Following investments worth RM12.8 million in 2024, the biotechnology industry in Malaysia registered RM117.9 million worth of approved investment in 2025. The expansion of the biotechnology industry in Malaysia is expected to bode well for the development of the cleanroom EPCM industry in the country.

Data Centre Industry

Data centres are purpose-built physical facilities which house information technology ("**IT**") infrastructure such as servers, storage systems, networking equipment and critical systems, that are designed to process, store and distribute vast amounts of data such as customer records, financial data, employee details, website and application data, cloud storage data, operational data (e.g., server logs and security logs), government and public sector data, media and content delivery files, e-commerce and financial data, and backup or disaster recovery data.

Malaysia is emerging as a leading data centre hub in Southeast Asia, driven by strong government support, strategic investments, robust digital and physical infrastructure and a commitment to sustainability. In 2024, Amazon Web Services announced plans to invest approximately RM29.2 billion to develop a new data centre in Malaysia, while Microsoft Corporation committed approximately RM10.5 billion to expand its cloud and artificial intelligence infrastructure. Google LLC, similarly, pledged RM9.4 billion for the construction of its first data centre in Malaysia. Other notable projects such as Nvidia Corporation collaboration with YTL Power International Berhad, NextDC and Mah Sing Group Berhad's joint venture with Bridge Data Centre also contribute significantly to the data centre industry. Building on this momentum, in 2025, Malaysia secured several more major data centre investments and projects. This includes Microsoft's continued expansion through the acquisition of a six-million-square-foot site for RM693.9 million, AirTrunk's RM9.70 billion investment in a second data centre facility, and Stack Infrastructure's RM7.00 billion investment in a new hyperscale data centre facility.

8. IMR REPORT *(Cont'd)*

The outlook of the data centre industry in Malaysia is promising, primarily due to higher digital transformation efforts and cloud adoption by businesses to meet growing information technology demands. Moving forward, the data centre industry in Malaysia is expected to be driven by the rapid expansion of e-commerce, heightened demand for cloud computing, and increasing adoption of artificial intelligence and the IoT technologies. The need for data centres is anticipated to grow alongside the expansion of industries like healthcare, financial services, manufacturing and telecommunications that rely on data-intensive applications. In addition, government policies supporting digital transformation and the rollout of 5G will continue to generate stable demand for data centre services. The implementation of cybersecurity initiatives and other global best practices are also projected to drive higher investment in data centre infrastructure by businesses seeking robust and reliable information technology solutions. Furthermore, the growing emphasis on sustainability is expected to increase demand for green data centres in Malaysia. These major trends are expected to drive long-term demand for data centre services in Malaysia, providing the catalyst for growth in the local cleanroom EPCM industry.

F&B Manufacturing Industry

The F&B manufacturing industry is one of the largest industries within the Malaysian manufacturing sector, with a total output valued at RM370.84 billion in 2025, representing 18.9% of the overall manufacturing output. Cleanrooms are commonly employed in the F&B industry, especially for products requiring a controlled environment with low levels of airborne particles, contaminants, and microorganisms. These cleanrooms are essential for maintaining the safety and quality of products during manufacturing. Items such as food ingredients, beverages, bakery goods, and edible oils, which involve delicate formulations, precise ingredient ratios, and specific processing conditions, are particularly vulnerable to contamination. The manufacturing of F&B products is regulated by the Food Act 1983, alongside the implementation of food safety management systems such as GMP, Makanan Selamat Tanggungjawab Industri ("**MeSTI**"), and Hazard Analysis Critical Control Points ("**HACCP**"). These standards aim to protect public health by preventing food hazards and ensuring food safety, often requiring the use of cleanrooms. As the F&B manufacturing industry continues to expand, driven by the increasing demand for food and nutrition for a growing population, the demand for cleanroom EPCM services is expected to rise further.

Strong Government Support towards the Development of High-Tech Industries

The manufacturing sector in Malaysia plays a crucial role in the Malaysian economy. As such, the sector has received strong support from the Malaysian Government, whereby various initiatives have been provided to grow the sub-sectors. A key initiative focuses on advancing the high-tech sector to move the manufacturing industry up the value chain. This is highlighted in the Thirteenth Malaysia Plan ("**13MP**"), which aims to develop the manufacturing sector through efforts in boosting the E&E subsector, particularly by reforming the semiconductor industry to enhance the production of high value high technology products.

Furthermore, The New Industrial Master Plan 2030 ("**NIMP 2030**") aims to bolster the manufacturing sector through long terms strategic and cohesive plans in multiple industries with a focus on 5 priority industries - aerospace, chemical, E&E and pharmaceutical and medical devices industries - all of which heavily rely on cleanroom facilities. The NIMP 2030 has identified products such as front-end semiconductor products, specialty chemicals, and advanced materials as key products that can move country up the value chain. This bodes well for the cleanroom EPCM services Industry due to these products' significant reliance on cleanroom environments.

The Malaysian government is also prioritising the development of high-tech manufacturing hubs and supporting infrastructure to strengthen the country's high-tech sector. Under Budget 2024, plans are underway to establish a high-tech industrial zone in Kerian, Perak, focusing on the E&E industry. This will enhance the E&E ecosystem in northern Malaysia, alongside Penang and Kulim Hi-Tech Park. In Sarawak, the state government is planning to build the Kuching High Tech Park to address spillover demand from the Sama Jaya Free Industrial Zone. Additionally, the Johor-Singapore Special Economic Zone aims to attract investments from advanced manufacturing companies. The ongoing construction of the rapid transit system link between Johor Bahru and Singapore, set to begin operations in 2026, will further integrate the two economies. The government's strong focus on developing high-tech clusters is expected to drive future demand for cleanroom EPCM services in Malaysia.

Challenges Faced by the Global Economy

As part of the global supply chain, Malaysia's economic activities are deeply impacted by global geopolitical events. A significant trend in recent years has been the rise of trade protectionism, particularly driven by major economies like the USA and China. The USA has imposed restrictions on exporting semiconductor technology to China, requiring American companies to obtain licenses to supply advanced semiconductor chips and equipment to Chinese manufacturers. Japan and the Netherlands followed suit in 2023, implementing similar export restrictions on advanced semiconductor manufacturing equipment. In January 2025, the USA proposed a revision to its Export Administration Regulations controls on advanced integrated circuits and AI models. The move serves to protect the USA's national security and foreign policy interests by adding new license exceptions to facilitate the export, reexport and transfer of advanced integrated circuits to end users in destinations that do not raise national security or foreign policy concerns. Specifically, the USA is expanding existing controls on advanced computing integrated circuits and imposing new controls on certain advanced AI models. In April 2025, the USA introduced a reciprocal tariff policy, imposing a base ad valorem tariff rate of 10.0% on all imports and an additional 24.0% tariff rate on goods from Malaysia. The tariff rate was later revised downwards to 19% in August 2025.

Geopolitical conflicts, such as the ongoing Russia-Ukraine war, the Israel-Palestine conflict, and the recent Iran war as well as the maritime disputes in South China Sea could also potentially affect global trade and slow down the world economy.

According to the International Monetary Fund, global economic growth remained at 3.3% in 2025 and is expected to expand at 3.3% and 3.2% in 2026 and 2027 respectively. At the same time, while global trade expanded by 3.7% to USD33 trillion in 2024, trade momentum slowed in the second half of the year. While global trade in goods and services remained strong in the first half of 2025, growth is expected to decelerate due to mounting headwinds in the second half of year amid persistent policy uncertainty, geopolitical tensions and signs of slowing global growth.

Given Malaysia's reliance on exports, these global economic fluctuations are likely to reduce demand for various products, potentially impacting the need for cleanroom EPCM services. However, amidst these geopolitical issues, some countries not directly involved may benefit from trade and investment diversion. Malaysia, for instance, has capitalised on the USA-China trade war by attracting foreign companies to set up manufacturing facilities within the country, boosting demand for cleanroom EPCM services. Notably, several MNCs, including Intel Corp., Infineon Technologies AG, and AT&S, have announced plans to invest over USD10 billion to expand semiconductor production capacity in Malaysia, presenting positive prospects for the cleanroom EPCM services sector. The first phase of the Infineon Technologies AG semiconductor fabrication plant has been completed and operational since August 2024, with the second phase currently underway. AT&S's production facility started construction in late 2021 and commenced operations in early 2025. However, the Intel Corp. semiconductor plant remains on hold in 2025.

4.2 Supply Conditions

Figure 6: Supply Conditions Affecting the Cleanroom EPCM Services Industry in Malaysia, 2026-2030

Impact	Supply Conditions	Short-Term	Medium-Term	Long-Term
		2026-2027	2028-2029	2030
+	Advancement in Manufacturing and Construction Technologies	High	High	High
+	Availability of Qualified and Experienced Manpower	Medium	Medium	Medium
+	Established Supplier Base for Cleanroom Equipment and Enclosures	Medium	Medium	Medium

Source: Protégé Associates

Advancement in Manufacturing and Construction Technologies

The advancement of technological facilities and resources, including state-of-the-art machinery, tools, computer systems, and advanced design and engineering software such as computer-aided design ("**CAD**"), along with R&D and quality control facilities, has been a key driver of global manufacturing sector growth. These advanced technologies enable the production of highly precise products with minimal human error.

This trend also applies to the manufacturers of cleanroom equipment and products, which in turn bodes well for the cleanroom EPCM services industry. Malaysia is equipped with advanced manufacturing technologies that enable it to take on sophisticated manufacturing activities and move up the value chain. Additionally, the construction industry has benefitted from technological advancement especially in the design stage. Specifically, advanced 3D modelling using the building information modelling ("**BIM**") system allows engineers engaged in a cleanroom EPCM project to iterate multiple cleanroom designs virtually, automate construction workflows, enable real time monitoring, and facilitate remote collaboration.

Availability of Qualified and Experienced Manpower

The nature of the cleanroom EPCM services industry is such that it is still highly reliant on semi-skilled and skilled labour, and the availability of qualified and experienced manpower is a critical success factor for cleanroom EPCM service providers to remain competitive in the industry. It is essential that a cleanroom EPCM service provider can attract, hire, and retain talented employees. These skilled and experienced manpower are required to undertake various cleanroom EPCM activities such as designing, building, installing, operating and maintenance. As such, skilled labour plays an important role in ensuring the sustainability of cleanroom EPCM service operations. Malaysia has a ready pool of qualified and experience manpower to undertake these operations, with a steady stream of graduates joining the workforce on a yearly basis. This bodes well for the development of the cleanroom EPCM services industry in the country.

Established Supply Base for Cleanroom Equipment and Enclosures

Malaysia has a well-established supply base of cleanroom equipment and enclosures. The cleanroom equipment that are manufactured domestically include HVAC equipment such as fan filter units, make-up air systems, and HEPA/ULPA filters, as well as electrical equipment such as lighting, low voltage/high voltage systems, and uninterruptible power supply system.

A variety of local companies also manufacture the full range of cleanroom enclosures such as ceiling, flooring, doors, windows, and wall panels. The availability of locally manufactured cleanroom equipment and enclosures streamlines cleanroom EPCM project timelines by facilitating faster procurement and enabling smoother communication with suppliers, thereby allowing for improved customisation of cleanroom equipment and enclosures to tailor to customer requirement.

9. RISK FACTORS

NOTWITHSTANDING THE PROSPECTS OF OUR GROUP AS OUTLINED IN THIS PROSPECTUS, YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS THAT MAY HAVE A SIGNIFICANT IMPACT ON OUR FUTURE PERFORMANCE, IN ADDITION TO ALL OTHER RELEVANT INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, BEFORE MAKING AN APPLICATION FOR OUR IPO SHARES.

9.1 RISKS RELATING TO OUR BUSINESS AND OUR OPERATIONS

9.1.1 We are exposed to risks from a concentrated customer base and a project-based business model

A substantial portion of our revenue are derived from a handful of projects, from which we recognise revenues over time as we transfer control of the project asset to the customer, and this has caused a limited number of customers to account for a substantial portion of our total revenue. During the Financial Years Under Review, our top 5 major customers collectively accounted for 91.58%, 89.24%, 72.97% and 84.53% of our total revenue. In particular, our largest customer, namely STMicroelectronics Sdn Bhd, contributed approximately 77.64% of our revenue in FYE 2022, 26.77% in FYE 2023, 20.20% in FYE 2024 and 9.70% in FYE 2025. Our largest customer in FYE 2023, namely Customer A accounted for 34.36% of our Group's revenue while our largest customer in FYE 2025, namely Honghui Engineering Sdn Bhd accounted for 35.98% of our Group's revenue.

Our project-based business does not generate recurrent revenue. Consequently, upon the completion and delivery of our existing projects, the inability to secure new contracts in a timely manner may have a material and adverse effect on our financial performance. Our ability to secure new contracts depends on various factors, including, but not limited to, the competitive landscape, our reputation within the industry, and the prevailing market and economic conditions. Our customers' capital expenditures can also fluctuate significantly, potentially leading to substantial tender opportunities in one period and minimal prospects in the next. Additionally, our contract value and profit margins for each project vary based on the scope of work, project duration and overall complexity. Given the project-based nature of our business, we have historically experienced and may potentially experience volatility in our revenue and profit margins. Consequently, our financial performance and business prospects could be adversely affected.

9.1.2 We are exposed to industry concentration risk

We face industry concentration risk given that most of our major customers operate in the semiconductor sector. In the Financial Years Under Review, the semiconductor sector has accounted for 80.57%, 29.06%, 33.68% and 27.05% respectively of our total revenue. Further, contribution from the electrical and electronics sector during the Financial Years Under Review accounted for 2.58%, 1.68%, 6.84% and 0.70% respectively of our total revenue. Despite the minimal revenue contribution by customers from the electrical and electronics sector, we remain exposed as capital expenditure cycle in the electrical and electronics sector is aligned to the spendings in the semiconductor sector.

Our customers rely on our services for the setup of cleanrooms, MEPF and other facilities associated with their production operations. Consequently, our financial performance is affected by various factors that cause fluctuations in capital expenditure in the electrical and electronics and semiconductor sector. These factors include changes in general economic conditions; technological and geopolitical developments; fluctuations in demand by end user industries which include the electrical and electronics, automotive, data centre, servers, data storage, and telecommunications industries; and availability of unutilised manufacturing capacity as players in the aforementioned industries typically expand when facilities are operating close to full capacity. Slower or negative growth in capital expenditures in the electrical and electronics and semiconductor sectors could reduce demand for our services, resulting in a decrease in revenue if we cannot secure revenue contributions from other end markets to offset the loss of revenue from both sectors.

9. RISK FACTORS *(Cont'd)*

9.1.3 We are dependent on our Executive Directors and key personnel for the continued success and growth of our business

As our Group's core expertise lies in providing turnkey solutions and customised MVAC products, we are highly dependent on the continued service of our Executive Directors, Lee Thiam Hing and Cheng Kai Sean, and Key Senior Management team, who collectively possess substantial experience in our business domain and a deep understanding of our operational requirements and customers' needs. Our Executive Directors Lee Thiam Hing possess more than 32 years of experience in business development, engineering and project management, while Cheng Kai Sean has more than 15 years of experience in the business development and operations in HVAC industry.

We are dependent on our Key Senior Management, namely our Chief Financial Officer Lim Bok See, our Project Director Saw Swee Luen and Technical Director Ir. Teo Wei Kher. Collectively they have accumulated between 24 and 44 years of experience in finance, engineering and project management. We cannot provide assurance that we will continue to successfully retain our existing key management team. The loss of any personnel in our key management team, without a suitable replacement in a timely manner, may adversely affect our business operations and financial performance.

9.1.4 We depend on the use of subcontractors to complete our contracts

We appoint subcontractors to perform construction related works, including installation and structural works, while we manage and oversee the overall project to ensure its successful execution. During the Financial Years Under Review, subcontractors constitute 54.05%, 34.31%, 15.56% and 37.52% of our cost of sales.

We have in place subcontractor selection and assessment processes to ensure that appointed subcontractors can meet our requirements and maintain a list of approved subcontractors from which we will appoint subcontractors for our projects. An annual assessment will be conducted on the list of approved subcontractors to evaluate their quality, reliability and pricing. Prior to appointing subcontractors for our projects, we will evaluate their technical capabilities, track records, service quality and pricing. Nevertheless, we may still encounter incidents related to subcontractor non-performance or substandard performance as well as delays.

We are dependent on subcontractors to deliver construction related works for our projects. As such, the reliability of these subcontractors in fulfilling their contractual obligations is crucial to our ability to complete our projects as according to project requirements. Subcontractor performance failures, whether due to faulty workmanship, defective materials, delays, or incomplete work, may result in customer claims against us for failing to meet project requirements.

9.1.5 Fluctuating raw materials, component, equipment and operational costs could materially and adversely impact our financial performance and business prospects

The costs of raw materials, equipment, labour, and fees needed for the completion of our projects may fluctuate from time to time. Given that our subcontractors are similarly impacted by fluctuations in these cost components, we also face higher subcontractor costs if they choose to pass on their cost increases to us. Rising costs could reduce our margins as our contractual agreements generally do not include cost revision or escalation provisions, making us unable to offset these increased costs, which could materially and adversely affect our financial performance. Additionally, our ability to raise prices for future contracts may be constrained by the competitive environment, which can be exacerbated during economic downturns, potentially reducing future contract margins. Furthermore, in periods of increased volatility, we may encounter challenges to accurately estimate project costs, which could result in cost overruns when there is a significant deviation between actual costs incurred and our initial estimates.

9. RISK FACTORS *(Cont'd)*

Our manufacturing business consumes raw materials and components such as steel and electronic components. Rising raw material prices increases the prices of both raw materials and components that we use to manufacture our products. Our ability to pass on the cost increases is subject to market and economic conditions. Unfavourable conditions such as inadequate demand or an oversupply of competing products may reduce our profit margins, adversely impacting our financial performance. On the other hand, fluctuating prices will cause us uncertainty in forecasting budgets and managing inventory levels, which may affect our profitability and operational efficiency.

9.1.6 We are exposed to claims initiated by customers during the warranty period, as well as liability actions by customers in response to any damage or loss arising from our actions and those of our subcontractors

In connection with the completion and delivery of our projects, we offer warranties that insure our customers against defects in design, workmanship, and materials. Additionally, the warranties ensure that the delivered goods and services conform to customer specifications and quality standards as well as function as intended. In general, such warranties may last from 12 up to 18 months, beginning from the date specified by the contractual terms and conditions, typically the date of project handover. During the warranty period, our customers withhold from us a retention sum ranging from 5.00% to 7.00% of the total contract value. Similarly, we may withhold 5.00% retention sum from our subcontractors under our subcontract agreements. The release of these retention sums to our subcontractors occurs following the release of the corresponding retention sums from our customers to us.

Over the warranty period, our customers may file claims against us for any breach any of the warranty provisions, which requires us to rectify the defects or errors. In such instances, we may engage the respective subcontractor to perform the necessary rectification work, with associated costs borne by the subcontractor. However, if the defects cannot be attributed to the subcontractor or the costs cannot be recovered from the subcontractor or the costs exceed the retention sum withheld from the subcontractor, we may be responsible to cover the costs of rectification.

Although we have retention sums from subcontractors and insurance to address customer claims and liability actions, these measures may not fully cover the associated costs relating to product rectification, legal expenses, and settlements. Additionally, we could suffer reputational damages arising from any claims or liability actions filed against us, which could impact our ability to secure future projects and maintain relationships with existing customers. Consequently, our financial performance and business prospects could be materially and adversely impacted.

For the Financial Years Under Review up to the LPD, we have not received any material claims from our customers. However, there is no assurance that we will not face such claims in the future, particularly in relation to delays, non-performance, or defects arising from work performed by our subcontractors.

9.1.7 Our contracts with customers stipulate fixed project schedules or delivery dates, subjecting us to the liquidated and ascertained damages claims as well as cost overruns

Our contracts with customers frequently include specified project schedules or delivery dates that cannot be extended without customer approval, except in cases of force majeure events. Force Majeure includes natural disasters, riots, acts of war, government actions, acts of God, or other events beyond our reasonable control. We could encounter unexpected events that disrupt our project schedules, including technical problems such as design and engineering issues; inaccurate representation of site conditions during the planning phase; poor performance by suppliers and subcontractors; reliance on historical execution data that is not representative of the current project; delays caused by weather; delays in critical tasks that cause delays in dependent tasks; unavailability of raw materials and workers; and loss of permit or regulatory approvals during the course of our project.

9. RISK FACTORS *(Cont'd)*

We rely on subcontractors to execute substantial portions of our construction activities and installation works. As a result, our ability to meet project schedules is dependent, to a significant extent, on the performance and reliability of these subcontractors. Delays or extensions in project timelines, attributable to subcontractor performance or other factors, could expose us to potential liquidated and ascertained damages claims by customers as provided in our contracts, and may lead to increased project costs, including overheads. Additionally, such delays could damage our reputation and subject us to legal uncertainties. If we fail to meet our project schedules, our financial performance, business operations, and business prospects could be materially and adversely affected.

9.1.8 Our ability to attract and retain technical personnel is critical to the continued success and growth of our business

We undertake and manage complex projects that encompass a broad range of engineering and technical services, requiring the involvement of skilled and experienced personnel. These projects require the expertise of our design engineers, who are responsible for the development of detailed engineering designs, plans, and specifications. In addition, our project engineers oversee the management of the project lifecycle, from the tendering for contracts through to final commissioning and delivery. This oversight includes the coordination of subcontractors and suppliers, as well as the ongoing evaluation and control of project costs. Due to the complex and technical nature of our business, our success is dependent upon our ability to attract and retain personnel who have the necessary and required experience and expertise, and who will perform their specialised functions at a reasonable and competitive rate. Our inability to attract and retain such personnel could limit our capacity to successfully complete existing projects and compete for new projects, materially and adversely affecting our financial performance, business operations and business prospects.

9.1.9 We are required to comply with laws and regulations as well as customer regulations concerning health, safety and environment

We are subject to various laws and regulations concerning health, safety and environment. Laws, regulation, and our contracts with customers impose obligations on us to ensure the safety of our employees and subcontractors. Notably, our manufacturing and project sites may pose significant safety risks to our employees and subcontractors due to their interaction with and proximity to large and mechanised equipment, electrical equipment, or moving vehicles. As such, we are exposed to the risk of failing to manage the safety risks at our manufacturing and project sites. In addition, laws, regulations, and our contracts with customers impose environmental obligations on us, including those related to hazardous materials, waste management, and air and water quality during our contract works and other activities.

Our failure to comply with the health, safety, and environmental regulations and obligations imposed on us may subject us to financial penalties, suspension of our business activities, result in a breach of contract with our customers, and result in legal actions against us by the affected individuals. Such legal ramifications could have a material and adverse effect on our financial performance, business operations and business prospects. As at the LPD, there have been no incidents of non-compliance with the health, safety, and environmental laws and regulations by our Group. However, there can be no assurance that we will continue to remain in compliance with the applicable laws and regulations imposed on us as we carry out our business. Any future changes in or stricter enforcement of these laws and regulations may also require us to incur additional compliance costs that could be material. In addition, there can be no assurance that we will not be involved in costly litigations or proceedings relating to health, safety, and environmental matters in the future.

9. RISK FACTORS *(Cont'd)*

9.1.10 Our insurance coverage may be inadequate to cover all losses or liabilities

As at the LPD, we hold workmen's compensation policy, details of which are as follows:

Type of insurance policies	Sum insured RM'000
Workmen compensation	3,720
Total	**3,720**

However, our existing insurance policies may not cover all potential losses or risks inherent in our business operations, given that our activities expose us to various claims and disputes related to liabilities that may be inadequately insured or entirely uninsurable. Moreover, there can be no assurance we can renew our insurance coverage or obtain future policies on terms that are economically viable. If our insurance coverage is insufficient to indemnify us against all liabilities or losses, or if there is a material increase in the cost of such coverage, our financial performance, business operations, and business prospects could be materially and adversely affected.

9.1.11 Our businesses depend on the retention and attainment of approvals, licenses, and permits issued by the relevant authorities

We are required to comply with applicable guidelines, regulations, and conditions imposed by the relevant authorities in order to obtain, renew, maintain, or secure new approvals, licenses, and permits. This may include meeting specific requirements, such as maintaining a prescribed level of paid-up capital and employing personnel with the necessary professional or technical qualifications. In addition, we may be required to notify authorities of new projects undertaken or of any changes to our manufacturing plants that could impact our compliance with licensing conditions. Failure to comply with these requirements could result in the downgrading, suspension, or revocation of our approvals, licenses, and permits, which would adversely affect our ability to complete ongoing projects, secure new contracts, or conduct our manufacturing operations.

During the Financial Years Under Review, we have not experienced any revocation, suspension, or non-renewal of our existing approvals, licenses, permits, and other clearances from regulatory authorities prior to their expiration. However, there can be no assurance that we will successfully renew these licenses, permits, and other clearances in the future, especially if there are changes to the current applicable guidelines, regulations, and conditions.

9.1.12 We are exposed to credit risk

Our sales invoices provide credit terms that generally range from 30 to 90 days to our customers. Additionally, our billing arrangements are generally structured under the percentage-of-completion method, with payments deferred until the achievement of specific project milestones, allowing for progressive billings as work is completed. These practices expose us to credit risks associated with fluctuations in market and economic conditions affecting our customers, as well as credit risks specific to individual customers. Failure by our customers to fulfil their payment obligations, whether due to delays or defaults, could materially and adversely impact our cash flow and financial performance. Furthermore, changing market and economic conditions and any indications of impairments may necessitate adjustments to our credit risk assessments, potentially resulting in provisions for impairment on trade receivables and contract assets. During the Financial Years Under Review, our Group recorded impairment losses of trade receivables amounting to RM0.01 million, RM0.15 million, RM0.91 million and RM0.06 million respectively and there were no bad debts written off in these financial years. Although we have not experienced material credit losses during the Financial Years Under Review, there can be no assurance that material credit losses will not arise in the future due to changes in customer circumstances or broader market and economic conditions.

9. RISK FACTORS *(Cont'd)*

9.1.13 We are exposed to fluctuations in foreign exchange rates

We are exposed to fluctuations in foreign exchange rates as our transactions with customers and suppliers are denominated in foreign currencies, including USD, SGD and PHP. During FYE 2022, FYE 2023, FYE 2024 and FYE 2025, RM7.63 million (9.13%), RM7.57 million (8.55%), RM16.13 million (31.41%) and RM16.42 million (25.00%) of our total revenue were transacted in foreign currencies. Conversely, RM1.17 million (3.98%), RM2.38 million (5.52%), RM4.87 million (18.05%) and RM7.23 million (30.21%) of our total purchases of materials during FYE 2022, FYE 2023, FYE 2024 and FYE 2025, respectively, were denominated in foreign currencies. Accordingly, any material fluctuations in exchange rates, particularly in the USD, SGD and PHP, may adversely affect our financial condition and results of operations.

While we maintain bank accounts in RM and USD to facilitate the use of collections to make payments in the same currency wherever possible, there can be no assurance that such measures will be sufficient to provide a natural hedge against foreign exchange fluctuations. In particular, if such fluctuations are sharp or sustained over an extended period, they could have a material adverse impact on our financial performance and results of operations.

9.1.14 Our manufacturing operations are susceptible to disruptions or delays from unexpected events that are outside our control

Our manufacturing operations are dependent on the timely delivery of raw materials and components from suppliers to meet customer demands. If our suppliers cannot provide the necessary raw materials or components, and if we are not able to secure alternative supplies in a timely manner and on commercially reasonable terms, our ability to manufacture certain products and our financial performance could be adversely affected.

Additionally, our production facility may encounter unexpected incidents that disrupt our manufacturing operations and delay our production schedules. Such incidents may include machinery and equipment failures, power shortages, workplace accidents, natural disasters, and fires. If we experience such disruptions, we may fail to meet customer delivery schedules, which could result in compensation claims for late deliveries or the cessation of future orders by our customers. Although we have not experienced any past incidents that materially and adversely affected our financial performance due to supplier performance failures or other unexpected events, we cannot provide assurance that such incidents will not occur in the future.

9.2 RISKS RELATING TO THE INDUSTRY IN WHICH WE OPERATE

9.2.1 We face competition from other industry players

Our industries are served by numerous players, from local owner operated private companies to multinational companies, many of which compete for the same customers that we serve. Given that our projects are awarded through a competitive bidding process, competition could exert downward pressure on our contract prices and profit margins or affect our chances to obtain new projects. Our customers may select contractors based on their technical capabilities, delivery timelines, financial strength, pricing, safety record, reputation, service offerings, and relationship with the customers. Some of our competitors may have advantages in these areas or may be willing to accept reduced profit margins to secure contracts, thereby intensifying competitive pressures on our business.

We may also face competitive pressures from new entrants who may engage in aggressive bidding on projects to gain a foothold in the market. Some of these new entrants are established players who may leverage their existing resources and experience to compete against the domestic players. The potential addition of new players and intensifying competition from existing competitors, combined with insufficient demand, may materially and adversely impact our financial performance and business prospects.

9. RISK FACTORS *(Cont'd)*

In the cleanroom engineering, procurement, construction and management services industry, we compete against other manufacturers, distributors, and suppliers of cleanroom and customised equipment in terms of cost efficiency, pricing, brand recognition, product functionality and reliability, product range, after-sales support service, distribution channels, and other factors that can influence customer decisions. There is no assurance that we will be able to successfully compete against our competitors, who may offer superior products and services, and adopts competitive pricing compared to us.

9.2.2 We are subject to social, political and economic risks

Our business operations are head quartered in Malaysia, serving the domestic and overseas market which include but are not limited to the Philippines, Taiwan, Indonesia, Singapore and Australia. Our business is subject to the impact of social, political, and economic developments in the jurisdictions where we operate and globally, which include, but are not limited to, changes in government policies, laws, and regulations; changes in tax requirements; trade restrictions and currency controls; foreign exchange and interest rate fluctuations; economic downturns; changes in labour conditions; political instability; social unrest; outbreak of contagious diseases; natural disasters; expropriation or nationalisation of assets; outbreak of physical conflicts; terrorism; insurrections; and trade wars.

Our operations may also be exposed to fluctuations in the prices and availability of materials due to geopolitical conflicts, including the ongoing conflicts in the Middle East which were triggered by joint military strikes by the United States and Israel against Iran. These events have disrupted global supply chains and key oil supply routes, resulting in increased freight, insurance and energy costs amongst others. As at the LPD, although transportation costs for the importation of raw materials have increased, such increase has not resulted in any material adverse impact on our operations, supply of materials or project execution arising from the said conflict. However, if such conditions persist or worsen, we may experience increased project costs and reduced profit margins, as our projects are undertaken on a fixed-priced basis. There can also be no assurance that we will be able to fully pass on such increased costs to our customers, which may adversely affect our financial performance.

These developments may adversely affect demand for our products and services or disrupt our operations to the extent that we may not be able to operate profitably. Furthermore, our future expansion into new markets may be adversely affected by social, political, and economic risks specific to those regions, negatively impacting our ability to grow. Conversely, our future exit from certain markets may also be hindered by these risks, potentially leading to higher exit-related costs and limiting our ability to recover investments. If we fail to adapt our business operations and strategies to prevailing and future social, political, and economic conditions, our financial performance, business operations, and business prospects will be materially and adversely affected.

9.2.3 We are required to keep pace with technological changes and evolving industry standards and customer requirements

We operate in an industry significantly influenced by technological advancements, evolving industry standards, and changing customer requirements, requiring us to adapt our products and services in response to these developments. The cleanroom engineering, procurement, construction and management services industry has witnessed the adoption of new technologies and industry standards in areas such as energy efficiency, methods for precise and accurate measurement, surface cleanliness and advanced real time data monitoring. Our customers may also demand solutions that comply with more stringent and comprehensive standards or incorporate emerging technologies. Failure to develop or maintain the necessary strategic and technical expertise to provide up-to-date products and services may result in our inability to remain competitive and satisfy evolving customer demands, which could materially and adversely impact our financial performance and business prospects.

9. RISK FACTORS *(Cont'd)*

9.3 RISKS RELATING TO INVESTMENT IN OUR SHARES

9.3.1 There is no prior market for our Shares

Prior to our Listing, there was no public trading for our Shares. The listing of our Shares on the ACE Market does not guarantee that an active market for our Shares will develop.

There is also no assurance that the IPO Price will correspond to the price at which our Shares will be traded on the ACE Market upon our Listing and that the market price of our Shares will not decline below the IPO Price.

9.3.2 Our Listing is exposed to the risk that it may be aborted or delayed

Our Listing may be aborted or delayed should any of the following occur:

(a) The selected investors fail to subscribe for their portion of our IPO Shares;

(b) Our Underwriter exercising its rights under the Underwriting Agreement to discharge itself from its obligations therein; and

(c) We are unable to meet the public shareholding spread requirement set by Bursa Securities, whereby at least 25.00% of our total number of Shares for which listing is sought must be held by a minimum number of 200 public shareholders each holding not less than 100 Shares upon the completion of our IPO and at the point of our Listing.

If any of these events occur, investors will not receive any Shares and we will return in full without interest, all monies paid in respect of the Application within 14 days, failing which the provisions of Section 243(2) of the CMSA will apply, whereby in addition to our liability, our officers shall be jointly and severally liable to repay such money with interest at the rate of 10% per annum or at such other rate as may be prescribed by the SC from the expiration of that period.

If our Listing is aborted and/or terminated, and our Shares have been allotted to the investors, a return of monies to the investors could only be achieved by way of cancellation of share capital as provided under Sections 116 or 117 of the Act and its related rules. Such cancellation requires the approval of shareholders by special resolution in a general meeting, with sanction of High Court of Malaya or with notice to be sent to the Director General of the Inland Revenue Board and ROC within 7 days of the date of the special resolution and us meeting the solvency requirements under Section 117(3) of the Act.

There can be no assurance that such monies can be recovered within a short period of time in such circumstances.

9.3.3 The trading price and trading volume of our Shares following our Listing may be volatile

The performance of Bursa Securities is very much dependent on external factors such as the performance of the regional and global stock market and the inflow or outflow of foreign funds. Sentiment is also largely driven by internal factors such as economic and political conditions of the country as well as the growth potential of the various sectors of the economy. These factors invariably contribute to the volatility of trading volumes in capital market, thus adding risks to the market price of our listed Shares. Nevertheless, the profitability of our Group is not dependent on the performance of the capital market as the business activities of our Group have no direct correlation with the performance of securities listed in the capital market.

In addition, the market price of our Shares may be highly volatile and could fluctuate significantly and rapidly in response to, amongst others, the following factors, some of which are beyond our control:

9. RISK FACTORS *(Cont'd)*

(i) variation in our results and operations;

(ii) success or failure in our management team in implementing business and growth strategies;

(iii) changes in securities analysts' recommendations, perceptions or estimates of our financial performance;

(iv) changes in conditions affecting the industry, the general economic conditions or stock market sentiments or other events and factors;

(v) additions or departures of our key management personnel;

(vi) fluctuations in stock market prices and volumes; or

(vii) involvement in litigation.

In addition, many of the risks described herein could materially and adversely affect the market price of our Shares. Furthermore, if the trading volume of our Shares is low, price fluctuation may be exacerbated. Accordingly, there can be no assurance that our Shares will not trade lower than the IPO Price.

9.4 OTHER RISKS

9.4.1 Our Promoters will be able to exert significant influence over our Company

Our Promoters will hold in aggregate 55.52% of our enlarged issued shares upon our Listing. As a result, they will be able to, in the foreseeable future, effectively control the business direction and management of our Group as well as have voting control over our Group and as such, will likely influence the outcome of certain matters requiring the vote of our shareholders, unless they are required to abstain from voting either by law and/or by the relevant guidelines or regulations.

9.4.2 Forward-looking / prospective statements in this Prospectus may not be achievable

Certain statements or expectations or forecasts in this Prospectus are based on historical data which may not be reflective of future results. Forward-looking statements in this Prospectus are based on assumptions and subject to uncertainties and contingencies.

As such, such prospective statements or expectations should not be regarded as a representation and warranty by our Group, Principal Adviser and other advisers that the plans and objectives of our Group will be achieved.

Although we believe that the expectations reflected in such future statements are reasonable at this time, there can be no assurance that such prospective statements or expectations or forecasts will materialise, and actual results may deviate significantly. Such deviation may have a material and adverse effect on us.

10. RELATED PARTY TRANSACTIONS

10.1 OUR GROUP'S RELATED PARTY TRANSACTIONS

Save for the Acquisitions as set out in Section 6.1.2 of this Prospectus and as disclosed below, there are no transactions, existing and/or potential, entered or to be entered into by our Group which involve the interests, direct or indirect, of our Directors, substantial shareholders and/or persons connected with them which are material to our Group during the Financial Years Under Review and up to the date of this Prospectus:

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value									
				FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
1.	• Micronaire Global • Micron Cleanroom (Philippines), Inc	• Ng Yew Sum and Chin Sze Kee are the Promoters and substantial shareholders of our Group. Ng Yew Sum and Chin Sze Kee are former directors of Micronaire Global. (1) • Micron Cleanroom (Philippines), Inc, Micron (M) Sdn Bhd and CSA Technic Sdn Bhd are subsidiaries of CM Hi-Tech Cleanroom Limited. • Ng Yew Sum and Chin Sze Kee are indirect shareholders of CM Hi-Tech Cleanroom Limited through MayAir HK Holdings Limited. (2) • Ng Yew Sum and Chin Sze Kee are also shareholders of 0.01% direct interest each in Micron Cleanroom (Philippines), Inc.	Sales of AHU spare parts to Micron Cleanroom (Philippines), Inc (3) (12)	0.4	(a)*	-	-	13	(a)0.03	5	(a)0.01	-	-
2.	• Micronaire Global • Micron (M) Sdn Bhd		Purchase of project materials from Micron (M) Sdn Bhd (3) (12)	72.1	(b)0.10	-	-	-	-	-	-	-	-
			Sales of project materials to Micron (M) Sdn Bhd (12)	-	-	-	-	-	-	656	(a)1.00	-	-
3.	• Micronaire Global • CSA Technic Sdn Bhd		Purchase of project materials from CSA Technic Sdn Bhd (3) (12)	0.75	(b)*	12.9	(b)0.02	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value									
				FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		• Ng Jun Jie is the director and shareholder of 0.01% direct interest in Micron Cleanroom (Philippines), Inc. Ng Jun Jie is the son of Ng Yew Sum. • Ng Yew Sum is a director of MayAir HK Holdings Limited, CM Hi-Tech Cleanroom Limited, Micron (M) Sdn Bhd, Micron Cleanroom (Philippines), Inc. and CSA Technic Sdn Bhd. • Chin Sze Kee is a director of CM Hi-Tech Cleanroom Limited, Micron (M) Sdn Bhd, and Micron Cleanroom (Philippines), Inc. • Francis Chia Mong Tet is a substantial shareholder of our Group. Francis Chia Mong Tet was a former shareholder of CM Hi-Tech Cleanroom Limited. (2)										
4.	• Micronaire Global • SSPI Inc (formerly known as Sumsys Solution Phils, Inc)	• Ng Yew Sum and Chin Sze Kee are the Promoters and substantial shareholders of our Group. Ng Yew Sum and Chin Sze Kee were former shareholders and directors of SSPI Inc. (4)	Sales of AHU to SSPI Inc (3)	1,904.8	(a)2.28	-	-	-	-	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value									
				FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
5.	• Sum Technic • Micron (M) Sdn Bhd	• Ng Yew Sum and Chin Sze Kee are the Promoters and substantial shareholders of our Group. Ng Yew Sum and Chin Sze Kee are former directors of Sum Technic. (1) • Micron (M) Sdn Bhd, CSA Technic Sdn Bhd, Channel Systems Sdn Bhd and Micron Technology (M) Sdn Bhd are subsidiaries of CM Hi-Tech Cleanroom Limited. • Ng Yew Sum and Chin Sze Kee are indirect shareholders of CM Hi-Tech Cleanroom Limited through MayAir HK Holdings Limited. (2) • Ng Yew Sum is a director of MayAir HK Holdings Limited, CM Hi-Tech Cleanroom Limited, Micron (M) Sdn Bhd, CSA Technic Sdn Bhd, Micron Technology (M) Sdn Bhd and Channel Systems Asia Sdn Bhd.	Purchase of project materials from Micron (M) Sdn Bhd (12)	169	(b)0.23	500	(b)0.65	108	(b)0.28	-	-	-	-
			Equipment rental charges paid by Sum Technic to Micron (M) Sdn Bhd	-	-	-	-	2.5	(b)0.01	-	-	-	-
			Rental paid by Sum Technic to Micron (M) Sdn Bhd (5)	73.5	(c)2.36	73.5	(c)1.79	73.5	(c)1.56	18.4	(c) 0.27	-	-
			Utility expenses paid by Sum Technic to Micron (M) Sdn Bhd (5)	4.2	(c)0.13	5.6	(c)0.14	6.6	(c)0.14	2	(c) 0.03	-	-
			Staff recruitment expenses paid by Sum Technic to Micron (M) Sdn Bhd (6)	-	-	1.4	(c)0.03	-	-	-	-	-	-
6.	• Sum Technic • CSA Technic Sdn Bhd		Purchase of project materials from CSA Technic Sdn Bhd (12)	63.4	(b)0.09	6.1	(b)0.01	12.3	(b)0.03	116	(b)0.23	42	(e)N/A
7.	• Sum Technic • Channel Systems Asia Sdn Bhd		Purchase of project materials from Channel Systems Asia Sdn Bhd (12)	5,133	(b)7.10	1,472	(b)1.90	23.8	(b)0.06	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value									
				FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		• Chin Sze Kee is a director of CM Hi-Tech Cleanroom Limited, Micron Technology (M) Sdn Bhd and Micron (M) Sdn Bhd. • Francis Chia Mong Tet is a substantial shareholder of our Group. Francis Chia Mong Tet was a former shareholder of CM Hi-Tech Cleanroom Limited. (2)	Payment by Channel Systems Asia Sdn Bhd on behalf of Sum Technic for operational and staff welfare expenses (7)	0.4	(d)10.00	0.6	(d)2.73	38.9	(d)35.69	-	-	-	-
			Project management fees received from Channel Systems Asia Sdn Bhd for the services provided by Sum Technic (12)	270	(a)0.32	130	(a)0.15	114	(a)0.22	152	(a)0.23	-	-
8.	• Sum Technic • Micron Technology (M) Sdn Bhd		Purchase of project materials from Micron Technology (M) Sdn Bhd (12)	-	-	-	-	8.75	(b)0.02	-	-	-	-
9.	• Sum System • Micron (M) Sdn Bhd	• Ng Yew Sum and Chin Sze Kee are the Promoters and substantial shareholders of our Group. Ng Yew Sum and Chin Sze Kee are former directors of Sum System. (1) • Micron Cleanroom (Philippines), Inc and Micron (M) Sdn Bhd are subsidiaries of CM Hi-Tech Cleanroom Limited.	Rental paid by Sum System to Micron (M) Sdn Bhd (5)	12	(c)0.38	12	(c)0.29	12	(c)0.25	1	(c)0.01	-	-
10.	• Sum System • Micron Cleanroom (Philippines), Inc		Sale of project materials by Sum System to Micron Cleanroom (Philippines), Inc. (12)	-	-	-	-	123	(a)0.24	-	-	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value									
				FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		• Ng Yew Sum and Chin Sze Kee are indirect shareholders of CM Hi-Tech Cleanroom Limited through MayAir HK Holdings Limited. (2) • Ng Yew Sum and Chin Sze Kee are also shareholders of 0.01% direct interest each in Micron Cleanroom (Philippines), Inc. • Ng Jun Jie is the director and shareholder of 0.01% direct interest in Micron Cleanroom (Philippines), Inc. Ng Jun Jie is the son of Ng Yew Sum. • Ng Yew Sum is a director of MayAir HK Holdings Limited, CM Hi-Tech Cleanroom Limited, Micron (M) Sdn Bhd and Micron Cleanroom (Philippines), Inc. • Chin Sze Kee is a director of CM Hi-Tech Cleanroom Limited, Micron (M) Sdn Bhd and Micron Cleanroom (Philippines), Inc.										

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value									
				FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
		• Francis Chia Mong Tet is a substantial shareholder of our Group. Francis Chia Mong Tet was a former shareholder of CM Hi-Tech Cleanroom Limited. (2)											
11.	• Sum System • SSPI Inc (formerly known as Sumsys Solution Phils, Inc)	• Ng Yew Sum and Chin Sze Kee are the Promoters and substantial shareholders of our Group. Ng Yew Sum and Chin Sze Kee were former shareholders and directors of SSPI Inc. (4)	Payment by Sum System on behalf of SSPI Inc for staff welfare expenses (8)	1.25	(c)*	-	-	-	-	-	-	-	-
			Payment on behalf of Sum System made by SSPI Inc for forwarding and handling charges (8)	4.8	(c)*	-	-	-	-	-	-	-	-
12.	• Sum Technic • JQX Ventures Sdn Bhd	• Ng Yew Sum is a Promoter and substantial shareholder of our Group. Ng Yew Sum is a former director of Sum Technic. (1) • Yap Fui Lee is the spouse of Ng Yew Sum. • Ng Yew Sum and Yap Fui Lee are the directors and shareholders of JQX Ventures Sdn Bhd.	Rental of unit no. D-2-6 and D-3-6 of the Ara Damansara Office (9) (13)	-	-	-	-	-	-	55	(c)0.81	22	(e)N/A

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value									
				FYE 2022		FYE 2023		FYE 2024		FYE 2025		1 January 2026 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
13.	• Sum Technic • Unisem (M) Berhad	• Francis Chia Mong Tet is a substantial shareholder of our Group. • Francis Chia Mong Tet is the director and minority shareholder of Unisem (M) Berhad.	Monthly progressive payment pursuant to the Unisem Project (defined below) (10)	(11)-	-	(11)-	-	(11)-	-	11,000	(a)16.75	-	-
			Maintenance services provided to Unisem (M) Berhad (12)	(11)-	-	(11)-	-	(11)-	-	129	(a)0.20	13	(e)N/A

Notes:

 # The amount is negligible.

** The percentage is negligible.*

(a) Calculated based on our Group's total revenue for each of the respective financial years.

(b) Calculated based on our Group's total cost of sales for each of the respective financial years.

(c) Calculated based on our Group's administrative expenses for each of the respective financial years.

(d) Calculated based on our Group's other expenses for each of the respective financial years.

(e) Not applicable as our Group did not prepare any financial statements from 1 January 2026 up to the LPD.

(1) Ng Yew Sum and Chin Sze Kee have resigned as directors of Micronaire Global, Sum Technic and Sum System on 20 March 2025.

*(2) CM Hi-Tech Cleanroom Limited was formerly listed on the Main Board of the Stock Exchange of Hong Kong, with its listing date on 15 October 2020. It was subsequently privatised by Mayair HK Holdings Limited via a scheme of arrangement ("**Privatisation Scheme**") which was announced on 14 October 2024 and became effective on 6 January 2025. Pursuant to the Privatisation Scheme, the shareholdings of Ng Yew Sum and Chin Sze Kee in CM Hi-Tech Cleanroom Limited were rolled over to Mayair HK Holdings Limited. The Privatisation Scheme offered the shareholders an exit opportunity amid low trading liquidity and market volatility and it also enables CM Hi-Tech Cleanroom Limited to operate privately under Mayair HK Holdings Limited, providing greater flexibility to pursue long-term strategies and growth. Under the Privatisation Scheme, the cancellation price was Hong Kong Dollar ("**HKD**") 0.25 per share, representing approximately a 25% premium over the closing price of HKD 0.20 per share on the last trading day prior to the announcement of the scheme on 14 October 2024.*

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

As at LPD, Ng Yew Sum and Chin Sze Kee hold direct interests of 24.29% and 2.65% respectively in Mayair HK Holdings Limited, which in turn holds 100% direct equity interest in CM Hi-Tech Cleanroom Limited. The remaining equity interests in Mayair HK Holdings Limited are held by Mayair Technology (China) Co., Ltd (68.39%), Law Eng Hock (4.29%) and Luah Kok Lam (0.38%). Mayair Technology (China) Co., Ltd is a company which has been listed on the Shanghai Stock Exchange STAR Market since 18 November 2022. The ultimate beneficial owner of Mayair Technology (China) Co., Ltd is Jiang Li.

Francis Chia Mong Tet ceased to be a shareholder of CM Hi-Tech Cleanroom Limited on 6 January 2025 following the implementation of the Privatisation Scheme, pursuant to which his shares were cancelled on the effective date of the scheme.

Micron (M) Sdn Bhd regards Channel Micron International Limited, CM Hi-Tech Cleanroom Limited, MayAir HK Holdings Limited, and MayAir Technology (China) Co., Ltd as the immediate, intermediate, penultimate, and ultimate holding company, respectively.

(3) Based on the benchmarking exercise conducted, the transactions between Micronaire Global and its related parties were not carried out at arms' length basis, as the results fall outside the arm's length range of comparable companies. Moving forward, our Group will ensure that all related party transactions are carried out on an arm's length basis, on competitive commercial terms not more favourable to the related parties and not detrimental to the minority shareholders and our Group.

(4) Ng Yew Sum and Chin Sze Kee resigned as directors of SSPI Inc on 15 September 2022 and also disposed of their entire equity interest of 17.50% and 12.50% respectively in the company to an unrelated third party on 10 November 2023. Subsequent thereto, SSPI Inc ceased to be a related party of our Group.

(5) During FYE 2022 to 2024, Sum Technic and Sum System rented an office premise from Micron (M) Sdn Bhd. The tenancies, which expired in January 2025 (for Sum System) and March 2025 (Sum Technic) respectively, were not renewed as our Group had decided to relocate to the Ara Damansara Office. The utility expenses were incurred in connection with the rental of office premises from Micron (M) Sdn Bhd and were reimbursed on a pass-through basis.

(6) This was a one-off transaction involving the payment of staff recruitment expenses by Micron (M) Sdn Bhd on behalf of Sum Technic, due to administrative delays in the activation of Sum Technic's online recruitment account. The expenses were subsequently reimbursed by Sum Technic to Micron (M) Sdn Bhd on a pass-through basis.

(7) The transaction represents a reimbursement paid by our Group to Channel Systems Asia Sdn Bhd for cleaning expenses incurred in January and February 2022, as well as for expenses allocated to our Group in connection with jointly organised staff awards, annual dinner and company trip. Our Group has ceased such cost-sharing arrangements with Channel Systems Asia Sdn Bhd since FYE 2024.

(8) Sum System had made payment on behalf of SSPI Inc. for staff welfare expenses whereas SSPI Inc. had made payment on behalf of Sum System for forwarding and handling charges. The respective amounts were subsequently reimbursed by SSPI Inc. and Sum System to Sum System and SSPI Inc., respectively, on a pass-through basis. SSPI Inc. ceased to be a related party of our Group on 10 November 2023.

(9) Our Group has entered into a tenancy agreement dated 1 February 2025 with JQX Ventures Sdn Bhd for the rental of unit no. D-2-6 and D-3-6 of Ara Damansara Office commencing from 1 February 2025 to 31 December 2025 at a monthly rental of RM5,500, with an option to renew for a further 1 year upon expiry at a rental rate to be mutually agreed upon by both parties. In the event of early termination of the tenancy during the term by either party, a sum equivalent to the remaining period of the tenancy shall be compensated by such terminating party to the other party. The tenancy agreement with JQX Ventures Sdn Bhd has been subsequently renewed for a further period of one year from 1 January 2026 until 31 December 2026 at a monthly rental of RM5,500.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

*(10) Our Group has entered into a contract for the supply, delivery, installation, testing and commissioning of utility systems installation and M&E services to Unisem (M) Berhad on 4 June 2025 for a contract sum of RM11,000,000.00 ("**Unisem Project**"). The Unisem Project was completed in October 2025.*

(11) The transactions between our Group and Unisem (M) Berhad during the Financial Years Under Review and up to the LPD were undertaken solely through Sum Technic. Francis Chia Mong Tet only became a shareholder of Sum Technic in April 2025. Accordingly, the transactions between Unisem (M) Berhad and Sum Technic for FYE 2022 to 2024 are not deemed to be related party transactions.

(12) The transaction is expected to continue and may recur from time to time after the Listing, as and when required.

(13) The transaction is on-going as at the LPD and may continue after the Listing.

As at the date of this Prospectus, save as disclosed in Section 6.1.2, there are no related party transactions entered into but not yet effected.

[The rest of this page is intentionally left blank]

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Save as disclosed in Note (3), our Board confirms that all the above related party transactions were carried out on an arm's length basis and competitive commercial terms not more favourable to the related parties and were not detrimental to our minority shareholders and our Group. This was determined based on the following:

(a) benchmarking exercise in respect of related party transactions involving Sum Technic with Micron (M) Sdn Bhd, CSA Technic Sdn Bhd, Channel Systems Asia Sdn Bhd and Micron Technology (M) Sdn Bhd pursuant to the Transfer Pricing Documentation Report for FYE 2022 to FYE 2024, which was carried out using the transactional net margin method, whereby Sum Technic's overall net profit margin was compared against the margins of comparable independent companies using the same profit level indicator;

(b) the rental of office premise from Micron (M) Sdn Bhd was at the prevailing market rate;

(c) the profit margin for the price charged to Micron Cleanroom (Philippines), Inc. and Micron (M) Sdn Bhd for the supply of project materials was at a profit margin similar to that of third-party customers;

(d) the utility expenses and staff recruitment expenses paid to Micron (M) Sdn Bhd were reimbursements made on a pass-through basis;

(e) the cleaning expenses paid to Channel Systems Asia Sdn Bhd were reimbursements made on a pass-through basis, while the shared expenses for jointly organised events were based on cost allocations determined in proportion to the number of employees and actual participation by the Group;

(f) the rental of the Ara Damansara Office from JQX Ventures Sdn Bhd is at the prevailing market rate;

(g) the payments made by Sum System on behalf of SSPI Inc. for staff welfare expenses were reimbursed on a pass-through basis;

(h) the forwarding and handling charges paid to SSPI Inc. were reimbursements made on a pass-through basis; and

(i) the profit margin for the project price and maintenance services charged to Unisem (M) Berhad was at a profit margin similar to that applied to projects and maintenance services undertaken for third-party customers.

Our Board also confirms that there are no material related party transactions that have been effected after the LPD or entered by our Group but not yet effected up to the date of this Prospectus.

Our Board will, through our Audit and Risk Management Committee of our Group review the terms of any related party transactions and ensure that any related party transactions (including any recurrent related party transactions) are carried out on normal commercial terms which are not more favourable to the related parties than those generally available to the third parties dealing at arm's length and are not to the detriment to our minority shareholders.

In the event that there are any proposed related party transactions that involve the interest, direct or indirect, of our Directors, the interested Director(s) shall disclose his interest to our Board, of the nature and extent of his interest including all matters in relation to the proposed related party transaction that he is aware or should reasonably be aware of, which is not in our best interest. The interested Director(s) shall also abstain from any Board deliberation and voting on the relevant resolution(s) in respect of such proposed related party transaction.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

In the event that there is any proposed related party transaction that requires the prior approval of our Company's shareholders, the Directors, substantial shareholders and / or persons connected with them, which have any interest, direct or indirect, in the transaction, will abstain from voting in respect of his direct and / or indirect shareholdings. Such interested Directors and / or substantial shareholders will also undertake to ensure that the person connected with them will abstain from voting on the resolution approving the proposed related party transaction at a general meeting.

If the related party transactions are deemed as recurrent related party transactions, our Company may seek a general mandate from our shareholders to enter into these transactions without having to seek separate shareholders' approval each time we wish to enter into such recurrent related party transactions during the validity period of the mandate. Related party transactions can be deemed as recurrent, if they are entered into at least once every three years, in the ordinary course of business and are of a revenue or trading nature necessary for the day-to-day operations of our Group.

(a) Transactions which are unusual in their nature or conditions

There are no transactions that were unusual in their nature or conditions, involving goods, services, tangible, or intangible assets, to which our Group was a party for the Financial Years Under Review and up to the LPD.

(b) Outstanding loans and/or financial assistance made to or for the benefit of the related parties or by the related parties to or for the benefit of our Group

Save as disclosed below, there are no outstanding loans (including guarantees of any kind) and/or financial assistance made by us to or for the benefit of related parties, or made by related parties to or for the benefit of our Group, for the FYE Under Review and up to the date of this Prospectus.

Transacting Parties	Nature of Relationship	Nature of Transaction	Outstanding amount				
			FYE 2022 (RM)	FYE 2023 (RM)	FYE 2024 (RM)	FYE 2025 (RM)	1 January 2026 up to the LPD (RM)
• Micronaire Global • Ng Yew Sum	Ng Yew Sum is the Promoter and substantial shareholder of our Group.	Advances by Ng Yew Sum to Micronaire Global (1)	2,100	2,100	2,100	-	-
• Micronaire Global • Cheng Kai Sean	Cheng Kai Sean is the Promoter, Executive Director and Chief Operating Officer of our Group.	Advances by Cheng Kai Sean to Micronaire Global (2)	8,245	-	-	-	-
• Sum Technic • Micron (M) Sdn Bhd	• Ng Yew Sum and Chin Sze Kee are the Promoters and substantial shareholders of our Group. Ng Yew Sum and Chin Sze Kee are former directors of Sum Technic.	Rental and utilities charges owed by Sum Technic to Micron (M) Sdn Bhd	-	-	6,696	-	-

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Transacting Parties	Nature of Relationship	Nature of Transaction	Outstanding amount				
			FYE 2022 (RM)	FYE 2023 (RM)	FYE 2024 (RM)	FYE 2025 (RM)	1 January 2026 up to the LPD (RM)
	• Micron (M) Sdn Bhd is the subsidiary of CM Hi-Tech Cleanroom Limited. • Ng Yew Sum and Chin Sze Kee are indirect shareholders of CM Hi-Tech Cleanroom Limited through MayAir HK Holdings Limited. • Ng Yew Sum is a director of MayAir HK Holdings Limited, CM Hi-Tech Cleanroom Limited and Micron (M) Sdn Bhd. • Chin Sze Kee is a director of CM Hi-Tech Cleanroom Limited, Micron Technology (M) Sdn Bhd and Micron (M) Sdn Bhd. • Francis Chia Mong Tet is a substantial shareholder of our Group. Francis Chia Mong Tet was a former shareholder of CM Hi-Tech Cleanroom Limited.						

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Transacting Parties	Nature of Relationship	Nature of Transaction	Outstanding amount				
			FYE 2022 (RM)	FYE 2023 (RM)	FYE 2024 (RM)	FYE 2025 (RM)	1 January 2026 up to the LPD (RM)
• Micronaire Global • SSPI Inc	Ng Yew Sum and Chin Sze Kee are the Promoters and substantial shareholders of our Group. Ng Yew Sum and Chin Sze Kee were former shareholders and directors of SSPI Inc.	Advances from Micronaire Global to SSPI Inc (3)	266,473	-	-	-	-
• Sum Technic • Ng Yew Sum	Ng Yew Sum is the Promoter and substantial shareholder of our Group.	Advances from Ng Yew Sum to Sum Technic	-	-	-	(4)350,000	-
• Sum Technic • Chin Sze Kee	Chin Sze Kee is the Promoter and substantial shareholder of our Group.	Advances from Chin Sze Kee to Sum Technic	-	-	-	(4)240,000	-

Notes:

(1) These advances were provided by Ng Yew Sum to Micronaire Global in 2017 for working capital purposes. The advances were unsecured, non-interest bearing and payable within the next twelve (12) months in cash and cash equivalents. As at the LPD, the advances have been fully repaid.

(2) These advances were provided by Cheng Kai Sean to Micronaire Global for working capital purposes. The advances were unsecured, non-interest bearing and payable within the next twelve (12) months in cash and cash equivalents. As at the LPD, the advances have been fully repaid.

(3) These advances were provided by Micronaire Global to SSPI Inc for the purchase of project materials. The advances were unsecured, non-interest bearing and payable within the next twelve (12) months in cash and cash equivalents. As at the LPD, the advances have been fully repaid.

(4) Advances given by Ng Yew Sum and Chin Sze Kee to Sum Technic for working capital purposes. The advances were unsecured, non-interest bearing and payable within the next twelve (12) months in cash and cash equivalents. As at the LPD, the advances have been fully repaid.

Moving forward, the Promoters shall cease to provide any advances to our Group. Our Group has put in place internal controls and compliance procedures in relation to advances, loans or financial assistance from related parties. As such, no advances, loans or financial assistance will be taken from related parties by our Group unless such advances, loans or financial assistance are permitted under the applicable laws, rules and regulations (including the Listing Requirements) and brought to our Audit and Risk Management Committee and our Board for deliberation and approval.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

(c) Guarantees

As at the LPD, the Promoters and/or Directors, namely Ng Yew Sum, Chin Sze Kee, Lee Thiam Hing and Cheng Kai Sean, have jointly and severally provided personal guarantees (as the case may be) in favour of 2 financial institutions, namely Malayan Banking Berhad and CIMB Islamic Bank Berhad (collectively, the "**Financiers**"), for the benefit of our Group ("**Personal Guarantees**").

The details of the facilities as at the LPD are set out below:

Financiers	Entity	Type of facilities	Outstanding balance as at the LPD (RM'000)	Facility limit and amount guaranteed (RM'000)	Personal Guarantees
Malayan Banking Berhad	Sum Technic	Overdraft	136	1,000	• Ng Yew Sum
		Tradeline	1,632	4,000	• Lee Thiam Hing • Chin Sze Kee
	Micronaire Global	Tradeline	2,125	2,220	• Ng Yew Sum • Cheng Kai Sean • Chin Sze Kee
CIMB Islamic Bank Berhad	Sum Technic	Multi Option Line	1,681	15,000	• Ng Yew Sum • Lee Thiam Hing • Chin Sze Kee
	Micronaire Global	Term Financing	5,304	5,616	• Ng Yew Sum • Cheng Kai Sean • Chin Sze Kee

In conjunction with the Listing, we have written to the Financiers to obtain a release and/or discharge of the Personal Guarantees by substituting the same with a corporate guarantee from our Company acceptable to the Financiers.

As at the LPD, conditional consents for the discharge of all the Personal Guarantees have been obtained from the Financiers. Until such release and/or discharge are obtained from the respective Financiers, our Promoters and/or Directors will continue to guarantee the banking facilities extended to our Group.

The above-mentioned consents are subject to, amongst others, the following conditions:

(i) the success of our Listing; and

(ii) replacement of the personal guarantees with corporate guarantees from our Company.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

Whilst CIMB Islamic Bank Berhad has provided its conditional consent to Sum Technic for the release of the Personal Guarantees provided by Ng Yew Sum, Chin Sze Kee and Lee Thiam Hing and the replacement thereof with a corporate guarantee from our Company, such consent is subject to, amongst others, the condition that Ng Yew Sum, Chin Sze Kee and Lee Thiam Hing shall remain as key controlling management of our Company throughout the financing tenure with CIMB Islamic Bank Berhad. As Ng Yew Sum and Chin Sze Kee are no longer involved in the management of our Company whether in the capacity of a Director or Key Senior Management, the aforesaid condition imposed by CIMB Islamic Bank Berhad cannot be fulfilled. In view thereof, our Group intends to refinance the banking facilities extended by CIMB Islamic Bank Berhad to Sum Technic with another financier within 3 months of our Listing.

10.2 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS

Our Audit and Risk Management Committee is responsible for the review of all related party transactions to ensure that there is no conflict of interest. Our Audit and Risk Management Committee shall deliberate and determine if the related party transactions (if any) are undertaken on arm's length basis and on normal commercial terms, we have established the following procedures:

(a) Recurrent related party transactions

(i) At least 2 other contemporaneous transactions with third parties for similar products and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered by all related parties are fair and reasonable and comparable to those offered by third parties; or

(ii) In the event that quotation or comparative pricing from third parties cannot be obtained, the transaction price will be determined by our Group based on those offered by third parties for substantially similar type of transaction to ensure that the recurrent related party transactions are not detrimental to us.

Our Board shall seek mandate from shareholders to enter into any recurrent related party transactions at general meetings of our Company. Due to its time-sensitive nature, the shareholders' mandate will enable us to enter into such recurrent transactions which are transacted in our ordinary course of business without having to convene numerous general meetings to approve such recurrent transactions as and when they are entered into.

(b) Other related party transactions

(i) Whether the terms of the related party transaction are fair and on arm's length basis to our Group and would apply on the same basis if the transaction did not involve a related party;

(ii) The rationale for our Group to enter into the related party transaction and the nature of alternative transactions, if any; and

(iii) Whether the related party transaction would present a conflict of interest between our Group and the related parties, taking into account the size of the transaction and nature of the related parties' interest in the transaction.

Where required under the Listing Requirements, a related party transaction may require prior approval of shareholders at a general meeting to be convened. An independent adviser may be appointed to comment as to whether the related party transaction is fair and reasonable so far as the shareholders are concerned; and whether the transaction is to the detriment of minority shareholders. In such instances, the independent adviser shall also advise minority shareholders on whether they should vote in favour of the transaction.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

For related party transaction that requires prior approval of shareholders, the Directors, major shareholders and/or persons connected to them, which have any interest, direct or indirect, in the proposed related party transaction will abstain from deliberating and voting in respect of their direct and/or indirect shareholdings. Where a person connected with a Director or major shareholder has interest, direct or indirect, in any proposed related party transaction, the Director or major shareholder concerned will also abstain from deliberating and voting in respect of his direct and/or indirect shareholdings.

In addition, to safeguard the interest of our Group and our minority shareholders, and to mitigate any potential conflict of interest situation, our Audit and Risk Management Committee will, amongst others, supervise and monitor any related party transaction and the terms thereof and report to our Board for further action. Where necessary, our Board would make appropriate disclosures in our annual report with regards to any related party transaction entered into by us.

[The rest of this page is intentionally left blank]

11. CONFLICT OF INTERESTS

11.1 INTEREST IN SIMILAR BUSINESS AND IN BUSINESSES OF OUR CUSTOMERS AND OUR SUPPLIERS

As at the LPD, save for as disclosed below, none of our Directors and substantial shareholders have any interest, direct or indirect, in any entities which are carrying on a similar or related trade as that of our Group or which are the customers and/or suppliers of our Group:

No.	Businesses / Corporations	Principal activity	Nature of interest
1.	CM Hi-Tech Cleanroom Limited and its following subsidiaries:		(a) Ng Yew Sum and Chin Sze Kee are Promoters and substantial shareholders of our Company with 36.89% and 20.31% direct interests in our Company before our Listing. Their direct interests in our Company will be reduced to 27.30% and 15.03% following the completion of our Listing. (b) Ng Yew Sum and Chin Sze Kee hold 24.30% and 2.64% direct interest in MayAir HK Holdings Limited. MayAir HK Holdings Limited holds 100% direct interest in CM Hi-Tech Cleanroom Limited. (c) Ng Yew Sum is a director of MayAir HK Holdings Limited, CM Hi-Tech Cleanroom Limited, Micron (M) Sdn Bhd, Micron Cleanroom (Philippines), Inc., CSA Technic Sdn Bhd, Channel Systems Asia Sdn Bhd, Micron Technology (M) Sdn Bhd and Channel Systems (Shanghai) Co. Ltd. He is also a shareholder of 0.01% direct interest in Micron Cleanroom (Philippines), Inc.
	(a) Micron (M) Sdn Bhd	• Cleanroom design and engineering works, trading and installation of cleanroom equipment, component and parts and air filtration system.	
	(b) Micron Cleanroom (Philippines), Inc.	• Manufacture and trading of cleanroom equipment and design and installation of cleanrooms for commercial and industrial use.	
	(c) CSA Technic Sdn Bhd	• Trading of cleanroom walls and ceiling systems and component parts for cleanroom facilities and high technology plants.	
	(d) Channel CR Material (Shanghai) Co. Ltd.	• Trading of cleanroom walls and ceiling systems and component parts for cleanroom facilities and high technology plants.	
	(e) Channel Systems Asia Sdn Bhd	• Design, manufacture and marketing of cleanroom walls and component parts for cleanroom facilities and high technology plants.	
	(f) Micron Technology (M) Sdn Bhd	• Design and manufacture of fan filters and other equipment for cleanroom facilities and high-technology plants.	

11. CONFLICT OF INTERESTS *(Cont'd)*

No.	Businesses / Corporations	Principal activity	Nature of interest
	(g) Channel Systems (Shanghai) Co. Ltd. (collectively CM Hi-Tech Cleanroom Limited and its subsidiaries are hereinafter known as the "**CM Hi-Tech Group**"). (1)	• Design, manufacture and marketing of cleanroom and walls component parts for cleanroom facilities and high technology plants.	(d) Chin Sze Kee is a director of CM Hi-Tech Cleanroom Limited, Micron (M) Sdn Bhd, Micron Technology (M) Sdn Bhd and Micron Cleanroom (Philippines), Inc. He is also a shareholder of 0.01% direct interest in Micron Cleanroom (Philippines), Inc. (e) Ng Jun Jie is the director and shareholder of 0.01% direct interest in Micron Cleanroom (Philippines), Inc. Ng Jun Jie is the son of Ng Yew Sum. (f) Micron (M) Sdn Bhd, CSA Technic Sdn Bhd, Channel Systems Asia Sdn Bhd and Micron Technology (M) Sdn Bhd are suppliers of our Group. (g) Micron Cleanroom (Philippines), Inc. and Channel Systems Asia Sdn Bhd are customers of our Group.
2.	Unisem (M) Berhad	• Manufacturing of semiconductor devices.	(a) Francis Chia Mong Tet is a substantial shareholder of our Company with 13.91% direct interests in our Company before our Listing. His direct interests in our Company will be reduced to 10.30% following the completion of our Listing. (b) Francis Chia Mong Tet is the Executive Director – Group Finance and a minority shareholder of Unisem (M) Berhad with 0.06% direct and 0.48% indirect interest.

11. CONFLICT OF INTERESTS *(Cont'd)*

No.	Businesses / Corporations	Principal activity	Nature of interest
			(c) Unisem (M) Berhad is a customer of our Group.

Note:

(1) The other subsidiaries of CM Hi-Tech Cleanroom Limited, namely Channel Micron International Limited, Channel Systems International Limited and Max Micron Precision Sdn Bhd, are neither carrying on similar businesses to that of our Group nor are they customers or suppliers of our Group during the Financial Years Under Review and up to the LPD.

Our Board is of the view that any potential conflict of interests situation which may arise through the direct or indirect interests of our substantial shareholders above are mitigated due to the following:

(a) <u>CM Hi-Tech Group</u>

(i) Ng Yew Sum and Chin Sze Kee are Promoters and substantial shareholders of our Group. They are not involved in the day-to-day operations of our Group. Both our Group and the CM Hi-Tech Group each have own independent and standalone management team to undertake day-to-day management and operations.

(ii) Ng Yew Sum and Chin Sze Kee have ceased to be directors of Sum Technic, Sum System and Micronaire Global since 20 March 2025.

(iii) Both our Group and the CM Hi-Tech Group are involved in the cleanroom industry. However, the nature and scope of their respective business activities are distinct. Our Group, through Sum Technic, is primarily involved in the provision of engineering, procurement, construction and commissioning services for cleanroom facilities. This includes the full design of cleanroom systems, encompassing layout configuration, airflow systems, mechanical, electrical and control systems, as well as the supply and installation of cleanroom infrastructure. Both design and installation works are undertaken directly by our Group, while the appointed subcontractors carry out the construction and installation works in accordance with our approved drawings, documentation and under our supervision.

(iv) As at the LPD, our Group does not provide any services to customers in the People's Republic of China and has no immediate plans to expand into the said market. This is due to the different legal and market requirements in People's Republic of China as compared to Malaysia. As such, our Group plans to focus our operations in Malaysia to maximise opportunities in the Malaysian market that we are familiar with.

(v) In contrast, the CM Hi-Tech Group focuses on the manufacturing and supply of cleanroom components such as wall systems, fan filter unit and cleanroom ceilings. The CM Hi-Tech Group's design involvement is limited to component-level design and it does not provide full cleanroom system design. The CM Hi-Tech Group also does not perform installation works directly but instead outsources the installation of its manufactured components to third-party contractors, which unlike our Group, it does not carry out project management.

11. CONFLICT OF INTERESTS *(Cont'd)*

(vi) In addition, the customer base of Channel CR Material (Shanghai) Co. Ltd and Channel Systems (Shanghai) Co. Ltd is in the People's Republic of China, where our Group does not operate. As at the LPD, our Group does not provide any services to customers in the People's Republic of China and has no immediate plans to expand into the said market. This is due to the differing legal and market requirements in the People's Republic of China compared to Malaysia.

(vii) The revenue contribution from CM Hi-Tech Group only accounted for 0.32%, 0.15%, 0.49% and 0.24% of our Group's revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025, respectively.

(viii) The purchase of project materials from CM Hi-Tech Group only represented 7.52%, 2.57%, 0.40% and 0.23% of the cost of sales of our Group for FYE 2022, FYE 2023, FYE 2024 and FYE2025, respectively.

(ix) In the event our Group enters into transactions with the CM Hi-Tech Group after our Listing, such transactions will be carried out on arm's length basis and on normal commercial terms which are not more favourable to CM Hi-Tech Group than those generally available to third parties. In order to safeguard the interest of our Group and minority shareholders, our Audit and Risk Management Committee will monitor such related party transactions to assess the extent of conflict-of-interest situations and report to our Board for further deliberation and action.

(b) <u>Unisem (M) Berhad</u>

(i) Francis Chia Mong Tet is a substantial shareholder of our Group and is not involved in the day-to-day operations of our Group. Both our Group and Unisem (M) Berhad each have own independent and standalone management team to undertake day-to-day management and operations.

(ii) The provision of engineering services to Unisem (M) Berhad only contributed to 0.02%, 1.37%, 13.03% and 16.95% of the revenue of our Group for FYE 2022, FYE 2023 FYE 2024 and FYE 2025, respectively. The transactions between our Group and Unisem (M) Berhad during the Financial Years Under Review and up to the LPD were undertaken solely through Sum Technic. Francis Chia Mong Tet only became a shareholder of Sum Technic in April 2025.

(iii) The transactions between our Group and Unisem (M) Berhad were carried out on an arm's length basis and on normal commercial terms which are not more favourable to Unisem (M) Berhad than those generally available to third parties.

(iv) In the event our Group enters into transactions with Unisem (M) Berhad after our Listing, such transactions will continue to be carried out on arm's length basis and on normal commercial terms which are not more favourable to Unisem (M) Berhad than those generally available to third parties. In order to safeguard the interest of our Group and minority shareholders, our Audit and Risk Management Committee will monitor such related party transactions to assess the extent of conflict-of-interest situations and report to our Board for further deliberation and action.

11. CONFLICT OF INTERESTS *(Cont'd)*

11.2 MONITORING AND OVERSIGHT OF CONFLICT OF INTERESTS

11.2.1 Audit and Risk Management Committee review

Our Audit and Risk Management Committee assesses the financial risk and matters relating to related party transactions and conflict of interest situations that may arise within our Group including any transactions, procedures or course of conduct that raises questions of management integrity. Our Audit and Risk Management Committee maintains and periodically reviews the adequacy of the procedures and processes set by our Company to monitor related party transactions and conflict of interest. It also sets the procedures and processes to ensure that transactions are carried out in the best interest of our Company on normal commercial terms that are industry norms and not more favourable to the related party than those generally available to third parties dealing at arm's length and are not to the detriment of the interest of our Company's minority shareholders. Amongst others, the related parties and parties who are in a position of conflict with the interest of our Group will be required to abstain from deliberations on the transactions.

All reviews by our Audit and Risk Management Committee are reported to our Board for its further action.

11.2.2 Our Group's policy on related party transactions and conflict of interest

It is the policy of our Group that all related party transactions and conflict of interest must be immediately and fully disclosed by our interested or conflicted Directors or substantial shareholders to the management for reporting to our Audit and Risk Management Committee. Any related party transactions must be reviewed by our Audit and Risk Management Committee to ensure that they are negotiated and agreed upon in the best interest of our Company on an arm's length basis, and are based on normal commercial terms not more favourable to the related party than those generally available to third parties, and are not to the detriment of the interest of our Company's minority shareholders. In respect of our Directors' interests in companies carrying on similar business, our Directors will also be required to abstain from deliberations and voting on resolutions pertaining to matters and/or transactions where a conflict of interest may arise.

In addition, in line with the Malaysian Code on Corporate Governance 2021 and the Corporate Governance Guide, our Directors are required to disclose any related party transactions and conflict of interest with our Group and our Audit and Risk Management Committee must carry out an assessment of our Directors which include an assessment of such related party transactions and/or conflict of interest. Our Audit and Risk Management Committee will in turn report to our Board after their evaluation and assessment and make the appropriate recommendations to our Board.

[The rest of this page is intentionally left blank]

11. CONFLICT OF INTERESTS *(Cont'd)*

11.3 DECLARATIONS OF CONFLICT OF INTERESTS BY OUR ADVISERS

(a) Declaration by Malacca Securities

Malacca Securities has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interests in its capacity as the Principal Adviser, Sponsor, Underwriter and Placement Agent for our Listing.

(b) Declaration by Ong Eu Jin Partnership

Ong Eu Jin Partnership has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interests in its capacity as the Solicitors for our Listing.

(c) Declaration by BDO PLT

BDO PLT has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interests in its capacity as the External Auditors and Reporting Accountants for our Listing.

(d) Declaration by Protégé

Protégé has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interests in its capacity as the IMR for our Listing.

(e) Declaration by Sterling Business Alignment Consulting Sdn Bhd

Sterling Business Alignment Consulting Sdn Bhd has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interests in its capacity as the Internal Control Reviewer for our Listing.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION

12.1 HISTORICAL FINANCIAL INFORMATION

Our historical financial information throughout the Financial Years Under Review have been prepared in accordance with MFRS and IFRS Accounting Standards. The selected financial information included in this Prospectus is not intended to predict our Group's financial position, results and cash flows.

Our Company was incorporated under the Act on 24 January 2025 as a private limited liability company and is domiciled in Malaysia. Our Company was converted to a public company limited by shares and assumed our present name Sum Technology Berhad on 24 September 2025.

As such, the historical financial information of our Group for the Financial Years Under Review were prepared as if our Group structure had been in existence throughout the Financial Years Under Review and are presented based on the audited combined financial statements of our Group.

12.1.1 Historical combined statements of profit or loss and other comprehensive income

The following table sets out a summary of our combined statements of profit or loss and other comprehensive income for the Financial Years Under Review which have been extracted from the Accountants' Report. It should be read with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Accountants' Report set out in Sections 12.2 and 13 respectively.

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	83,487	88,585	51,354	65,670
Cost of sales	(72,290)	(77,410)	(39,001)	(50,021)
GP	**11,197**	**11,175**	**12,353**	**15,649**
Other operating income	285	260	825	346
Administrative expenses	(3,119)	(4,114)	(4,716)	(6,788)
Selling and distribution expense	(27)	(61)	(130)	(129)
Other operating expenses	(4)	(22)	(109)	(623)
Net loss on impairment of financial instruments	(6)	(19)	(755)	(24)
Operating profit	**8,326**	**7,219**	**7,468**	**8,431**
Finance costs	(27)	(289)	(291)	(317)
PBT	**8,299**	**6,930**	**7,177**	**8,114**
Tax expense	(1,815)	(1,795)	(1,785)	(2,055)
PAT	**6,484**	**5,135**	**5,392**	**6,059**
Profit attributable to:				
Owners of the Group	**6,484**	**5,135**	**5,392**	**6,059**
EBIT[(1)]	8,319	7,192	7,392	8,370
EBITDA[(1)]	8,747	7,656	7,789	8,807
GP margin (%)[(2)]	13.41	12.62	24.05	23.83
PBT margin (%)[(3)]	9.94	7.82	13.98	12.36
PAT margin (%)[(3)]	7.77	5.80	10.50	9.23
Effective tax rate (%)[(4)]	21.87	25.90	24.87	25.33
Basic and diluted EPS (sen)[(5)]	1.441	1.141	1.198	1.346

12. FINANCIAL INFORMATION *(Cont'd)*

Notes:

(1) EBIT and EBITDA are calculated as follows:

	Audited			
	FYE 2022	***FYE 2023***	***FYE 2024***	***FYE 2025***
	RM'000	***RM'000***	***RM'000***	***RM'000***
PAT	*6,484*	*5,135*	*5,392*	*6,059*
Less:				
Interest income	*(7)*	*(27)*	*(76)*	*(61)*
Add:				
Finance cost	*27*	*289*	*291*	*317*
Income tax expense	*1,815*	*1,795*	*1,785*	*2,055*
EBIT	***8,319***	***7,192***	***7,392***	***8,370***
Add:				
Depreciation	*428*	*465*	*397*	*437*
EBITDA	***8,747***	***7,656***	***7,789***	***8,807***

(2) GP margin is computed based on GP divided by revenue.

(3) PBT and PAT margin is computed based on PBT and PAT divided by revenue.

(4) Effective tax rate is computed based on income tax expense divided by PBT.

(5) Calculated based on PAT divided by our enlarged share capital of 450,000,000 Shares after our IPO. The diluted EPS is equal to the basic EPS.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

12.1.2 Historical combined statements of financial position

The following table sets out the combined statements of financial position of our Group for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 which have been extracted from the Accountants' Report. It should be read in conjunction with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Accountants' Report set out in Sections 12.2 and 13 respectively.

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Assets				
Non-current assets				
Property, plant and equipment	587	(1)5,041	5,957	6,812
Right-of-use assets	473	149	156	154
Intangible assets	-	-	-	342
Deferred tax assets	91	136	253	62
Total non-current assets	**1,151**	**5,326**	**6,366**	**7,370**
Current assets				
Inventories	917	817	790	833
Contract costs	16,343	7,249	6,728	9,470
Trade and other receivables(2)	19,567	22,087	22,307	34,498
Current tax assets	259	445	-	273
Cash and bank balances	4,954	10,453	5,233	4,853
Total current assets	**42,040**	**41,051**	**35,058**	**49,927**
Total assets	**43,191**	**46,377**	**41,424**	**57,297**
Equity				
Invested equity	1,800	1,800	1,800	1,800
Retained earnings	9,915	15,050	20,442	26,501
Total equity	**11,715**	**16,850**	**22,242**	**28,301**
Liabilities				
Non-current liabilities				
Borrowings	-	4,524	5,304	5,185
Lease liabilities	173	1	4	55
Deferred tax liabilities	16	23	52	561
Total non-current liabilities	**189**	**4,548**	**5,360**	**5,801**
Current liabilities				
Contract liabilities	2,108	2,700	2,533	-
Trade and other payables(3)	28,587	14,575	8,026	9,332
Borrowings	283	7,550	2,973	13,761
Lease liabilities	309	154	154	102
Current tax liabilities	-	-	136	-
Total current liabilities	**31,287**	**24,979**	**13,822**	**23,195**
Total liabilities	**31,476**	**29,527**	**19,182**	**28,996**
Total equity and liabilities	**43,191**	**46,377**	**41,424**	**57,297**

***Notes*:**

(1) The increase in property, plant and equipment of RM4.45 million as at 31 December 2023, arising mainly from the addition of capital work-in-progress amounting to RM4.47 million. This addition relates to progress claim from developer for a newly acquired semi-detached factory with a one-storey office, for the purpose of our Group's own business operation.

12. FINANCIAL INFORMATION *(Cont'd)*

(2) The breakdown of trade and other receivables are as follows:

	Audited			
	FYE 2022	***FYE 2023***	***FYE 2024***	***FYE 2025***
	RM'000	***RM'000***	***RM'000***	***RM'000***
Current assets				
Trade receivables	*18,175*	*21,003*	*21,726*	*33,788*
Other receivables(*)	*1,392*	*1,084*	*581*	*710*
	19,567	***22,087***	***22,307***	***34,498***

* ***Comparison between FYE 2022 and FYE 2023***

For FYE 2023, other receivables decreased by RM0.31 million, from RM1.39 million in FYE 2022 to RM1.08 million, mainly attributable to decreases in other receivables from third parties of RM0.22 million and amount owing by related parties of RM0.25 million following repayment received during the financial year, as well as a reduction in deposits of RM0.08 million arising from the refund of tender deposits.

The decrease was partially offset by an increase in deferred expenditure of RM0.22 million in relation to the manufacturing of MVAC products segment, as certain project costs were incurred prior to the issuance of billings.

Comparison between FYE 2023 and FYE 2024

For FYE 2024, other receivables decreased by RM0.50 million, from RM1.08 million in FYE 2023 to RM0.58 million, mainly attributable to the return of performance bonds amounting to RM0.64 million and the reversal of deferred expenditure of RM0.22 million.

The decrease was partially offset by an increase of other receivables from third parties of RM0.30 million, mainly relating to advances paid to suppliers.

Comparison between FYE 2024 and FYE 2025

For FYE 2025, other receivables increased by RM0.13 million, from RM0.58 million in FYE 2024 to RM0.71 million, mainly attributable to an increase in deposits of RM0.25 million, relating to deposits paid to the suppliers.

The increase was partially offset by a decrease of other receivables from third parties of RM0.18 million, mainly relating to advances paid to suppliers.

(3) The breakdown of trade and other payables are as follows:

	Audited			
	FYE 2022	***FYE 2023***	***FYE 2024***	***FYE 2025***
	RM'000	***RM'000***	***RM'000***	***RM'000***
Current liabilities				
Trade payables	*24,556*	*10,002*	*4,078*	*7,093*
Other payables[(4)]	*4,031*	*4,573*	*3,948*	*2,239*
	28,587	***14,575***	***8,026***	***9,332***

(4) Under other payables, our Group recorded accruals of RM3.44 million, RM3.96 million, RM3.55 million and RM1.13 million as at 31 December 2022, 2023, 2024 and 2025 respectively. The accruals mainly comprise accrued purchases, representing project costs recognised for which supplier invoices were pending issuance at the end of the respective financial years. In addition, accruals also include 2% rebates payable to a customer for certain projects, accrued staff costs, and accrued audit fees.

12. FINANCIAL INFORMATION *(Cont'd)*

12.1.3 Historical combined statements of cash flows

The following table sets out the combined statements of cash flows of our Group for the Financial Years Under Review which have been extracted from the Accountants' Report. It should be read in conjunction with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Accountants' Report set out in Sections 12.2 and 13 respectively.

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Cash flows from operating activities				
PBT	8,299	6,930	7,177	8,114
Adjustments for:				
Depreciation of property, plant and equipment	121	165	166	209
Depreciation of right-of-use assets	308	300	231	207
Depreciation of intangible assets	-	-	-	21
Reversal of impairment losses on:				
- Trade receivables	-	(116)	(150)	(36)
- Other receivables	(5)	(15)	-	-
Gain on reassessment and remeasurement of leases	*	-	-	(1)
Gain on lease modification	-	(2)	-	-
Loss on disposal of property, plant and equipment	-	7	-	-
Impairment losses on trade receivables	11	150	905	60
Interest income	(7)	(28)	(76)	(61)
Interest expenses	27	289	291	317
Unrealised gain on foreign exchange	(32)	(12)	(341)	513
Property, plant and equipment written off	-	-	4	-
Operating profit before changes in working capital	**8,722**	**7,668**	**8,207**	**9,343**
Changes in working capital:				
Inventories	(428)	100	27	(43)
Contract liabilities	1,360	592	(167)	(2,533)
Contract costs	(16,173)	9,094	520	(2,742)
Trade and other receivables	(13,247)	(2,813)	(671)	(12,725)
Trade and other payables	25,486	(14,011)	(6,555)	1,335
Cash generated from operations	**5,720**	**630**	**1,361**	**(7,365)**
Tax paid	(1,787)	(2,018)	(1,660)	(1,851)
Tax refunded	-	-	368	87
Net cash from/(used in) operating activities	**3,933**	**(1,388)**	**69**	**(9,129)**
Cash flows from investing activities				
Purchase of property, plant and equipment	(467)	(4,630)	(1,086)	(1,065)
Proceeds from disposal of property, plant and equipment	-	4	-	-
Capitalisation of intangible assets	-	-	-	(362)
Interest received	7	28	76	61
Repayments from/(to) related parties	214	269	7	(7)

12. FINANCIAL INFORMATION *(Cont'd)*

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Placement of fixed deposits pledged with licensed banks	(300)	(554)	(396)	(950)
Placement of deposits	-	-	-	(30)
Net cash used in investing activities	**(546)**	**(4,883)**	**(1,399)**	**(2,353)**
Cash flows from financing activities				
Dividend paid	(1,020)	-	-	-
Net drawdown of short-term borrowings	283	7,267	(4,577)	10,512
Drawdown of term loan	-	4,524	780	156
Repayment of lease liabilities	(332)	(322)	(245)	(218)
Interest paid	(5)	(267)	(281)	(303)
Proceeds from issuance of ordinary shares	-	-	-	*
Net cash (used in)/ from financing activities	**(1,074)**	**11,202**	**(4,323)**	**10,147**
Net increase/(decrease) in cash and cash equivalents	2,313	4,931	(5,653)	(1,335)
Effect of exchange rate changes	19	14	37	(25)
Cash and cash equivalents at date of incorporation	-	-	-	*
Cash and cash equivalents at beginning of financial year	2,322	4,654	9,599	3,983
Cash and cash equivalents at end of financial year[(1)]	**4,654**	**9,599**	**3,983**	**2,623**

Notes:

* *Represent less than RM1,000 or 0.01%.*

(1) For the purpose of the combined statements of cash flows, cash and cash equivalents comprise of the following:

	Audited			
	FYE 2022	***FYE 2023***	***FYE 2024***	***FYE 2025***
	RM'000	***RM'000***	***RM'000***	***RM'000***
Cash and bank balances	*4,654*	*9,198*	*3,983*	*2,623*
Fixed deposits with licensed banks	*300*	*1,255*	*1,250*	*2,230*
	4,954	*10,453*	*5,233*	*4,853*
Less: Fixed deposits pledged to licensed banks	*(300)*	*(854)*	*(1,250)*	*(2,230)*
	4,654	***9,599***	***3,983***	***2,623***

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

12.2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management discussion and analysis of our financial condition and results of operations for the Financial Years Under Review should be read in conjunction with the Accountants' Report together with our accompanying notes as set out in Section 13.

12.2.1 Overview of our operations

(a) Principal activities

Our Group is principally involved in providing turnkey solutions for cleanrooms and MEPF utilities. We are also engaged in the manufacturing and trading of commercial and industrial MVAC products and trading of solar PV panels.

Please refer to Section 7 of this Prospectus for detailed information of our Group's business.

(b) Revenue

Our Group's revenue for the Financial Years Under Review was derived from 3 business segments:

(i) Turnkey solutions
(ii) Manufacturing of MVAC products
(iii) Trading

We typically undertake projects as a main contractor or subcontractor. As a main contractor, we are typically engaged directly by the end-user of the solutions to undertake the project. Our role as a subcontractor is typically appointed by a project's main contractor to undertake selected scope of works of a project.

(c) Cost of sales

Our cost of sales consists of purchases of goods and materials, staff costs, production overhead and others, which include costs related to projects, forwarding, handling and storage charges, transportation charges, inventories written off, freight charges, sales and service tax and etc.

(d) Other operating income

Other operating income mainly consists of interest income, realised and unrealised gain on foreign exchange and sundry income.

(e) Administrative expenses

Administrative expenses mainly consist of staff costs, legal and professional fees, directors' remuneration, depreciation of property, plant and equipment, and rights-of-use assets, realised loss on foreign exchange, entertainment, licenses and bank charges.

(f) Selling and distribution expenses

Selling and distribution expenses mainly consists of advertisement and promotion, entertainment and travelling expenses.

12. FINANCIAL INFORMATION *(Cont'd)*

(g) Other operating expenses

Other operating expenses mainly consists of realised and unrealised loss on foreign exchange, penalties and loss on disposal of property, plant and equipment.

(h) Net loss on impairment of financial instruments

Net loss on impairment of financial instruments comprises impairment losses on trade and other receivables, and reversal of impairment losses on trade and other receivables.

(i) Finance costs

Finance costs mainly consist of interest expenses from lease liabilities, bankers' acceptance, bank guarantee and invoice financing.

(j) Recent development

There were no significant events subsequent to our audited combined financial statements during the Financial Years Under Review, that have occurred, which may have a material effect on the financial position and results of our Group.

(k) Exceptional and extraordinary items and audit qualifications

There were no exceptional or extraordinary items during the Financial Years Under Review. In addition, our audited financial statements for the Financial Years Under Review were not subject to any audit qualifications.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

12.2.2 Review of our results of operations

(a) Revenue

Analysis of revenue by business segment

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Turnkey solutions								
Cleanroom[(1)]	49,403	59.17	21,467	24.23	12,100	23.56	13,186	20.08
MEPF utilities[(2)]	24,998	29.95	57,392	64.79	22,733	44.27	33,185	50.53
Maintenance	487	0.58	594	0.67	827	1.61	1,128	1.72
	74,888	89.70	79,453	89.69	35,660	69.44	47,499	72.33
Manufacturing of MVAC products	4,762	5.70	4,513	5.09	8,749	17.04	9,355	14.25
Trading								
MVAC products	3,429	4.11	3,844	4.34	6,945	13.52	8,816	13.42
Solar PV panels	408	0.49	775	0.88	-	-	-	-
	3,837	4.60	4,619	5.22	6,945	13.52	8,816	13.42
Total	**83,487**	**100.00**	**88,585**	**100.00**	**51,354**	**100.00**	**65,670**	**100.00**

Notes:

(1) Refers to services that encompass design and build of cleanroom and MEPF utilities.

(2) Refers to services that encompass design and build of standalone MEPF utilities only.

Analysis of revenue by customer industries

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Semiconductor	67,267	80.57	25,742	29.06	17,294	33.68	17,767	27.05
Electrical and electronics	2,152	2.58	1,487	1.68	3,514	6.84	460	0.70
Engineering services	14,068	16.85	54,456	61.47	22,963	44.71	46,552	70.89
Consumer products	-	-	6,900	7.79	7,583	14.77	891	1.36
Total	**83,487**	**100.00**	**88,585**	**100.00**	**51,354**	**100.00**	**65,670**	**100.00**

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

Analysis of revenue by countries

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Domestic market								
Malaysia	75,862	90.87	81,015	91.45	35,224	68.59	48,600	74.01
Overseas market								
Philippines[(1)]	6,698	8.02	5,873	6.63	10,003	19.48	13,440	20.46
Others[(2)]	927	1.11	1,697	1.92	6,127	11.93	3,630	5.53
Total	**83,487**	**100.00**	**88,585**	**100.00**	**51,354**	**100.00**	**65,670**	**100.00**

Notes:

(1) During the Financial Years Under Review, the Philippines is our trading segment's sole market.

(2) Comprises Taiwan, Singapore, Australia, Bangladesh, India and Indonesia.

Comparison between FYE 2022 and FYE 2023

Our Group's total revenue increased by RM5.10 million or 6.11%, from RM83.49 million in FYE 2022 to RM88.59 million in FYE 2023, mainly attributable to the following:

(i) revenue from the turnkey solutions segment increased by RM4.56 million or 6.09% in FYE 2023. The increase was mainly driven by an increase in revenue from the design and build of standalone MEPF utilities, which increased by RM32.39 million due to the securing of more projects during the FYE 2023.

Conversely, revenue from design and build of cleanroom and MEPF utilities projects decreased by RM27.94 million, primarily because a major contract valued at RM55.94 million was secured from STMicroelectronics Sdn Bhd in FYE 2022, for which majority of the work progress and related billings were delivered in FYE 2022 itself. In FYE 2023, the contract value secured from other customers were comparatively lower, resulting in reduced revenue from the cleanroom segment; and

(ii) revenue from trading segment increased by RM0.78 million or 20.38% in FYE 2023. This was mainly due to an increase of RM0.42 million in revenue from the trading of MVAC products, driven by higher demand from our customers and continued expansion into the Philippines market. Additionally, revenue from the trading of solar PV panels increased by RM0.37 million, mainly due to increased orders received from customers attributable to the increase adoption of renewable energy solutions.

However, the overall revenue increase was partially offset by a decrease in revenue from the manufacturing segment, which declined by RM0.25 million or 5.23% in FYE 2023. In FYE 2023, our Group mainly focused on supporting internal on-going projects that were committed in FYE 2022, as no design and build of cleanroom and MEPF utilities projects were fully completed in FYE 2022. As a result, the manufacturing segment allocated more resources to internal requirements, leading to reduction in revenue generated from third-party customers.

12. FINANCIAL INFORMATION *(Cont'd)*

In FYE 2022, our Group secured 4 design and build of cleanroom and MEPF utilities projects with a total contract value of RM134.29 million and 191 design and build of standalone MEPF utilities projects with a total contract value of RM76.08 million. In FYE 2023, our Group secured 10 design and build of cleanroom and MEPF utilities projects with a total contract value of RM10.85 million and 238 design and build of standalone MEPF utilities projects with a total contract value of RM31.72 million.

In FYE 2022, our Group's total revenue was mainly derived from the semiconductor industry, contributing RM67.27 million or 80.57% of total revenue. However, in FYE 2023, the decrease in revenue from the semiconductor industry was partially mitigated by an increase in revenue contributed from the engineering services industry by RM40.39 million or 287.06%, from RM14.07 million in FYE 2022 to RM54.46 million in FYE 2023. Accordingly, the engineering services industry subsequently became the major contributor in view more revenue from projects under that segment were recognised, accounting for RM54.46 million or 61.47% of our Group's total revenue in FYE 2023.

Our Group's total geographical revenue was mainly derived from Malaysia, which accounted for 90.87% and 91.45% of the total revenue in FYE 2022 and FYE 2023 respectively.

Comparison between FYE 2023 and FYE 2024

Our Group's total revenue decreased by RM37.24 million or 42.04%, from RM88.59 million in FYE 2023 to RM51.35 million in FYE 2024. This decline was mainly attributable to the reduction in revenue from its turnkey solutions segment, which reduced by RM43.79 million or 55.12% in FYE 2024, mainly driven by the following:

(i) decrease in revenue from the design and build of standalone MEPF utilities, which decreased by RM34.66 million, mainly due to completion of some projects in FYE 2023. In addition, there were fewer new projects secured in FYE 2024; and

(ii) decrease in design and build of cleanroom and MEPF utilities revenue by RM9.37 million, mainly due to the completion of several projects in FYE 2023. In addition, fewer new contracts were secured in FYE 2024 as many were still under negotiation and are only expected to be secured in FYE 2025.

The overall decline in the turnkey solutions segment was also due to most of the ongoing projects had substantially progressed and billed in FYE 2023, leaving only minimal billings to be recognised in FYE 2024, coupled with fewer new projects secured in FYE 2024.

However, the decrease was partially offset by the overall revenue improvements in the following segments:

(i) increase in revenue of RM4.24 million from the manufacturing segment, mainly attributable to a new sales order for the supply of MVAC products amounting to RM4.42 million from a newly secured customer; and

(ii) increase in revenue from the trading segment of RM2.33 million, mainly due to increase in demand of MVAC products from the Philippines market.

In FYE 2024, our Group secured 18 design and build of cleanroom and MEPF utilities projects with a total contract value of RM0.34 million and 256 design and build of standalone MEPF utilities projects with a total contract value of RM22.88 million.

12. FINANCIAL INFORMATION *(Cont'd)*

In FYE 2024, our Group's total revenue derived from the engineering services industry and semiconductor industry has dropped by RM31.49 million and RM8.45 million respectively. The decline for both industries was mainly attributed to the slowdown of global semiconductor industry, coupled with the ongoing impact of the trade tensions between the United States and China, which led to reduced capital investment, delayed project commencements, and cautious procurement behaviour among industry players.

Conversely, revenue from our electrical and electronic industry improved RM2.03 million or 136.31%, compared to FYE 2023. The improvement was mainly due to increase in trading activities with customers from the electrical and electronic industry.

During FYE 2024, revenue contribution from the Philippines continued to grow by RM4.13 million or 41.30%, mainly driven by the trading segment. In the same period, our Group expanded into a new geographical market, Taiwan, which included the manufacturing and sales of MVAC products as part of the regional growth and diversification strategy. This strategic expansion resulted in a more diversified revenue base, with Malaysia's contribution declining to 68.59% in FYE 2024 from 91.45% in FYE 2023, underscoring our Group's strengthened regional presence and reduced dependency on a single market.

Meanwhile, the Philippines and Taiwan contributed 19.48% and 8.61% respectively to the total revenue in FYE 2024, highlighting the growing significance of our overseas operations in driving overall Group performance.

Comparison between FYE 2024 and FYE 2025

Our Group's total revenue increased by RM14.32 million or 27.89%, from RM51.35 million in FYE 2024 to RM65.67 million in FYE 2025. This increase was mainly contributed from the following:

(i) higher revenue generated from the design and build of standalone MEPF utilities segment, which increased by RM10.45 million in FYE 2025. The increase was mainly driven by our Group's business for two electric vehicle ("**EV**") battery plants project awarded by Honghui Engineering Sdn Bhd and a data centre project awarded by SSPI Inc;

(ii) increase in revenue generated from design and build of cleanroom and MEPF utilities projects by RM1.09 million, mainly due to the contribution of a cleanroom project awarded by Unisem (M) Berhad;

(iii) increase in revenue generated from trading of MVAC products by RM1.87 million, mainly due to the increased demand from the Philippines market.

For FYE 2025, our Group's total revenue derived from the engineering services industry increased by RM23.59 million or 102.74%, from RM22.96 million in FYE 2024 to RM46.55 million in FYE 2025. The improvement was mainly driven by our Group securing and completing higher volume of work, particularly with the design and build of standalone MEPF utilities segment.

The above increase was partially offset by a reduction in revenue from consumer products industry, which decreased by RM6.69 million. The lower revenue was mainly attributable to the completion of projects in FYE 2024, with revenue recognised in FYE 2025 mainly relating to maintenance works requested by the same customer.

In FYE 2025, our Group's total geographical revenue was mainly derived from Malaysia and Philippines, which in total accounted for 94.47% of the total revenue, compared to 88.07% in FYE 2024.

12. FINANCIAL INFORMATION *(Cont'd)*

(b) Cost of sales, GP and GP margin

Analysis of cost of sales by business segment

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Turnkey solutions								
Cleanroom[(1)]	44,559	61.64	22,007	28.43	10,798	27.69	11,836	23.66
MEPF utilities[(2)]	21,848	30.23	49,654	64.15	17,003	43.60	25,340	50.66
Maintenance	379	0.52	536	0.69	485	1.24	566	1.13
	66,786	92.39	72,197	93.27	28,286	72.53	37,742	75.45
Manufacturing of MVAC products	2,947	4.08	2,482	3.21	5,744	14.73	6,039	12.07
Trading								
MVAC products	2,277	3.15	2,214	2.86	4,971	12.74	6,240	12.48
Solar PV panels	280	0.38	517	0.66	-	-	-	
	2,557	3.53	2,731	3.52	4,971	12.74	6,240	12.48
Total	**72,290**	**100.00**	**77,410**	**100.00**	**39,001**	**100.00**	**50,021**	**100.00**

Notes:

(1) Refer to costs which relates to design and build of cleanroom and MEPF utilities.

(2) Refer to costs which relates to design and build of standalone MEPF utilities only.

Analysis of cost of sales by components

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Purchases	29,407	40.68	43,115	55.70	26,984	69.19	23,920	47.82
Subcontractor costs	39,072	54.05	26,558	34.31	6,068	15.56	18,766	37.52
Staff costs	1,655	2.29	2,984	3.85	3,548	9.10	4,287	8.57
Production overheads	455	0.63	501	0.65	699	1.79	820	1.64
Others[(1)]	1,701	2.35	4,252	5.49	1,702	4.36	2,228	4.45
Total	**72,290**	**100.00**	**77,410**	**100.00**	**39,001**	**100.00**	**50,021**	**100.00**

Note:

(1) Others comprise other project related cost (which consists of project consumable spare parts, rental of site premises, hostel utilities charges, and others), forwarding, handling and storage charges, transportation, stock written off, freight charges, sales and services tax and etc.

12. FINANCIAL INFORMATION *(Cont'd)*

Analysis of cost of sales by components and by business segment

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
Turnkey solutions	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Purchases	25,232	37.78	39,265	54.39	18,588	65.71	14,163	37.53
Subcontractor costs	39,072	58.50	26,558	36.78	6,068	21.45	18,766	49.72
Staff costs	1,132	1.70	2,361	3.27	2,720	9.62	3,044	8.06
Production overheads	-	-	-	-	-	-	-	-
Others	1,350	2.02	4,013	5.56	910	3.22	1,769	4.69
Total	**66,786**	**100.00**	**72,197**	**100.00**	**28,286**	**100.00**	**37,742**	**100.00**

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
Manufacturing of MVAC products	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Purchases	1,764	59.86	1,126	45.37	3,575	62.24	3,915	64.83
Subcontractor costs	-	-	-	-	-	-	-	-
Staff costs	523	17.75	623	25.10	700	12.18	887	14.69
Production overheads	455	15.44	501	20.18	699	12.17	820	13.58
Others	205	6.95	232	9.35	770	13.41	417	6.90
Total	**2,947**	**100.00**	**2,482**	**100.00**	**5,744**	**100.00**	**6,039**	**100.00**

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
Trading	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Purchases	2,411	94.29	2,724	99.74	4,821	96.98	5,842	93.62
Subcontractor costs	-	-	-	-	-	-	-	-
Staff costs	-	-	-	-	128	2.58	356	5.71
Production overheads	-	-	-	-	-	-	-	-
Others	146	5.71	7	0.26	22	0.44	42	0.67
Total	**2,557**	**100.00**	**2,731**	**100.00**	**4,971**	**100.00**	**6,240**	**100.00**

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

Comparison between FYE 2022 and FYE 2023

Analysis by cost segment

Our Group's total cost of sales increased by RM5.12 million or 7.08%, from RM72.29 million in FYE 2022 to RM77.41 million in FYE 2023. The increase in cost of sales was mainly attributable to the following:

(i) increase in purchase of products and materials by RM13.71 million which was in line with the increase in revenue from the MEPF utilities;

(ii) increase in staff costs by RM1.33 million mainly due to annual salary increment and also the increase in headcounts from 32 employees in FYE 2022 to 36 employees in FYE 2023; and

(iii) increase in others by RM2.55 million, mainly due to higher other project related costs, and forwarding, handling and storage charges incurred during FYE 2023.

However, the increase was partially offset by a decrease in subcontractor costs by RM12.51 million, mainly due to our Group's increased headcount and the strengthening of our project and purchasing department. As a result, our Group was less reliant on subcontractors, particularly for the supply of materials, leading to lower subcontractor costs.

Comparison between FYE 2023 and FYE 2024

Analysis by cost segment

Our Group's total cost of sales decreased by RM38.41 million or 49.62%, from RM77.41 million in FYE 2023 to RM39.00 million in FYE 2024. The decrease was mainly attributed to the following:

(i) decrease in purchases by RM16.13 million, this was in line with the decrease in sales volume in FYE 2024 for the turnkey solutions segment;

(ii) decrease in subcontractor costs by RM20.49 million, as our Group mainly incurred subcontractor costs for installation works during the FYE 2024, while purchase of materials were procured directly by our Group rather than from subcontractors; and

(iii) decrease in others by RM2.55 million mainly due to lower forwarding, handling and storage charges incurred, in line with the decrease in revenue in FYE 2024, and reduced purchases of equipment.

Comparison between FYE 2024 and FYE 2025

Analysis by cost segment

Our Group's total cost of sales increased by RM11.02 million or 28.26%, from RM39.00 million in FYE 2024 to RM50.02 million in FYE 2025. The increase was mainly attributed to the following:

(i) increase in subcontractor cost of RM12.70 million or 209.26%, mainly due to higher subcontracting work required for the provision of general workers to support the increased volume and scale of cleanroom and MEPF utilities projects that were executed in FYE 2025;

(ii) increase in staff costs by RM0.74 million or 20.83%, mainly due to annual salary increments and an increase in number of headcounts from 53 in FYE 2024 to 58 in FYE 2025 to support the increase in number of projects; and

(iii) increase in other costs by RM0.53 million or 30.90%, mainly due to an increase in forwarding, handling and storage charges incurred, in line with the increase in revenue in FYE 2025, and increased purchases of equipment.

GP and GP margin

Analysis of GP and GP margins by business segments

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
Business segments	**GP RM'000**	**GP margin %**	**GP/(GL) RM'000**	**GP/(GL) margin %**	**GP RM'000**	**GP margin %**	**GP RM'000**	**GP margin %**
Turnkey solutions								
Cleanroom[(1)]	4,844	9.81	(540)	(2.52)	1,302	10.76	1,350	10.24
MEPF utilities[(2)]	3,150	12.60	7,738	13.48	5,730	25.21	7,845	23.64
Maintenance	108	22.18	58	9.76	342	41.35	562	49.82
	8,102	10.82	7,256	9.13	7,374	20.68	9,757	20.54
Manufacturing of MVAC products	1,815	38.11	2,031	45.00	3,005	34.35	3,316	35.45
Trading								
MVAC products	1,152	33.60	1,630	42.40	1,974	28.42	2,576	29.22
Solar PV panels	128	31.37	258	33.29	-	-	-	
	1,280	33.36	1,888	40.87	1,974	28.42	2,576	29.22
Total	**11,197**	**13.41**	**11,175**	**12.62**	**12,353**	**24.05**	**15,649**	**23.83**

Notes:

(1) Refers to GP/(GL) contribution which relates to design and build of cleanroom and MEPF utilities.

(2) Refers to GP contribution which relates to design and build of standalone MEPF utilities only.

Comparison between FYE 2022 and FYE 2023

Our Group's overall GP decreased slightly by RM0.02 million or 0.20%, from RM11.20 million in FYE 2022 to RM11.18 million in FYE 2023. The overall GP margin declined from 13.41% in FYE 2022 to 12.62% in FYE 2023. The decline was mainly attributable to the decrease in GP from design and build of cleanroom and MEPF utilities projects by RM5.38 million, with the GP margin declining from 9.81% in FYE 2022 to a GL margin of 2.52% in FYE 2023. This was due to a one-off cost overrun on a specific new project, where amendments were made by STMicroelectronics Sdn Bhd, resulting in the total cost amounting to RM69.54 million incurred for FYE 2022 and FYE 2023, of which the costs were not fully recoverable.

Most of the project's profits and costs had been substantially recognised in FYE 2022. Further, due to the abovementioned cost overrun, certain costs were absorbed by our Group contributing to the recorded GL in FYE 2023. Overall, the project ultimately recorded a marginal profit.

This project represents the first Panel-Level Packaging (**PLP**) production line for STMicroelectronics Sdn Bhd globally. As this is a design-and-build project, our Group is responsible for ensuring that the cleanroom meets the required operational specifications. Given that STMicroelectronics Sdn Bhd is one of our Group's key customers, our Group adopted a proactive approach in supporting their project requirements as part of fostering long-term business collaboration. Over the years, our Group has consistently received recurring purchase orders from STMicroelectronics Sdn Bhd for repair, maintenance, and modification works related to their production facilities.

However, the decrease in GP and GP margin was partially offset by improvements in the following areas:

(i) increase in GP from the manufacturing segment by RM0.22 million, and the GP margin improved from 38.11% in FYE 2022 to 45.00% in FYE 2023. The improvement was mainly due to our Group's securing several high-margin projects during the year. Strong market demand and bulk orders, combined with a shortage of suppliers able to meet delivery timelines, enabled our Group to negotiate better pricing and improved overall profitability;

(ii) increase in GP from the design and build of standalone MEPF utilities by RM4.59 million, with the GP margin improving from 12.60% in FYE 2022 to 13.48% in FYE 2023. This was mainly attributable to a newly awarded project from Customer D with a contract value of RM15.20 million to provide mechanical, electrical and interior design work during the year. The project incurred a total cost of RM11.89 million, resulting in a higher profit margin of 21.78% compared to other existing contracts; and

(iii) increase in GP from trading segment by RM0.61 million, and the GP margin improved from 33.36% in FYE 2022 to 40.87% in FYE 2023. This was mainly attributable to our Group's efforts in expanding our supplier base, which enabled better price negotiation and sourcing flexibility, leading to cost efficiency improvements and enhanced profit margins.

Comparison between FYE 2023 and FYE 2024

Our Group's overall GP increased by RM1.17 million or 10.47%, from RM11.18 million in FYE 2023 to RM12.35 million in FYE 2024. Correspondingly, our Group's overall GP margin improved significantly from 12.62% in FYE 2023 to 24.05% in FYE 2024.

The increase in overall GP and GP margin was mainly attributable to the following:

(i) increase in turnkey solutions segment by RM0.12 million, and the GP margin has improved from 9.13% in FYE 2023 to 20.68% in FYE 2024. The improvement of GP was mainly driven by the design and build of cleanroom and MEPF utilities projects, which contributed an increase of RM1.84 million in GP, mainly due to the reduction in materials purchase costs as a result of more efficient purchasing strategies. As a result, the GP margin for cleanroom has slightly improved in FYE 2024 to 10.76%, which is higher than the margin recorded in FYE 2022 of 9.81%[(1)].

12. FINANCIAL INFORMATION *(Cont'd)*

Although the design and build of standalone MEPF utilities segment recorded a decline in GP by RM2.01 million, mainly due to a lower number of contracts awarded during the year, the GP margin improved from 13.48% in FYE 2023 to 25.21% in FYE 2024. This improvement was mainly attributable to our Group's effective cost management strategies/ initiatives, including prompt payment to suppliers, which enabled our Group to successfully negotiate more favourable pricing terms. In addition, our Group's provision of services into data centre sector in the Philippines as well as the project management contract for the ACMV system contributed positively to GP margin;

(ii) increase in GP from manufacturing segment by RM0.97 million, however the GP margin dropped from 45.00% in FYE 2023 to 34.35% in FYE 2024. The decrease in GP margin was mainly attributable to increased costs associated with overseas market expansion, particularly costs related to engaging distributor and entering new international markets. These market penetration efforts, while essential for long-term growth, temporarily affected profitability during the transition phase; and

(iii) increase in GP from trading segment by RM0.09 million, however the GP margin dropped from 40.87% in FYE 2023 to 28.42% in FYE 2024. The drop in GP margin was due to more competitive pricing strategies being implemented to remain competitive in securing new and existing customers.

In conclusion, the key factors influencing our Group's overall GP margin trend are as follows:

(i) For turnkey solutions segment, the overall GP margin was affected by the industry in which our Group provides its services and the country of origin of the facility owner, as different industries and geographical markets varies in cost structures and pricing dynamics.

Within this segment, the GP margin for design and build of standalone MEPF utilities is higher, as such projects offer a more flexibility in engineering design such as optimising piping velocity which allows greater room to improve margins. In comparison, the GP margin for design and build of cleanroom and MEPF utilities projects are comparatively lower, as pricing for certain components is more fixed, thereby limiting margin enhancement opportunities;

(ii) For manufacturing of MVAC products segment, the overall GP margin was mainly affected by raw material costs and manpower expenses, both of which directly impact production costs; and

(iii) For trading segment, the overall GP margin was largely dependent on the types of products sold and the geographical location served. Our Group currently focuses on Philippines market, where trading activities generally yield higher margins.

Note:

(1) Comparison was not made to FYE 2023, as a one-off cost overrun related to a specific new project materially impacted the GP margin, resulting in significant fluctuation that are not reflective of our Group underlying performance.

12. FINANCIAL INFORMATION *(Cont'd)*

Comparison between FYE 2024 and FYE 2025

Our Group's overall GP increased by RM3.30 million or 26.72%, from RM12.35 million in FYE 2024 to RM15.65 million in FYE 2025. Correspondingly, the overall GP margin decreased from 24.05% in FYE 2024 to 23.83% in FYE 2025. The improvement in GP was mainly attributable to the following:

(i) increase in GP from turnkey solutions segment by RM2.38 million, mainly attributable to higher GP contributions from the design and build of standalone MEPF utilities, which increased by RM2.12 million; and

(ii) increase in GP from trading of MVAC products by RM0.60 million, mainly due to the increased orders from the Philippines market which commands higher GP margins.

(c) Other operating income

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Interest income	7	2.46	28	10.77	76	9.21	61	17.63
Realised gain on foreign exchange	215	75.44	148	56.92	387	46.91	204	58.96
Unrealised gain on foreign exchange	31	10.88	14	5.39	345	41.82	75	21.68
Sundry income[(1)]	16	5.61	68	26.15	17	2.06	5	1.44
Others[(2)]	16	5.61	2	0.77	*	*	1	0.29
Total	**285**	**100.00**	**260**	**100.00**	**825**	**100.00**	**346**	**100.00**

Notes:

* *Represent less than RM1,000 or 0.01%.*

(1) Sundry income mainly consists of insurance compensation received, and penalty imposed to subcontractor on safety violation.

(2) Others mainly consist of gain on lease modification and fair value gain on non-current receivables, which relates to amount owed by SSPI Inc (formerly known as Sumsys Solution Phils, Inc) for the supply of water cooled package unit.

Comparison between FYE 2022 and FYE 2023

Our Group's other operating income decreased by RM0.03 million or 10.34%, from RM0.29 million in FYE 2022 to RM0.26 million in FYE 2023. The decrease was mainly attributable to:

(i) a decrease in realised gain on foreign exchange of RM0.07 million, mainly due to the overall weakening of the RM against USD and PHP, arising from trade collection during FYE 2023; and

(ii) a decrease in unrealised gain on foreign exchange of RM0.02 million, also due to the weakening of RM against USD, mainly arising from trade receivables during FYE 2023.

12. FINANCIAL INFORMATION *(Cont'd)*

The decrease were partially offset by:

(i) an increase in interest income of RM0.02 million, mainly due to higher interest earned from fixed deposits placed with financial institutions in FYE 2023; and

(ii) an increase in sundry income of RM0.05 million, mainly attributable to insurance compensation received. The claim is in relation to the cost incurred to restore the damage of a customer's property during the construction period.

Comparison between FYE 2023 and FYE 2024

Our Group's other operating income increased significantly by RM0.57 million or 219.23%, from RM0.26 million in FYE 2023 to RM0.83 million in FYE 2024. The increase was mainly attributable to:

(i) an increase in realised gain on foreign exchange of RM0.24 million, mainly due to the overall strengthening of the USD against RM, arising from trade collection during FYE 2024; and

(ii) an increase in unrealised gain on foreign exchange of RM0.33 million, mainly due to the overall weakening of the RM against USD, arising from trade receivables during FYE 2024.

Comparison between FYE 2024 and FYE 2025

Our Group's other operating income decreased by RM0.48 million or 57.83%, from RM0.83 million in FYE 2024 to RM0.35 million in FYE 2025. The decrease was mainly attributable to the decrease in realised and unrealised gain on foreign exchange by RM0.18 million and RM0.27 million respectively, as a result of the weakening of USD against RM. The realised foreign exchange gains mainly arose from the collection of trade receivables, while the unrealised foreign exchange gains arose from outstanding trade receivable balances.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

(d) Administrative expenses

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Bank charges	14	0.45	134	3.26	143	3.03	144	2.12
Building maintenance	12	0.39	8	0.19	83	1.76	44	0.65
Depreciation	225	7.21	277	6.73	203	4.30	291	4.29
Entertainment	107	3.43	171	4.16	174	3.69	279	4.11
Legal and professional fee	220	7.05	191	4.64	398	8.44	1,275	18.78
Licenses	89	2.85	10	0.24	147	3.12	56	0.83
Realised loss on foreign exchange	2	0.06	14	0.34	184	3.90	137	2.02
Repair and maintenance	48	1.54	44	1.07	66	1.40	143	2.11
Sales and service tax	17	0.55	37	0.90	33	0.70	91	1.34
Stamp duty	32	1.03	101	2.45	1	0.02	13	0.19
Travelling expenses	301	9.65	127	3.09	41	0.87	183	2.70
Utilities	26	0.83	12	0.29	14	0.30	22	0.32
Directors' remuneration	668	21.42	705	17.14	785	16.65	854	12.58
Staff costs	1,299	41.65	2,235	54.33	2,347	49.76	2,993	44.09
Others[(1)]	59	1.89	48	1.17	97	2.06	263	3.87
Total	**3,119**	**100.00**	**4,114**	**100.00**	**4,716**	**100.00**	**6,788**	**100.00**

Note:

(1) Others mainly consist of courier service charges, filling and processing fees, printing and photocopier expenses, sales commission and stationaries.

Comparison between FYE 2022 and FYE 2023

Our Group's administrative expenses increased by RM0.99 million or 31.73%, from RM3.12 million in FYE 2022 to RM4.11 million in FYE 2023. The increase was mainly attributable to:

(i) an increase in bank charges of RM0.12 million, mainly related to bank guarantee fees incurred in connection with the application of banking facilities;

(ii) an increase in stamp duty by RM0.07 million, arising from stamp duty expenses associated with the banking facilities obtained for working capital purposes; and

(iii) an increase in staff costs of RM0.94 million, mainly due to an increase in headcounts.

However, the increases were partially offset by a decrease in traveling expenses of RM0.17 million, mainly due to a lesser outstation allowance claimed by employees arising from less travel during FYE 2023.

12. FINANCIAL INFORMATION *(Cont'd)*

Comparison between FYE 2023 and FYE 2024

Our Group's administrative expenses increased by RM0.61 million or 14.84%, from RM4.11 million in FYE 2023 to RM4.72 million in FYE 2024. The increase was mainly due to:

(i) an increase in licenses of RM0.14 million, mainly due to a one-off manufacturing license fee incurred for the application of manufacturing license from Malaysian Investment Development Authority ("**MIDA**") for the manufacture of AHU casings;

(ii) an increase in realised loss on foreign exchange of RM0.17 million, mainly due to the overall weakening of the RM against USD, arising from trade collection and payment during FYE 2024;

(iii) an increase in legal and professional fee of RM0.21 million, mainly attributable to the advisory and consultancy fees incurred in relation to our IPO exercise; and

(iv) an increase in staff costs of RM0.11 million, mainly due to annual salary increments and staff promotions during FYE 2024.

Comparison between FYE 2024 and FYE 2025

Our Group's administrative expenses increased by RM2.07 million or 43.86%, from RM4.72 million in FYE 2024 to RM6.79 million in FYE 2025. The increase was mainly due to:

(i) an increase in legal and professional fee of RM0.88 million, which largely relates to the listing expenses;

(ii) an increase in staff costs of RM0.65 million, mainly due to the increase in headcount at the headquarters. This was in line with efforts to strengthen internal controls and corporate governance through the expansion of functions such as human resources, purchasing, and tendering;

(iii) an increase in traveling expenses of RM0.14 million, mainly due to overseas travel undertaken to secure more international projects; and

(iv) an increase in others of RM0.17 million, mainly due to higher unrealised loss on foreign exchange losses in relation to the outstanding trade receivables balances.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

(e) Selling and distribution expenses

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Advertisement and promotion	-	-	6	9.84	8	6.15	-	-
Entertainment	6	22.22	29	47.54	52	40.00	40	31.01
Travelling expenses	14	51.85	17	27.87	62	47.70	79	61.24
Others[(1)]	7	25.93	9	14.75	8	6.15	10	7.75
Total	**27**	**100.00**	**61**	**100.00**	**130**	**100.00**	**129**	**100.00**

Note:

(1) Others mainly consist of telephone charges, custom duty and sales tax, and forwarding handling and storage charges.

Comparison between FYE 2022 and FYE 2023

Our Group's selling and distribution expenses increased by RM0.03 million or 100.00%, from RM0.03 million in FYE 2022 to RM0.06 million in FYE 2023. The increase was mainly attributable to higher entertainment expenses of RM0.02 million, incurred to build and maintain business relationships with customers as part of our marketing and client engagement efforts.

Comparison between FYE 2023 and FYE 2024

Our Group's selling and distribution expenses increased by RM0.07 million or 116.67%, from RM0.06 million in FYE 2023 to RM0.13 million in FYE 2024. The increase was mainly attributable to higher travelling expenses of RM0.05 million for airfare and accommodation costs, arising from our Group's expansion into overseas markets. In FYE 2024, our representatives travelled to Philippines, Taiwan, Singapore and China to participate in various international exhibition, resulting an increase in airfare and accommodation costs, as part of our strategic efforts to explore to new market opportunities, engage with potential customers and suppliers, and strengthen our regional presence.

Comparison between FYE 2024 and FYE 2025

Our Group's selling and distribution expenses remained at RM0.13 million for both FYE 2024 and FYE 2025. The selling and distribution expenses mainly comprise entertainment and traveling expenses, incurred as part of our Group's business development initiatives and strategy to secure additional projects.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

(f) Other operating expenses

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Realised loss on foreign exchange	2	50.00	7	31.82	109	100.00	163	26.16
Unrealised loss on foreign exchange	*	*	*	*	-	-	460	73.84
Penalties	2	50.00	8	36.36	-	-	-	-
Loss on disposal of property, plant and equipment	-	-	7	31.82	-	-	-	-
Total	**4**	**100.00**	**22**	**100.00**	**109**	**100.00**	**623**	**100.00**

Note:

* *Represent less than RM1,000 or 0.01%.*

Comparison between FYE 2022 and FYE 2023

Our Group's other operating expenses increased by RM0.02 million or 4.50%, from RM4,000 in FYE 2022 to RM0.02 million in FYE 2023. The increase mainly attributed to the following:

(i) an increase in penalties of RM0.01 million mainly due to penalty charged for under provision of tax for year 2022; and

(ii) loss on disposal of property, plant and equipment of RM0.01 million relates to the disposal of one unit of forklift.

Comparison between FYE 2023 and FYE 2024

Our Group's other operating expenses increased by RM0.09 million or 450.00%, from RM0.02 million in FYE 2023 to RM0.11 million in FYE 2024 mainly attributed to the increase in realised loss on foreign exchange by RM0.10 million due to overall weakening of RM against USD arising from the collection from customers during FYE 2024.

Comparison between FYE 2024 and FYE 2025

Our Group's other operating expenses increased by RM0.51 million or 463.64%, from RM0.11 million in FYE 2024 to RM0.62 million in FYE 2025 mainly attributed to the increase in unrealised loss on foreign exchange by RM0.46 million due to overall weakening of USD against RM arising from trade receivables during FYE 2025.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

(g) Net loss on impairment of financial instruments

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Impairment loss on trade receivables	11	183.33	150	789.47	905	120.00	60	250.00
Reversal of impairment losses on trade receivables	-	-	(116)	(610.53)	(150)	(20.00)	(36)	(150.00)
Reversal of impairment losses on other receivables	(5)	(83.33)	(15)	(78.94)	-	-	-	-
Total	**6**	**100.00**	**19**	**100.00**	**755**	**100.00**	**24**	**100.00**

Comparison between FYE 2022 and FYE 2023

Our Group's net loss on impairment of financial instruments increased by RM0.01 million, from RM6,000 in FYE 2022 to RM0.02 million in FYE 2023. This increase was mainly attributable to the provision for impairment loss on trade receivables, particularly relating to a long outstanding balance due from a customer.

Comparison between FYE 2023 and FYE 2024

Our Group's net loss on impairment of financial instruments increased by RM0.74 million, from RM0.02 million in FYE 2023 to RM0.76 million in FYE 2024. This increase was mainly attributed to a higher impairment loss on trade receivables by RM0.76 million, the higher impairment loss was mainly due to delays in collections from customers which have long overdue.

Comparison between FYE 2024 and FYE 2025

Our Group's net loss on impairment of financial instruments decreased by RM0.74 million, from RM0.76 million in FYE 2024 to RM0.02 million in FYE 2025. The decrease was mainly attributable to lower impairment losses on trade receivables was recognised in FYE 2025.

(h) Finance costs

	Audited							
	FYE 2022		FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Interest expenses on:								
Lease liabilities	22	81.48	22	7.61	10	3.44	13	4.10
Bankers' acceptance	2	7.41	53	18.34	269	92.44	261	82.33
Bank guarantee	-	-	48	16.61	-	-	1	0.32
Invoice financing	-	-	156	53.98	-	-	27	8.52
Others[(1)]	3	11.11	10	3.46	12	4.12	15	4.73
Total	**27**	**100.00**	**289**	**100.00**	**291**	**100.00**	**317**	**100.00**

Note:

(1) Others mainly consist of bank commitment fees and interest on bank overdraft.

12. FINANCIAL INFORMATION *(Cont'd)*

Comparison between FYE 2022 and FYE 2023

Our Group's finance costs increased by RM0.26 million, from RM0.03 million in FYE 2022 to RM0.29 million in FYE 2023. The increase mainly attributed to the following:

(i) increase in bankers' acceptance interest by RM0.05 million relates to the higher utilisation of bankers' acceptance facilities for the payment to the suppliers;

(ii) increase in bank guarantee interest of RM0.05 million, mainly relates to the bank guarantee placed in respect of the cleanroom and mechanical and electrical ("**M&E**") works projects; and

(iii) increase in invoice financing interest of RM0.16 million which relates to the higher drawdown of invoice financing facilities for working capital purposes, particularly for the purchase of materials.

Comparison between FYE 2023 and FYE 2024

Our Group's finance costs was at RM0.29 million for FYE 2023 and FYE 2024.

For FYE 2024, finance costs mainly comprise of interest expenses of RM0.27 million arising from higher utilisation of bankers' acceptance facilities, which were used for the payment to the suppliers. This increase was partially offset by the absence of interest charges on bank guarantees and invoice financing, which decreased by RM0.05 million and RM0.16 million respectively, due to the non-utilisation of these facilities during the FYE 2024.

Comparison between FYE 2024 and FYE 2025

Our Group's finance costs increased marginally from RM0.29 million in FYE 2024 to RM0.32 million in FYE 2025. The increase of RM0.03 million is mainly attributed to the increased utilisation of invoice financing facilities for FYE 2025.

(i) PBT, PBT margins, PAT and PAT margins

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
PBT (RM'000)	8,299	6,930	7,177	8,114
PBT margin (%)	9.94	7.82	13.98	12.36
PAT (RM'000)	6,484	5,135	5,392	6,059
PAT margin (%)	7.77	5.80	10.50	9.23

Comparison between FYE 2022 and FYE 2023

Our Group recorded a decrease in PBT by RM1.37 million or 16.51%, from RM8.30 million in FYE 2022 to RM6.93 million in FYE 2023. The PBT margin decreased from 9.94% in FYE 2022 to 7.82% in FYE 2023. The decreased was mainly due to the reduction in GP and GP margin, along with the increase in administrative expenses by RM0.99 million or 31.73%, from RM3.12 million in FYE 2022 to RM4.11 million in FYE 2023, as explained in Section 12.2.2(b) and (d) above.

Correspondingly, our Group's PAT decreased by RM1.34 million or 20.68%, from RM6.48 million in FYE 2022 to RM5.14 million in FYE 2023. The PAT margin decreased from 7.77% in FYE 2022 to 5.80% in FYE 2023, which was in line with the decrease in PBT and PBT margin during FYE 2023.

Comparison between FYE 2023 and FYE 2024

Our Group recorded an increase in PBT by RM0.25 million or 3.61%, from RM6.93 million in FYE 2023 to RM7.18 million in FYE 2024. The PBT margin increased from 7.82% in FYE 2023 to 13.98% in FYE 2024. The increase was due to increase in GP and GP margin as well as higher other income by RM0.57 million or 219.23%, from RM0.26 million in FYE 2023 to RM0.83 million in FYE 2024, as explained in Section 12.2.2 (b) and (c) above.

Correspondingly, our Group's PAT increased by RM0.25 million or 4.86%, from RM5.14 million in FYE 2023 to RM5.39 million in FYE 2024. The PAT margin increased from 5.80% in FYE 2023 to 10.50% in FYE 2024. The growth in PAT and PAT margin was consistent with the growth in PBT and PBT margin during FYE 2024.

Comparison between FYE 2024 and FYE 2025

Our Group recorded an increase in PBT by RM0.93 million or 12.95%, from RM7.18 million in FYE 2024 to RM8.11 million in FYE 2025. However, the PBT margin decreased from 13.98% in FYE 2024 to 12.36% in FYE 2025. This was in line with the increase in GP and decrease in GP margin, and the increase in expenses incurred in FYE 2025, as explained in Section 12.2.2 (b), (c) and (d) above.

Correspondingly, our Group's PAT increased by RM0.67 million or 12.43%, from RM5.39 million in FYE 2024 to RM6.06 million in FYE 2025. The PAT margin decreased from 10.50% in FYE 2024 to 9.23% in FYE 2025. The growth in PAT and the drop in PAT margin was consistent with the growth in PBT and the drop in PBT margin during FYE 2025.

(j) Tax expenses

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
Tax expenses (RM'000)	1,815	1,795	1,785	2,055
Statutory tax rate (%)	24.00	24.00	24.00	24.00
Effective tax rate (%)[(1)]	21.87	25.90	24.87	25.33

Note:

(1) Effective tax rate is calculated based on the tax expenses over PBT for each financial year.

FYE 2022

For the FYE 2022, our Group's recorded a tax expense of RM1.82 million, representing an effective tax rate of 21.87%, which was lower than the statutory tax rate of 24.00%. The lower effective tax rate was mainly attributable as our individual companies qualify for small and medium enterprise tax savings in year of assessment 2022 as their paid-up capital being below RM2.50 million and annual revenue less than RM50.00 million.

12. FINANCIAL INFORMATION *(Cont'd)*

FYE 2023

For the FYE 2023, our Group's recorded a tax expense of RM1.80 million, representing an effective tax rate of 25.90%, which was higher than the statutory tax rate of 24.00%. The higher effective tax rate was mainly attributable to the under provision of tax expenses for prior year amounting to RM0.66 million. However, this was partially offset with the over provision of deferred tax for prior year amounting to RM0.50 million and the non-taxable income of RM0.02 million which mainly consists of realised gain on foreign exchange.

FYE 2024

For the FYE 2024, our Group's recorded a tax expense of RM1.79 million, representing an effective tax rate of 24.87%, which was higher than the statutory tax rate of 24.00%. The higher effective tax rate was mainly attributable to the non-deductible expenses of RM0.12 million which mainly consists of professional fee and etc.

FYE 2025

For the FYE 2025, our Group recorded a tax expense of RM2.06 million, representing an effective tax rate of 25.33%, which was higher than the statutory tax rate of 24.00%. The higher effective tax rate was mainly attributable to the non-deductible expenses of RM0.31 million which mainly consists of impairment loss on trade receivables, depreciation of property, plant and equipment, right-of-use assets and intangible assets, and entertainment expenses.

12.2.3 Review of cash flows

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Net cash from/(used in) operating activities	3,933	[(1)](1,388)	69	[(2)](9,129)
Net cash used in investing activities	(546)	(4,883)	(1,399)	(2,353)
Net cash (used in)/from financing activities	(1,074)	11,202	(4,323)	10,147
Net increase/(decrease) in cash and cash equivalents	**2,313**	**4,931**	**(5,653)**	**(1,335)**
Effects of exchange rate changes	19	14	37	(25)
Cash and cash equivalents at beginning of the financial year	2,322	4,654	9,599	3,983
Cash and cash equivalents at end of the financial year	**4,654**	**9,599**	**3,983**	**2,623**

Note:

(1) For FYE 2023, our Group recorded a negative operating cash flow of RM1.39 million, mainly attributable to the following:

(i) for one of the projects, our Group was required to incur construction costs upfront and claim reimbursement subsequently, resulting in higher cash outflow during the financial year; and

(ii) our Group's decision to make early settlement to suppliers in order to secure more favourable pricing and credit terms, which also contributed to the increased cash outflow during the year.

12. FINANCIAL INFORMATION *(Cont'd)*

(2) For the FYE 2025, the Group recorded a negative operating cash flow of RM9.13 million, mainly resulting from the increase in trade receivables. The increase in trade receivables was attributable to billings issued close to the end of the financial year which were not yet due for payment, as well as an outstanding balance from a customer in the Philippines which remained unsettled as at the end of the financial year.

FYE 2022

Net cash from operating activities

For FYE 2022, our Group recorded net cash inflow from operating activities of RM3.93 million based on an operating profit before changes in working capital of RM8.72 million and after taking into account the following working capital changes:

(i) increase in contract costs of RM16.17 million mainly attributable to the commencement of 2 cleanroom projects during FYE 2022. Costs were incurred in relation to these projects before the performance obligation to the respective customers were satisfied;

(ii) increase in trade and other receivables of RM13.25 million, mainly in line with the increase in revenue;

(iii) increase in trade and other payables of RM25.49 million, mainly in line with the increase in overall purchases in tandem with our Group's business growth;

(iv) increase in contract liabilities of RM1.36 million, mainly due to the advance payment received from a cleanroom project, which were subsequently offset against contract work performed and billing milestones; and

(v) income tax payment of RM1.79 million.

Net cash from investing activities

For FYE 2022, our Group recorded a net cash outflow from investing activities of RM0.55 million, mainly attributable to the following:

(i) purchase of property, plant and equipment amounting to RM0.47 million, mainly consist of the acquisition of 1 unit of motor vehicle, computer and software, and office equipment for business operations purposes;

(ii) placement of fixed deposits pledged with licensed banks of RM0.30 million, in connection with the application for an overdraft facility; and

(iii) repayment from related parties, Channel System Asia Sdn Bhd, amounting to RM0.21 million, which relates to the trade related transactions.

Net cash from financing activities

For FYE 2022, our Group recorded a net cash outflow from financing activities amounting to RM1.07 million, mainly due to the payment of dividends amounting to RM1.02 million declared in respect of FYE 2022.

12. FINANCIAL INFORMATION *(Cont'd)*

FYE 2023

Net cash from operating activities

For FYE 2023, our Group recorded a net cash outflow from operating activities of RM1.39 million based on an operating profit before changes in working capital of RM7.67 million and after taking into account the following working capital changes:

(i) decrease in contract costs of RM9.09 million which was mainly due to the recognition of costs related to 1 cleanroom project and 1 M&E project as cost of sales, following the completion of performance obligations to the respective customers;

(ii) increase in trade and other receivables of RM2.81 million, mainly in-line with the increase in revenue for the year;

(iii) decrease in trade and other payables of RM14.01 million, resulting from prompt settlement of outstanding amounts to our suppliers; and

(iv) income tax payments of RM2.02 million.

Net cash from investing activities

For FYE 2023, our Group recorded a net cash outflow from investing activities of RM4.89 million, mainly attributable to the following:

(i) purchase of property, plant and equipment amounting to RM4.63 million, mainly relating to capital work-in-progress for the progress claim paid to the developer for the acquisition of a semi-detached factory with a one-storey office for own business use;

(ii) placement of fixed deposits of RM0.56 million pledged with licensed banks, in relation to new banking facilities requirements; and

(iii) repayment from related parties, Channel Systems Asia Sdn Bhd, amounting to RM0.27 million, which relates to the advances provided for trade related transactions.

Net cash from financing activities

For FYE 2023, our Group recorded a net cash outflow from financing activities of RM11.20 million, mainly attributable to the following:

(i) net drawdown of short-term borrowings amounting to RM7.27 million, related to the utilisation of banker's acceptance and invoice financing facilities to fund the purchase of goods and materials;

(ii) partial drawdown of term loan facilities amounting to RM4.52 million, relates to the partial settlement for acquisition of a semi-detached factory with a one-storey office;

(iii) repayment of lease liabilities amounting to RM0.32 million, relating to lease of warehouse, office and staff hostel; and

(iv) interest payment amounting to RM0.27 million for lease liabilities, banker's acceptance and invoice financing facilities.

12. FINANCIAL INFORMATION *(Cont'd)*

FYE 2024

Net cash from operating activities

For FYE 2024, our Group recorded a net cash inflow operating activities of RM0.07 million based on an operating profit before changes in working capital of RM8.21 million and after taking into account the following working capital changes:

(i) decrease in contract costs of RM0.52 million mainly due to amortisation costs of cleanroom and M&E work projects and HVAC maintenance contract projects during FYE 2024 which was previously capitalised;

(ii) decrease in trade and other receivables of RM0.67 million mainly due to slower collection from our customers; and

(iii) decrease in trade and other payables of RM6.56 million mainly due to prompt settlement to our suppliers when the outstanding amount was due; and

(iv) income tax payments of RM1.66 million; and

(v) income tax refund of RM0.37 million.

Net cash for investing activities

For FYE 2024, our Group recorded a net cash outflow from investing activities of RM1.40 million, mainly attributable to the following:

(i) purchase of property, plant and equipment of RM1.09 million, mainly related to capital work-in-progress amounting to RM0.99 million (FYE 2023: RM4.47 million) for the progress claim paid to the developer for the acquisition of a semi-detached factory with a one-storey office for own business use and the acquisition of computer and software amounting to RM0.06 million; and

(ii) placement of fixed deposits of RM0.40 million pledged with licensed banks, in relation to new and existing banking facilities requirements.

Net cash for financing activities

For FYE 2024, our Group recorded a net cash outflow from financing activities of RM4.32 million, mainly attributable to the following:

(i) net drawdown of short-term borrowings amounting to RM4.58 million, due to lower utilisation of banker's acceptance and invoice financing facilities for the FYE 2024 as compared to FYE 2023;

(ii) partial drawdown of term loan facilities amounting to RM0.78 million, relates to the partial settlement for the acquisition of a semi-detached factory with a one-storey office;

(iii) repayment of lease liabilities amounting to RM0.25 million, relating to lease of warehouse, office and staff hostel; and

(iv) interest payment amounting to RM0.28 million for lease liabilities, banker's acceptance and invoice financing facilities.

12. FINANCIAL INFORMATION *(Cont'd)*

FYE 2025

Net cash used in operating activities

For FYE 2025, our Group recorded a net cash outflow from operating activities of RM9.13 million based on an operating profit before changes in working capital of RM9.34 million and after taking into account the following working capital changes:

(i) increase in contract costs of RM2.74 million, mainly attributable to the commencement of 2 new projects from turnkey solutions segment during FYE 2025, where our Group had bulk purchase raw materials ahead of contract billings to customers, allowing our Group to benefit from quantity discount and secure supply for project execution;

(ii) increase in trade and other receivables of RM12.73 million, mainly in-line with the increase in revenue during the financial year as well as higher billings issued following the completion of three major projects, comprising one EV battery plant (total billing of RM23.12 million for the FYE 2025), the Unisem (M) Berhad design and build of cleanroom and MEPF utilities project (total billing of RM11.00 million for FYE 2025) and a data centre project in the Philippines (total billing of RM2.08 million for FYE 2025). A portion of the billings for these projects were issued towards the month of October, November and December 2025 and hence were not yet collected as at the end of the financial year;

(iii) decrease in contract liabilities of RM2.53 million, mainly attributable to the completion of certain projects during the financial year, resulting in the recognition of revenue, as well as lower or no down-payments received from customers for some newly secured projects; and

(iv) increase in trade and other payables of RM1.34 million, mainly due to required purchases of products and materials at year-end which was yet to due for settlement.

(v) income tax payments of RM1.85 million; and

(vi) income tax refund of RM0.09 million.

Notwithstanding the net cash outflow from operating activities, our Group is able to support its operations using its internally generated funds as well as borrowings as below.

Net cash used in investing activities

For FYE 2025, our Group recorded a net cash outflow from investing activities of RM2.35 million, mainly attributable to the following:

(i) purchase of property, plant and equipment of RM1.07 million, mainly relating to capital work-in-progress amounting to RM0.38 million for the progress claim paid to the developer for the acquisition of a semi-detached factory with a one-storey office for own business use and the additional renovation costs incurred of RM0.33 million for the office located at Ara Damansara. In addition, there are also addition of furniture and fittings and computer and software of RM0.14 million and RM0.10 million respectively;

(ii) capitalisation of intangible assets of RM0.36 million, mainly related to development cost incurred in connection with the development of intellectual property for Nicomac royalty contract; and

(iii) placement of fixed deposits pledged with licensed banks of RM0.95 million, in relation to new and existing banking facilities requirements.

Net cash used in financing activities

For FYE 2025, our Group recorded a net cash inflow from financing activities of RM10.15 million, mainly attributable to the following:

(i) net drawdown of borrowings amounting to RM10.51 million, mainly due to the drawdown of bankers' acceptance facilities for FYE 2025 for the settlement to suppliers;

(ii) partial drawdown of term loan facilities amounting to RM0.16 million, relates to the final settlement for the acquisition of a semi-detached factory with a one-storey office;

(iii) repayment of lease liabilities amounting to RM0.22 million, relating to lease of warehouse, office and staff hostel; and

(iv) interest payment amounting to RM0.30 million for lease liabilities, banker's acceptance and bank overdraft.

12.3 LIQUIDITY AND CAPITAL RESOURCES

12.3.1 Working capital

We finance our operations with cash generated from business operations, credit extended by trade payables and/or financial institutions as well as cash and bank balances. The facilities from financial institutions comprise term loans, overdrafts and finance leases.

We have sufficient working capital for our existing and foreseeable requirements for a period of 12 months from the date of this Prospectus after taking into account the following:

(i) expected cash flows to be generated from the operations of our Group;

(ii) cash and bank balances of RM4.85 million as at 31 December 2025;

(iii) proceeds from the Public Issue of approximately RM17.92 million allocated for our general working capital requirements; and

(iv) our pro forma gearing level of 0.18 times, based on our pro forma statement of financial position as at 31 December 2025 after the IPO and utilisation of proceeds.

At this juncture, we do not foresee any circumstances which will materially affect our liquidity. Our Group has not encountered any major disputes with our customers.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

12.4 BORROWING AND LEASE LIABILITIES

Our Group borrowings and lease liabilities are interest bearing and denominated in RM. Details of the outstanding borrowings and lease liabilities as at the LPD are set out below:

	Purpose	Number of borrowing/ facility/ indebtedness	Tenure of facility	Security	Effective Interest rate	As at the LPD
					% per annum	RM'000
Current						
Bankers' acceptance	For importation and local purchases of goods related to the business	8	120 days	• Facility agreement as principal instrument; • Joint and several guarantee for RM0.72 million to be executed by the directors.	5.08% - 5.43%	1,412
Invoice financing	For importation and local purchases of goods related to the business	3	120 days	• Facility agreement as principal instrument; • Joint and several guarantee for RM5.00 million to be executed by the directors; • 30% marginal deposit in the form of first part Fixed Deposit Receipt ("FDR") to be placed as and when facility utilised. Interest on the FDR is to be capitalised.	4.84% - 5.15%	3,593
Overdraft	For working capital requirements	1	On demand	• Joint and several guarantee for RM5.00 million to be executed by the directors; • Upfront deposit in the form of first party fixed deposit receipt ("FDR") for RM0.30 million. Interest on the FDR is to be capitalised.	7.90%	-

12. FINANCIAL INFORMATION *(Cont'd)*

	Purpose	Number of borrowing/ facility/ indebtedness	Tenure of facility	Security	Effective Interest rate	As at the LPD
					% per annum	RM'000
Term loan	To part finance purchase a semi-detached factory with one storey office (under construction) for own business use inclusive finance of Mortgage Reducing Term Takaful ("MRTT") with Refund of Contribution ("ROC") of RM120,204.	1	20 years	• Assignment of all the rights, titles, benefits and interest in respect of the property known as Unit 9, Phase 1, Type KB1, ETP @ KIP Jenjarom, 42600 Klang, Selangor held under Master Title Geran 39661 Lot 2495, Mukim of Tg. Dua belas, District of Kuala Langat, State of Selangor; • Power of Attorney in respect of the property stated above; • Assignment of Mortgage Reducing Term Takaful ("MRTT") with Refund of Contribution ("ROC") certificate issued by Sun Life Malaysia Takaful Berhad under the name of one director for the sum covered of not less than RM1.52 million to the Bank; and • Joint and several guarantee in favour of the Bank by the Directors.	4.35%	275
					Total current borrowing:	**5,280**

12. FINANCIAL INFORMATION *(Cont'd)*

	Purpose	Number of borrowing/ facility/ indebtedness	Tenure of facility	Security	Effective Interest rate	As at the LPD
					% per annum	RM'000
Non-current						
Term loan	To part finance purchase a semi-detached factory with one storey office (under construction) for own business use inclusive finance of Mortgage Reducing Term Takaful ("MRTT") with Refund of Contribution ("ROC") of RM120,204.	1	20 years	• Assignment of all the rights, titles, benefits and interest in respect of the property known as Unit 9, Phase 1, Type KB1, ETP @ KIP Jenjarom, 42600 Klang, Selangor held under Master Title Geran 39661 Lot 2495, Mukim of Tg. Dua belas, District of Kuala Langat, State of Selangor; • Power of Attorney in respect of the property stated above; • Assignment of Mortgage Reducing Term Takaful ("MRTT") with Refund of Contribution ("ROC") certificate issued by Sun Life Malaysia Takaful Berhad under the name of one director for the sum covered of not less than RM1.52 million to the Bank; and • Joint and several guarantee in favour of the Bank by the Directors.	4.35%	5,264
				Total non-current borrowing:		**5,264**
				Total borrowing		**10,544**
Pro forma gearing (times)						
Before the Public Issue[(1)]						0.37
After the Public Issue and utilisation of proceeds[(2)]						0.18

12. FINANCIAL INFORMATION *(Cont'd)*

Notes:

(1) Computed based on our pro forma equity attributable to the owners of our Company of RM28.30 million in the pro forma combined statements of financial position before Public Issue and utilisation of proceeds.

(2) Computed based on our pro forma equity attributable to the owners of our Company of RM58.54 million in the pro forma combined statements of financial position after the Public Issue and utilisation of proceeds.

Our Group has not defaulted on payments of principal sums and/or interests in respect of any of our borrowings throughout the Financial Years Under Review and up to LPD.

As at LPD, neither our Company or our subsidiaries is in breach of any terms and conditions or covenants associated with the credit arrangement or bank loan which can materially affect our financial position and results or business operations or the investments by holders of our securities.

During the Financial Years Under Review and up to the LPD, our Group did not experience any claw back or reduction in the facilities limit granted to us by our lenders.

12. FINANCIAL INFORMATION *(Cont'd)*

12.5 TYPES OF FINANCIAL INSTRUMENTS USED, TREASURY POLICIES AND OBJECTIVES

Save as disclosed in Section 12.4, we do not have or utilise any other financial instruments or have any other treasury policies.

As at the LPD, all our facilities with licensed financial institutions are based on the bank's cost of funds/ base lending rate/ base rate, plus or minus a rate which varies depending on the different types of bank facilities.

12.6 MATERIAL CAPITAL COMMITMENTS

As at LPD, we do not have any other material capital commitments.

12.7 MATERIAL LITIGATION AND CONTINGENT LIABILITIES

(a) Material litigation

As at LPD, our Group have not been engaged in any government, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material or significant effects on the financial position or profitability of our Group.

(b) Contingent liabilities

As at LPD, there are no contingent liabilities incurred by our Group, our subsidiaries, which upon becoming enforceable, may have a material effect on our financial position or our subsidiaries' financial position.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

12.8 KEY FINANCIAL RATIOS

The key financial ratios of our Group for the Financial Years Under Review are as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
Trade receivables turnover (days)[1]	41	59	105	126
Trade payables turnover (days)[2]	66	81	66	41
Inventory turnover (days)[3]	32	36	28	20
Current ratio (times)[4]	1.34	1.64	2.54	2.15
Gearing ratio (times)[5]	0.02	0.72	0.37	0.67

Notes:

(1) Computed based on average trade receivables multiplied by 365 days for the respective financial years, and divided by total revenue:

	Audited			
	FYE 2022	***FYE 2023***	***FYE 2024***	***FYE 2025***
	RM'000	***RM'000***	***RM'000***	***RM'000***
Opening trade receivables (*)	*4,604*	*14,311*	*14,379*	*15,099*
Closing trade receivables (*)	*14,311*	*14,379*	*15,099*	*30,335*
Average trade receivables	*9,458*	*14,345*	*14,739*	*22,717*
Revenue	*83,487*	*88,585*	*51,354*	*65,670*
Trade receivables turnover period (days)	*41*	*59*	*105*	*126*

Note:

(*) Trade receivables excluding retention sum.

(2) Computed based on average trade payables multiplied by 365 days for the respective financial years, and divided by cost of sales:

-

	Audited			
	FYE 2022	***FYE 2023***	***FYE 2024***	***FYE 2025***
	RM'000	***RM'000***	***RM'000***	***RM'000***
Opening trade payables	*1,556*	*24,556*	*10,002*	*4,078*
Closing trade payables	*24,556*	*10,002*	*4,078*	*7,093*
Average trade payables	*13,056*	*17,279*	*7,040*	*5,586*
Cost of sales	*72,290*	*77,410*	*39,001*	*50,021*
Trade payables turnover period (days)	*66*	*81*	*66*	*41*

(3) Computed based on average opening and closing inventory over cost of sales for each financial year multiplied by 365 days for the respective financial years:

	Audited			
	FYE 2022	***FYE 2023***	***FYE 2024***	***FYE 2025***
	RM'000	***RM'000***	***RM'000***	***RM'000***
Opening inventories	*489*	*917*	*817*	*790*
Closing inventories	*917*	*817*	*790*	*833*
Average inventories	*703*	*867*	*804*	*812*
Cost of sales	*8,073*	*8,789*	*10,538*	*14,805*
Inventory turnover period (days)	*32*	*36*	*28*	*20*

12. FINANCIAL INFORMATION *(Cont'd)*

(4) Computed based on current assets over current liabilities as at each financial year end.

(5) Computed based on total borrowings over total equity as at each financial year end.

12.8.1 Trade receivables turnover

The normal credit period granted by our Group to its customers ranges from 30 to 90 days, but this may be extended in certain cases and assessed and approved on a case-by-case basis after taking into consideration, among others, the background and credit worthiness of the customer, payment history of the customer, our relationship with the customer and the scope of the project.

In line with industry practices, customers are entitled to retain between 5.00% to 7.00% of the contract value as retention sums throughout the service contract period. As such, for the purpose of accurately reflecting the debt collection cycle, the computation of our Group's trade receivables turnover period has excluded the retention sums.

The trade receivables turnover period for the Financial Years Under Review were 41 days, 59 days, 105 days and 126 days respectively.

Our Group's trade receivables turnover days increased from 41 days for FYE 2022 to 59 days for FYE 2023, mainly due to a higher volume of billings made towards the end of the financial year, which resulted in outstanding receivables not yet due as at year-end. In addition, delayed collections from 2 major customers also contributed to the lengthened turnover period.

The trade receivables turnover days have increased to 105 days for FYE 2024, mainly due to 2 new projects secured towards the end of FYE 2024, where billings were issued close to year end 2024 amounting to RM2.71 million.

Subsequently, our trade receivables turnover days increased to 126 days for FYE 2025, mainly due to billings issued for three projects towards the end of the financial year. Collections amounting to RM4.70 million were received subsequent to FYE 2025. In addition, the increase in trade receivables turnover days was also attributable to the timing of collection from a customer in Philippines.

Our management remains committed to enhancing collection efforts and tightening credit control measures to reduce the turnover period going forward, while continuing to maintain strong customer relationships.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

The ageing analysis of our trade receivables (excluding retention sums) as at 31 December 2025 and as at the LPD is as follows:

	Gross trade receivables as at 31 December 2025		Impairment	Net trade receivables as at 31 December 2025		Amount collected from 1 January 2026 to LPD		Gross trade receivables net of subsequent collections	
	RM'000	Percentage of trade receivables	RM'000	RM'000	Percentage of trade receivables	RM'000	Percentage collected	RM'000	Percentage of gross trade receivables net of subsequent collections
	(a)	(a)/ total of (a)	(b)	(c)=(a)-(b)	(c)/ total of (c)	(d)	(d) /(a)	(e) = (a)-(d)	(e)/ total of (e)
Neither past due nor impaired	8,238	26.87	-	8,238	27.16	(3,109)	37.74	5,129	46.09
Past due:									
• 1 to 30 days	4,546	14.83	(60)	4,486	14.79	(3,598)	79.15	948	8.52
• 31 to 60 days	11,398	37.18	(37)	11,361	37.45	(10,099)	88.60	1,299	11.67
• 61 to 90 days	2,596	8.47	-	2,596	8.56	(79)	3.04	2,517	22.62
• More than 90 days	3,878	12.65	(224)	3,654	12.04	(2,643)	68.15	1,235	11.10
	22,418	73.13	(321)	22,097	72.84	(16,419)	73.24	5,999	53.91
Total	**30,656**	**100.00**	**(321)**	**30,335**	**100.00**	**(19,528)**	**63.70**	**11,128**	**100.00**

As at the LPD, our Group had collected RM19.53 million or 63.70% of our Group total gross trade receivables as at 31 December 2025.

The past due trade receivables include the receivables from our major customers, namely Unisem (M) Berhad, SSPI Inc and Honghui Engineering Sdn Bhd.

For the trade receivables outstanding balances that are past due, our Group has provided a specific impairment of RM0.32 million in respect of two trade receivables with long overdue balances and recoverability is uncertain from the customers as at 31 December 2025.

Our management closely monitors the recoverability of the trade receivables on a regular basis. The Board is of the view that the remaining trade receivables are recoverable and no further provision for impairment is required after taking into consideration our relationship with our customers as well as our effort to improve collection with various credit control measures to reduce the potential exposure on credit risk.

12. FINANCIAL INFORMATION *(Cont'd)*

12.8.2 Trade payables turnover

The normal credit term granted to our Group by suppliers is 30 days from the date of invoice issuance.

Our Group's trade payables turnover period for the Financial Years Under Review was 66 days, 81 days, 66 days and 41 days.

The trade payables turnover period increased from 66 days for FYE 2022 to 81 days for FYE 2023. This was mainly due to higher levels of purchases made towards the end of the financial year, which resulted in more outstanding payables at year end.

For FYE 2024, the trade payables turnover period decreased to 66 days, mainly due to prompt settlement made to suppliers, which was in line with our Group's initiative to strengthen supplier relationships and, where possible, leverage early payment discounts.

Subsequently, the trade payables turnover period reduced from 66 days for FYE 2024 to 41 days for FYE 2025. This was mainly due to prompt settlement made to suppliers, which was in line with our Group's initiative to strengthen supplier relationships and, where possible, leverage early payment discounts.

The ageing analysis of our Group trade payables as at 31 December 2025 and as at the LPD is as follows:

	Trade payables as at 31 December 2025		**Amount paid from 1 January 2026 to LPD**	**Balance trade payables unpaid as at the LPD**
	RM'000	**Percentage of trade payables**	**RM'000**	**RM'000**
	(a)	**(a)/total of (a)**	**(b)**	**(c) = (a)-(b)**
Neither past due nor impaired	1,921	27.08	(1,540)	381
Past due:				
• 1 to 30 days	2,078	29.30	(1,865)	213
• 31 to 60 days	1,263	17.81	(1,197)	66
• More than 60 days	1,831	25.81	(1,037)	794
	5,172	72.92	(4,099)	1,073
Total	**7,093**	**100.00**	**(5,639)**	**1,454**

As at the LPD, our Group had settled RM5.64 million or 79.50% of our total outstanding trade payables. As at LPD, there are no disputes in respect of any trade payables and our Board confirms that there has been no legal action initiated by our suppliers to demand for payment from our Group in the past and present.

[The rest of this page is intentionally left blank]

12. FINANCIAL INFORMATION *(Cont'd)*

12.8.3 Inventories turnover

Our Group's inventory turnover period increased from 32 days for the FYE 2022 to 36 days for FYE 2023, mainly due to higher volume of materials purchased in advance for upcoming projects, particularly those with tight timelines, as well as delayed commencement of certain projects, resulting in temporary stock build-up.

Subsequently, the inventories turnover period decreased from 36 days for FYE 2023 to 28 days for FYE 2024 mainly due to the resumption and progress of previously delayed projects, which led to the utilisation of stocked materials.

For FYE 2025, our Group's inventory turnover period improved from 28 days for FYE 2024 to 20 days, mainly attributable to higher sales towards the end of the financial year, resulting in a faster utilisation of inventories.

12.8.4 Current ratio

The current ratio throughout the FYE 2022 to FYE 2025 is as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current assets	42,340	41,051	35,058	49,927
Current liabilities	(31,587)	(24,979)	(13,822)	(23,195)
Net current assets	**10,753**	**16,072**	**21,236**	**26,732**
Current ratio (times)	1.34	1.64	2.54	2.15

Our Group's current ratios ranged between 1.34 times to 2.54 times for the Financial Years Under Review.

From FYE 2022 to FYE 2023, the current ratio increased from 1.34 times to 1.64 times, this was mainly due to the decrease in current liabilities by approximately RM6.61 million or 20.92%, mainly attributable to a decrease in trade payables as a result of prompt payment made to suppliers.

From FYE 2023 to FYE 2024, the current ratio continuously increased from 1.64 times to 2.54 times. This increase was mainly due to a decrease in current liabilities by approximately RM11.16 million or 44.67%, mainly attributable to a decrease in trade payables. This was mainly due to the Group's strategy to strengthen supplier relationships with prompt settlements to suppliers and leverage discounts pertaining to full settlement and bulk purchases. In addition, there were lower utilisation of bankers' acceptance and invoice financing facilities during FYE 2024, contributing to the overall reduction in current liabilities.

From FYE 2024 to FYE 2025, the current ratio decreased from 2.54 times to 2.15 times. This decrease was mainly attributable to higher utilisation of bankers' acceptance facilities during FYE 2025, which led to a corresponding increase in current liabilities. In addition, the growth in current assets was lower than the increase current liabilities, further contributing to the decline in the current ratio.

12. FINANCIAL INFORMATION *(Cont'd)*

12.8.5 Gearing ratio

The gearing ratio throughout the FYE 2022 to FYE 2025 is as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Total borrowings[(1)]	283	12,074	8,277	18,946
Total equity	11,715	16,850	22,242	28,301
Gearing ratio (times)	0.02	0.72	0.37	0.67

Note:

(1) Based on total borrowings excluding lease liabilities.

Our Group's gearing ratio ranged from 0.02 times to 0.72 times for the Financial Years Under Review.

The gearing ratio increased from 0.02 times for FYE 2022 to 0.72 times for FYE 2023, mainly due to drawdown of partial term loan facilities for the purchase of a semi-detached factory with a one-storey office and the increased utilisation of invoice financing facilities for the purchase of goods and materials.

However, the gearing ratio decreased from 0.72 times for FYE 2023 to 0.37 times for FYE 2024. This was mainly due to increase in total equity by RM5.39 million, as our Group recorded a net profit of RM5.39 million during the FYE 2024. Additionally, there is lower utilisation of bankers' acceptance and invoice financing facilities during the FYE 2024.

Subsequently, our Group gearing ratio increased from 0.37 times for FYE 2024 to 0.67 times for FYE 2025. This increase was mainly due to the higher utilisation of bankers' acceptance facilities during FYE 2025, which resulted in an increase in our Group's total borrowings.

[The rest of this page is intentionally left blank]

12.9 SIGNIFICANT FACTORS AFFECTING OUR REVENUE

Section 9 details a number of risk factors relating to our business and the industry in which we operate in. Some of these risk factors have an impact on our Group's revenue and financial performance. The main factors which affect our revenue and profit include but not limited to the following:

(i) Project based revenue dependency and absence of recurring contracts

Our Group's revenue from mechanical and electrical engineering works is largely derived from projects awarded on a non-recurring, project-by-project basis. As such, our business is inherently dependent on our ability to continuously secure new projects of comparable size, complexity, and profitability. This presents a significant risk to the stability and predictability of our revenue streams.

There is no assurance that we will be able to secure new contracts following the completion of existing projects. Our clients are not contractually obligated to award us future projects, even if we have a successful track record with them. Our ability to successfully tender or secure projects is dependent on a range of factors including our pricing and tender strategy, our competitors' tender and pricing strategy, the level of competition and our clients' evaluation standards. Depending on the then market conditions and competitive landscape, we may have to lower our pricing or adjust our tender strategy, such as through the provision of value engineering and design and build services, in order to maintain the competitiveness of our tenders. In addition, the scope of work in a project, which is dependent on its scale and complexity, will affect the profit margin of the project and our financial performance.

Cancellation or delay in the commencement of secured projects due to factors such as changes in our clients' businesses, poor market conditions and lack of funds on the part of the project owners may adversely affect us. In addition, there may be a lapse of time between the completion of our projects and the commencement of our subsequent projects. Any cancellation or delay of projects could lead to idle or excess capacity, and in the event that we are unable to secure replacement projects on a timely basis, this may adversely affect our business operations and financial position.

(ii) Fluctuations in raw material prices

Our manufacturing operations consumes raw materials such as copper, aluminium, steel, and electronic components. Volatility in global commodity prices may increase our cost of production, affecting margins and our ability to competitively price our products, which may, in turn, impact our overall revenue and financial performance.

Given that our projects durations typically range between 6 months and 18 months, our Group generally places advance orders for raw material upon receipt of sales orders, prior to the commencement of the projects. At the same time, the quantity of materials required for each project is also confirmed and ordered. However, the materials are delivered to our Group before the commencement of each stage of the respective projects. This approach is intended to lock in material prices and mitigate the risk of price volatility during the project period. However, there is no assurance that such measures will fully eliminate the impact of price fluctuations, especially in a highly volatile market.

(iii) Technological advancements and market shifts

Rapid advancements in cleanroom or utilities infrastructure technologies, or shifting customer preferences toward more sustainable or digital solutions, may require continual innovation and adaptation. Failure to evolve may lead to a loss in market share and reduced revenue potential.

12. FINANCIAL INFORMATION *(Cont'd)*

(iv) Unfavourable foreign exchange rate fluctuations

We are exposed to the risk of foreign exchange rate fluctuations where RM7.63 million (9.13%), RM7.57 million (8.55%), RM16.13 million (31.41%) and RM16.42 million (25.00%) of our total revenue for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively were transacted in foreign currencies, including USD, SGD and PHP. Meanwhile, RM1.17 million (3.98%), RM2.38 million (5.52%), RM4.87 million (18.05%), RM7.23 million (30.21%) of our total purchases of materials for FYE 2022, FYE 2023, FYE 2024 and FYE 2025 respectively were transacted in foreign currencies, including USD, SGD, CNY, EUR, AUD and PHP. Any fluctuations in foreign currency exchange rates, particularly the USD, SGD and PHP relative to RM, may have a material impact, whether positively or negatively, on our financial condition and results of operations.

We maintain bank accounts mainly in RM and USD, such that collections can be used to settle payments of the same currency, where possible. To a certain extent, this provides a natural hedge against fluctuations in the foreign exchange and mitigates our exposure to foreign exchange risks.

12.10 IMPACT OF GOVERNMENT, ECONOMIC, FISCAL OR MONETARY POLICIES

There were no government, economic, fiscal or monetary policies or factors which have materially affected our financial performance during the Financial Year Under Review. There is no assurance that our financial performance will not be adversely affected by the impact of further changes in government, economic, fiscal or monetary policies or factors moving forward. Risks relating to government, economic, fiscal or monetary policies or factors which may adversely and materially affect our operations are set out in Section 9 of this Prospectus.

12.11 IMPACT OF INFLATION

Our financial performance during the Financial Years Under Review was not significantly affected by the impact of inflation. However, there is no assurance that our business will not be adversely affected by the impact of inflation in the future.

12.12 IMPACT OF FOREIGN EXCHANGE RATES, INTEREST RATES AND/OR COMMODITY PRICES ON OUR GROUP'S OPERATIONS

(a) Impact of foreign exchange rates

Our Group is mainly exposed to transactional currency exposure as our revenue are denominated in RM, USD, SGD and PHP. Any significant change in foreign exchange rate may affect our financial results.

For the Financial Years Under Review, our net gains/(loss) from foreign exchange fluctuations are as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Realised gain/(loss) on foreign exchange	212	127	93	(95)
Unrealised gain on foreign exchange	31	12	341	(513)
Net gain/(loss)	**243**	**139**	**434**	**(608)**

12. FINANCIAL INFORMATION *(Cont'd)*

The following table demonstrates the sensitivity analysis of our net profit to a reasonably possible change in the foreign currency within our Group, with all other variables held constant:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Effect on PAT				
USD/RM				
- strengthen by 15%	196	671	1,026	1,296
- weaken by 15%	(196)	(671)	(1,026)	(1,296)
SGD/RM				
- strengthen by 10%	6	20	8	150
- weaken by 10%	(6)	(20)	(8)	(150)

The sensitivity analysis performed on our Group's foreign currency risk, based on a reasonably possible change in the USD/RM exchange rate, indicated that our Group's PAT would increase or decrease by approximately RM0.20 million in FYE 2022, RM0.67 million in FYE 2023, RM1.03 million in FYE 2024 and RM1.30 million in FYE 2025.

As for PHP/RM, the foreign currency risk exposure is minimal, and its effect on our Group's net profit is considered immaterial.

(b) Impact of interest rates

The interest coverage ratios throughout the Financial Years Under Review are as follows:

	Audited			
	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Interest coverage ratio[(1)] (times)	308.11	24.88	25.40	26.40

Note:

(1) Computed based on EBIT over finance costs for FYE 2022, FYE 2023, FYE 2024 and FYE 2025.

The interest coverage ratio ranges from 24.88 times to 308.11 times for the Financial Years Under Review indicates that our Group has been able to generate sufficient EBIT to meet its interest serving obligations. The interest coverage ratio dropped significantly from 308.11 times in FYE 2022 to 24.88 times in FYE 2023 due to higher bankers' acceptance and invoice financing interest incurred in line with additional borrowings drawn.

The exposure to changes in interest rate risk relates primarily to its bank borrowings. We do not hedge interest rate risk.

A sensitivity analysis performed on our Group based on the outstanding floating rate of our bank borrowings as at FYE 2025 indicates that our PBT of RM8.11 million would increase or decrease by approximately RM0.22 million as a result of increase or decrease in interest rates by 150 basis points on these borrowings.

The financial results for the Financial Years Under Review were not materially affected by fluctuations in interest rates.

12. FINANCIAL INFORMATION *(Cont'd)*

12.13 ORDER BOOK

Our order books relate to the purchase orders value of on-going projects less amounts recognised as revenue up to the LPD. These on-going projects are expected to be performed and recognised as revenue in subsequent financial years based on the expected progress as follows.

	As at the LPD	FYE 2026	FYE 2027	FYE 2028
	RM'000	RM'000	RM'000	RM'000
Turnkey solutions				
Cleanroom	-	-	-	-
MEPF utilities	34,141	33,391	750	-
Maintenance	3,385	923	1,231	1,231
	37,526	34,314	1,981	1,231
Manufacturing of MVAC products	970	970	-	-
Trading of MVAC products	589	589	-	-
Total	**39,085**	**35,873**	**1,981**	**1,231**

As at the LPD, our Group has an order book of approximately RM39.09 million (including projects with values that are below RM1.00 million), all of which were secured up to the LPD.

12.14 DIRECTORS' DECLARATION ON OUR GROUP'S FINANCIAL PERFORMANCE

The Board is of the opinion that:

(a) our Group's revenue will remain sustainable with an upward growth trend, in line with positive outlook of the cleanroom EPCM services industry as set out in the IMR Report in Section 8;

(b) the liquidity will improve subsequent to the Public Issue given the additional funds to be raised for us to carry out our business strategies as stated in Section 7.4; and

(c) the capital resources will strengthen, considering the proceeds to be raised from the Public Issue as well as internally generated funds. We may consider debt funding for our business expansion should the need arise.

In addition to the above, the Board confirms that there are no circumstances which would result in a significant decline in our revenue and GP margins or know of any factors that are likely to have a material impact on our liquidity, revenue or profitability.

12.15 TREND INFORMATION

As at LPD, after all reasonable enquiries, our Board confirms that our operations have not been and will not be affected by any of the following:

(a) known trends, demands, commitments, events or uncertainties that have had or that we reasonably expect to have, a material favourable or unfavourable impact on our Group's financial performance, position and operations other than those discussed in Section 9 of this Prospectus;

(b) material commitments for capital expenditure save as disclosed in Section 12.6;

(c) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group save as discussed in Section 9 of this Prospectus;

(d) known trends, demands, commitments, events or uncertainties that have resulted in a substantial increase in our Group's revenue save for those that had been discussed in Section 9 of this Prospectus; and

(e) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our Group's historical combined financial statements not necessarily indicative of the future financial performance and position other than those discussed in Section 9 of this Prospectus.

Based on the above, our Board is optimistic about the future prospects of our Group given the long-term positive outlook of the cleanroom EPCM services industry in Malaysia as set out in the IMR Report in Section 8, our Group's competitive strengths set out in Section 7.3 and our Group's intention to implement the business strategies as set out in Section 7.4.

12.16 DIVIDEND POLICY

Our Group presently does not have any formal dividend policy. As our Company is an investment holding company, our income and therefore our ability to pay dividends is dependent upon the dividends we receive from our subsidiary, present or future. Save for compliance with the solvency requirement under the Act, which is applicable to all Malaysian companies, and consent from our financiers as set out in the respective facility agreements, there are no legal, financial, or economic restrictions on the ability of our existing subsidiary to transfer funds in the form of cash dividends, loans or advances to us. Moving forward, the payment of dividends or other distributions by our subsidiary will depend on their distributable profits, operating results, financial condition, capital expenditure plans, business expansion plans and other factors that their respective boards of directors deem relevant.

The declaration of interim dividends and the recommendation of final dividends are subject to the discretion of our Board and any final dividends for the year are subject to shareholders' approval. It is our intention to pay dividends to shareholders in the future; however, such payments will depend upon a number of factors, including our Group's financial performance, capital expenditure requirements, general financial condition and any other factors considered relevant by our Board.

Actual dividends proposed and declared may vary depending on the financial performance and cash flows of our Group and may be waived if the payment of the dividends would adversely affect the cash flows and operations of our Group.

The dividends declared and paid by our Group during the Financial Years Under Review and up to the LPD are as follows:

	FYE 2022	**FYE 2023**	**FYE 2024**	**FYE 2025**	**January 2026 up to the LPD**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Dividend declared and paid	1,020[(1)]	-	-	-	-

Note:

(1) Declared and paid on 9 August 2022.

12. FINANCIAL INFORMATION *(Cont'd)*

The dividends distributed above were distributed based on the excess funds within our Group after taking into consideration the funding requirements of its business operations. Our Group does not intend to declare or pay any dividends prior to the Listing.

12.17 CAPITALISATION AND INDEBTEDNESS

The table below summarises our capitalisation and indebtedness:

(a) Based on latest financial information of our Group as at 31 March 2026; and

(b) After adjusting for the effects of the Public Issue and utilisation of proceeds.

	Unaudited As at 31 March 2026	**Pro forma After Public Issue and use of proceeds**
	RM'000	**RM'000**
Indebtedness		
Current		
Secured and guaranteed		
Term loan	275	275
Banker's acceptances	1,287	1,287
Invoice financing	**2,919**	**2,919**
	4,481	**4,481**
Unsecured and unguaranteed		
Lease liabilities owing to non-financial institution	297	297
	297	**297**
Non-current		
Secured and guaranteed		
Term loans	5,303	5,303
	5,303	**5,303**
Unsecured and unguaranteed		
Lease liabilities owing to non-financial institution	407	407
	407	**407**
Total indebtedness:	**10,488**	**10,488**
Capitalisation		
Invested equity/Share capital	1,800	53,453
Merger reserve	-	(20,460)
Retained earnings	28,695	27,740
Total capitalisation	**30,495**	(1) **60,733**
Total capitalisation and indebtedness	40,983	71,221
Gearing ratio (times)(2)	**0.34**	**0.17**

Note:

(1) Calculated after taking into account our IPO based on the IPO Price and the estimated listing expenses.

(2) Computed based on total indebtedness divided by total capitalisation.

13. ACCOUNTANTS' REPORT

BDO

Tel : +603 2616 2888
Fax : +603 2616 3190 / 3191
www.bdo.my

Level 8
BDO @ Menara CenTARa
360 Jalan Tuanku Abdul Rahman
50100 Kuala Lumpur
Malaysia

The Board of Directors
Sum Technology Berhad
Unit No. D-2-6 & D-3-6,
Pacific Place Commercial Centre,
Jalan PJU 1A/4, Ara Damansara,
47301 Petaling Jaya, Selangor.

Date: 5 May 2026

Our ref: BDO/SHA/LML/ut

Dear Sirs,

REPORTING ACCOUNTANTS' OPINION ON THE COMBINED FINANCIAL INFORMATION CONTAINED IN THE ACCOUNTANTS' REPORT OF SUM TECHNOLOGY BERHAD ("SUM TECHNOLOGY" OR THE "COMPANY")

Opinion

We have audited the accompanying Combined Financial Statements of Sum Technology Berhad and its Other Combining Entities as defined in Note 1 to the Combined Financial Statements (collectively referred to as the "Group"), which comprise the combined statements of financial position as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 and combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows for the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025, and notes to the Combined Financial Statements, including material accounting policy information, as set out in this report (collectively referred to herein as "the Combined Financial Statements").

The Combined Financial Statements have been prepared for inclusion in the Prospectus of the Company in connection with the listing of and quotation for the entire enlarged issued share capital of Sum Technology on the ACE Market of Bursa Malaysia Securities Berhad (the "Listing"). This report is given for the purpose of complying with the Prospectus Guidelines issued by the Securities Commission Malaysia and for no other purpose.

In our opinion, the Combined Financial Statements give a true and fair view of the combined financial position of the Group as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 and of their combined financial performance and combined cash flows for the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 in accordance with Malaysian Financial Reporting Standards ("MFRS") and IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), Chartered Accountants, a Limited Liability Partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Independence and Other Ethical Responsibilities

We are independent of the Group in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the *International* Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Responsibilities of the Directors for the Combined Financial Statements

The Directors of the Company are responsible for the preparation of the Combined Financial Statements of the Group so as to give a true and fair view in accordance with MFRS and IFRS Accounting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of the Combined Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Combined Financial Statements of the Group, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the Combined Financial Statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Combined Financial Statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Combined Financial Statements of the Group, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of the Group.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (continued)

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Reporting Accountants' report to the related disclosures in the Combined Financial Statements of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Reporting Accountants' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Combined Financial Statements of the Group, including the disclosures, and whether the Combined Financial Statements of the Group represents the underlying transactions and events in a manner that achieve fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the Combined Financial Statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matters

This report has been prepared solely to comply with Chapter 10, Part II Division 1: Equity of the Prospectus Guidelines issued by the Securities Commission Malaysia and for inclusion in the Prospectus in connection with the Listing and for no other purposes. We do not assume responsibility to any other person for the content of this report.

BDO PLT

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Shahira Binti Shahar
03646/03/2028 J
Chartered Accountant

COMBINED STATEMENTS OF FINANCIAL POSITION

	Note	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	586,596	5,040,921	5,957,041	6,812,374
Right-of-use assets	6	472,583	149,343	156,467	153,895
Intangible assets	7	-	-	-	341,635
Deferred tax assets	8	91,381	136,078	252,825	61,545
		1,150,560	5,326,342	6,366,333	7,369,449
Current assets					
Inventories	9	917,251	816,849	790,195	833,234
Contract costs	10	16,342,966	7,249,084	6,728,183	9,469,697
Trade and other receivables	11	19,566,776	22,086,850	22,307,242	34,497,563
Current tax assets		259,370	445,384	-	272,819
Cash and bank balances	12	4,953,530	10,453,243	5,232,567	4,853,398
		42,039,893	41,051,410	35,058,187	49,926,711
TOTAL ASSETS		43,190,453	46,377,752	41,424,520	57,296,160
EQUITY AND LIABILITIES					
Equity attributable to owners of the combining entities					
Invested equity	13	1,800,000	1,800,000	1,800,000	1,800,001
Retained earnings		9,915,448	15,050,496	20,442,001	26,500,704
TOTAL EQUITY		11,715,448	16,850,496	22,242,001	28,300,705
LIABILITIES					
Non-current liabilities					
Borrowings	14	-	4,524,000	5,304,010	5,184,716
Lease liabilities	6	172,684	1,000	3,762	54,613
Deferred tax liabilities	8	15,837	23,481	52,398	561,037
		188,521	4,548,481	5,360,170	5,800,366
Current liabilities					
Contract liabilities	15	2,108,124	2,700,413	2,532,911	-
Trade and other payables	16	28,586,847	14,574,862	8,025,999	9,331,639
Borrowings	14	283,000	7,550,027	2,972,958	13,760,916
Current tax liabilities		-	-	136,214	-
Lease liabilities	6	308,513	153,473	154,267	102,534
		31,286,484	24,978,775	13,822,349	23,195,089
TOTAL LIABILITIES		31,475,005	29,527,256	19,182,519	28,995,455
TOTAL EQUITY AND LIABILITIES		43,190,453	46,377,752	41,424,520	57,296,160

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
Revenue	17	83,487,033	88,584,615	51,354,136	65,670,173
Cost of sales		(72,290,326)	(77,410,180)	(39,000,957)	(50,020,724)
Gross profit		11,196,707	11,174,435	12,353,179	15,649,449
Other operating income		284,918	259,873	825,382	346,119
Administrative expenses		(3,118,747)	(4,114,134)	(4,716,567)	(6,788,803)
Selling and distribution expenses		(26,514)	(60,552)	(129,988)	(129,193)
Other operating expenses		(3,513)	(21,621)	(109,306)	(623,085)
Net loss on impairment of financial instruments		(6,260)	(19,239)	(754,819)	(23,898)
Finance costs	19	(27,362)	(288,396)	(291,030)	(317,208)
Profit before tax	20	8,299,229	6,930,366	7,176,851	8,113,381
Tax expense	21	(1,815,141)	(1,795,318)	(1,785,346)	(2,054,678)
Profit for the financial year		6,484,088	5,135,048	5,391,505	6,058,703
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the financial year		6,484,088	5,135,048	5,391,505	6,058,703
Profit for the financial year and total comprehensive income attributable to:					
Owners of the parent		6,484,088	5,135,048	5,391,505	6,058,703

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

COMBINED STATEMENTS OF CHANGES IN EQUITY

	Note	Invested equity RM	Retained earnings RM	Total RM
Balance as at 1 January 2022		1,800,000	4,451,360	6,251,360
Profit for the financial year		-	6,484,088	6,484,088
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	6,484,088	6,484,088
Transaction with owners:				
Dividend paid	18	-	(1,020,000)	(1,020,000)
		-	(1,020,000)	(1,020,000)
Balance as at 31 December 2022/1 January 2023		1,800,000	9,915,448	11,715,448
Profit for the financial year		-	5,135,048	5,135,048
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	5,135,048	5,135,048
Balance as at 31 December 2023/1 January 2024		1,800,000	15,050,496	16,850,496
Profit for the financial year		-	5,391,505	5,391,505
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	5,391,505	5,391,505
Balance as at 31 December 2024/1 January 2025		1,800,000	20,442,001	22,242,001
Transaction with owners:				
Issuance of ordinary share		1	-	1
		1	-	1
Profit for the financial year		-	6,058,703	6,058,703
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	6,058,703	6,058,703
Balance as at 31 December 2025		1,800,001	26,500,704	28,300,705

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

COMBINED STATEMENTS OF CASH FLOWS

	Note	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		8,299,229	6,930,366	7,176,851	8,113,381
Adjustments for:					
Depreciation of:					
- property, plant and equipment	5	120,715	165,017	165,733	209,127
- right-of-use assets	6	307,643	299,619	231,442	206,774
- intangible asset	7	-	-	-	20,706
Reversal of impairment losses on:					
- Trade receivables	11(g)	-	(115,396)	(149,933)	(36,079)
- Other receivables	11(h)	(5,237)	(15,383)	-	
Gain on reassessment and remeasurement of leases	6(b)	(103)	-	-	(561)
Gain on lease modification	6(b)	-	(2,427)	-	
Loss on disposal of property, plant and equipment	20	-	6,859	-	-
Property, plant and equipment written off	20	-	-	4,071	-
Impairment losses on trade receivables	11(g)	11,497	150,018	904,752	59,977
Interest income	20	(6,789)	(27,434)	(76,428)	(60,663)
Interest expense	19	27,362	288,396	291,030	317,208
Unrealised (gain)/loss on foreign exchange	20	(31,529)	(12,077)	(340,730)	512,664
Operating profit before changes in working capital		8,722,788	7,667,558	8,206,788	9,342,534
Changes in working capital:					
Inventories		(427,820)	100,402	26,654	(43,039)
Contract liabilities		1,360,411	592,289	(167,502)	(2,532,911)
Contract costs		(16,173,607)	9,093,882	520,901	(2,741,514)
Trade and other receivables		(13,246,869)	(2,812,848)	(671,825)	(12,724,792)
Trade and other payables		25,485,867	(14,010,551)	(6,555,384)	1,334,879
Cash generated from operations		5,720,770	630,732	1,359,632	(7,364,843)
Tax paid		(1,787,344)	(2,018,385)	(1,659,980)	(1,851,301)
Tax refunded		-	-	368,402	87,509
Net cash from/(used in) operating activities		3,933,426	(1,387,653)	68,054	(9,128,635)

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

COMBINED STATEMENTS OF CASH FLOWS (continued)

	Note	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment	5	(466,471)	(4,630,701)	(1,085,924)	(1,064,460)
Addition to intangible asset		-	-	-	(362,341)
Proceeds from disposal of property, plant and equipment		-	4,500	-	-
Interest received		6,789	27,434	76,428	60,663
Repayments from/(to) related parties		213,614	269,232	6,696	(6,696)
Placements of deposits pledged with licensed bank		(300,000)	(554,737)	(395,263)	(950,386)
Placements of deposits		-	-	-	(30,044)
Net cash used in investing activities		(546,068)	(4,884,272)	(1,398,063)	(2,353,264)
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividend paid	18	(1,020,000)	-	-	-
Net drawdown of short-term borrowings		283,000	7,267,027	(4,577,069)	10,512,664
Drawdown of term loan		-	4,524,000	780,010	156,000
Payments of lease liabilities	6	(332,403)	(322,303)	(245,501)	(218,000)
Interest paid		(4,985)	(266,769)	(280,539)	(303,731)
Proceeds from issuance of ordinary share		-	-	-	1
Net cash (used in)/from financing activities		(1,074,388)	11,201,955	(4,323,099)	10,146,934
Net increase/(decrease) in cash and cash equivalents		2,312,970	4,930,030	(5,653,108)	(1,334,965)
Effect of exchange rate changes		19,016	14,946	37,169	(24,634)
Cash and cash equivalents at beginning of financial year		2,321,544	4,653,530	9,598,506	3,982,567
Cash and cash equivalents at end of financial year	12	4,653,530	9,598,506	3,982,567	2,622,968

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

COMBINED STATEMENTS OF CASH FLOWS (continued)

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Audited	**Lease liabilities (Note 6) RM**	**Borrowings (Note 14) RM**
As at 1 January 2022	303,529	-
Cash flows:		
- Payments of lease liabilities	(332,403)	-
- Drawdown of short-term borrowings	-	283,000
- Interest paid	-	(2,026)
	(332,403)	280,974
Non-cash flows:		
- Reassessment and remeasurement	10,375	-
- Additions of lease liabilities	477,319	-
- Accretion of interest	22,377	2,026
	510,071	2,026
As at 31 December 2022	481,197	283,000
As at t 1 January 2023	481,197	283,000
Cash flows:		
- Payments of lease liabilities	(322,303)	-
- Drawdown of short-term borrowings	-	18,565,347
- Repayment of short-term borrowings	-	(11,298,320)
- Drawdown of term loan	-	4,524,000
- Interest paid	-	(256,832)
	(322,303)	11,534,195
Non-cash flows:		
- Accretion of interest	21,627	256,832
- Lease modification	(26,048)	-
	(4,421)	256,832
As at 31 December 2023	154,473	12,074,027

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

COMBINED STATEMENTS OF CASH FLOWS (continued)

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (continued)

Audited	**Lease liabilities (Note 6) RM**	**Borrowings (Note 14) RM**
As at 1 January 2024	154,473	12,074,027
Cash flows:		
- Payments of lease liabilities	(245,501)	-
- Drawdown of short-term borrowings	-	15,196,918
- Repayment of short-term borrowings	-	(19,773,987)
- Drawdown of borrowings	-	780,010
- Interest paid	-	(273,457)
	(245,501)	(4,070,516)
Non-cash flows:		
- Additions of lease liabilities	238,566	-
- Accretion of interest	10,491	273,457
	249,057	273,457
As at 31 December 2024	158,029	8,276,968
As at 1 January 2025	158,029	8,276,968
Cash flows:		
- Payments of lease liabilities	(218,000)	-
- Drawdown of short-term borrowings	-	26,844,491
- Repayment of short-term borrowings	-	(16,331,827)
- Drawdown of borrowings	-	156,000
- Interest paid	-	(303,731)
	(218,000)	10,364,933
Non-cash flows:		
- Reassessment and remeasurement	(17,853)	-
- Additions of lease liabilities	221,494	-
- Accretion of interest	13,477	303,731
	217,118	303,731
As at 31 December 2025	157,147	18,945,632

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Sum Technology Berhad ("Sum Technology" or the "Company") was incorporated and domiciled in Malaysia under the Companies Act 2016 on 24 January 2025 as a private limited liability company and was subsequently converted to a public limited company on 24 September 2025.

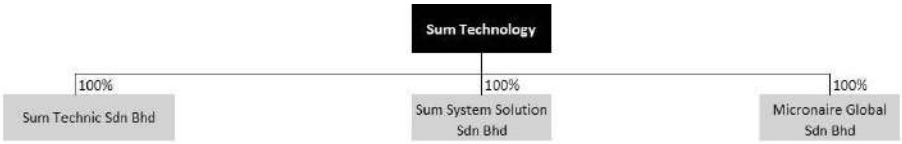
The registered office of the Company has changed from Lot P.T. 14274 Jalan SU 8 Persiaran Tengku Ampuan 40400 Shah Alam Selangor to Unit 11.07 Amcorp Tower, Amcorp Trade Centre, 18, Persiaran Barat, 46050 Petaling Jaya, Selangor, with effect from 13 February 2025.

The principal place of business of the Company is located at Unit No. D-2-6 & D-3-6 Pacific Place Commercial Centre, Jalan PJU 1A/4, Ara Damansara, 47301 Petaling Jaya, Selangor.

The Company has been incorporated for the purpose of being an investment holding company and the listing vehicle of Sum Technic Sdn. Bhd., Sum System Solution Sdn. Bhd. and Micronaire Global Sdn. Bhd. in connection with the proposed admission of Sum Technology to the Official List of Bursa Malaysia Securities Berhad ("Bursa Securities") and the listing of and quotation for the entire enlarged issued share capital of Sum Technology on the ACE Market of Bursa Securities (hereinafter defined as "the Listing").

In conjunction with and as an integral part of the Listing, the Company would undertake among others, a restructuring and acquisition exercise that would result in the Company becoming the holding company of Sum Technic Sdn. Bhd., Sum System Solution Sdn. Bhd., and Micronaire Global Sdn. Bhd. (collectively referred to as the "Other Combining Entities").

While the restructuring has yet to be completed as at the date of this Report, the proposed corporate structure of Sum Technology and its combining entities for the purpose of the Listing is as follows:



Since the acquisitions of Other Combining Entities by the Company would be completed after the latest financial year required to be reported in accordance with paragraph 10.04 of Chapter 10, Part II Division 1 : Equity of the Prospectus Guidelines as issued by the Securities Commission Malaysia, for the purpose of this Accountants' Report, the Company has prepared the Combined Financial Statements instead of consolidated financial statements. Note 2 to the Combined Financial Statements explains further the basis of preparation of the Combined Financial Statements.

The principal activity of the Company is investment holding. The principal activities of the Other Combining Entities are as disclosed in Note 3 to the Combined Financial Statements. There have been no significant changes in the nature of these principal activities during the financial years under review.

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

2. BASIS OF PREPARATION

The Accountants' Report comprises the Combined Financial Statements of the Other Combining Entities (collectively referred to as the "Group") for the financial years ended ("FYE(s)") 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025. The Combined Financial Statements of the Group consist of the audited financial statements of the Other Combining Entities and are prepared solely for inclusion in the Prospectus of the Company in connection with the listing of and quotation for the entire enlarged issued share capital of Sum Technology Berhad on the ACE Market of Bursa Malaysia Securities Berhad (the "Listing").

The relevant financial years of the audited financial statements used for the purpose of this Report and the statutory auditors of the respective companies within the Group are as follows:

Company	Relevant Financial Years	Auditors
Sum Technology Berhad	Financial period ended 31 December 2025[#]	BDO PLT (First Auditors)
Sum Technic Sdn. Bhd.	FYE 31 December 2022	BDO PLT
	FYE 31 December 2023	BDO PLT
	FYE 31 December 2024	BDO PLT
	FYE 31 December 2025	BDO PLT
Sum System Solution Sdn. Bhd.	FYE 31 December 2022	BDO PLT
	FYE 31 December 2023	BDO PLT
	FYE 31 December 2024	BDO PLT
	FYE 31 December 2025	BDO PLT
Micronaire Global Sdn. Bhd.	FYE 31 December 2022	BDO PLT
	FYE 31 December 2023	BDO PLT
	FYE 31 December 2024	BDO PLT
	FYE 31 December 2025	BDO PLT

[#] *There was no audited financial statements for Sum Technology Berhad for FYE 31 December 2022 to FYE 31 December 2024 as the entity was incorporated on 24 January 2025.*

The audited financial statements of the Other Combining Entities for the relevant financial years reported above were not subject to any qualification or modification.

The Combined Financial Statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") and IFRS Accounting Standards.

The Combined Financial Statements of the Group have also been prepared in accordance with the Guidance Note on "Combined Financial Statements" issued by the Malaysian Institute of Accountants and on the assumption that the Group has been operating as a single economic entity throughout the financial years presented in these Combined Financial Statements.

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

2. BASIS OF PREPARATION (continued)

Entities under common control are entities which are ultimately controlled by the same parties and that control is not transitory. Common control exists when the same parties have ultimate collective power to govern the financial and operating policies of each of the combining entities so as to obtain benefits from their activities, and that ultimate collective power is not transitory. The financial statements of commonly controlled entities are included in the Combined Financial Statements from the day that common control commences until the date that control ceases.

The financial information as presented in the Combined Financial Statements may not correspond with the consolidated financial statements of the Group had the relevant disposals to legally constitute the Group been incorporated for the respective financial years. Consequently, such financial information in the Combined Financial Statements does not purport to predict the financial positions, results of operations and cash flows of the Group for the financial years under review.

The accounting policies adopted are consistent with those of the previous financial years except for the effects of adoption of new MFRSs during the financial years. The new MFRSs and Amendments to MFRSs adopted during the financial years are disclosed in Note 2(a) to the Combined Financial Statements.

(a) Statement of compliance

The following are Standard and Amendments of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the reporting periods:

Title	Effective Date
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022
Amendments to MFRS 3 *Reference to the Conceptual Framework*	1 January 2022
Amendments to MFRS 116 *Property, Plant and Equipment – Proceeds before Intended Use*	1 January 2022
Amendments to MFRS 137 *Onerous Contracts – Cost of Fulfilling a Contract*	1 January 2022
MFRS 17 *Insurance Contracts*	1 January 2023
Amendments to MFRS 101 *Disclosure of Accounting Policies*	1 January 2023
Amendments to MFRS 108 *Definition of Accounting Estimates*	1 January 2023
Amendments to MFRS 112 *Deferred tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023
Amendments to MFRS 112 *Income Taxes International Tax Reform - Pillar Two Model Rules*	See paragraph 98M of MFRS 112
Amendments to MFRS 16 *Lease Liability in a sale and leaseback*	1 January 2024
Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current*	1 January 2024
Amendments to MFRS 101 *Non-current Liabilities with Covenants*	1 January 2024
Amendments to MFRS 107 and MFRS 7 *Supplier Finance Arrangements*	1 January 2024
Amendments to MFRS 121 *Lack of Exchangeability*	1 January 2025

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

2. BASIS OF PREPARATION (continued)

(a) Statement of compliance (continued)

New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2026

Title	Effective Date
Amendments to MFRS 9 and MFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
Amendments to MFRS 9 and MFRS *7 Contracts Referencing Nature - dependent Electricity*	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
MFRS 18 *Presentation and Disclosure in Financial Statements*	1 January 2027
MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 121 *Translation to a Hyperinflationary Presentation Currency*	1 January 2027
Amendments to MFRS 10 and MFRS *128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

The Group is in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for future financial years.

(b) Basis of measurement

The Combined Financial Statements have been prepared under the historical cost convention except as otherwise stated in the financial statements.

(c) Functional and presentation currencies

These Combined Financial Statements for the FYEs 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Group.

(d) Use of estimates and judgements

The preparation of Combined Financial Statements in conformity with MFRSs and IFRS Accounting Standards requires the Directors to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the Combined Financial Statements.

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

3. COMBINING ENTITIES

Details of the combining entities are as follows:

Name of combining entities	[---------Effective interest in equity held---------] 31.12.2022	31.12.2023	31.12.2024	31.12.2025	Date of incorporation	Country of incorporation/ Principal place of business	Principal activities
Sum Technic Sdn. Bhd.	100%	100%	100%	100%	11 April 2014	Malaysia	Mechanical and electrical engineers and engineering works, contractors and consulting engineers for utilities piping and cleanroom architecture works
Sum System Solution Sdn. Bhd.	100%	100%	100%	100%	23 May 2013	Malaysia	Provision of mechanical and engineering services and total solution for renewable energy system. On 14 May 2025, the principal activities has changed to trading of air-cond equipment and solar panels. On 15 December 2025, principal activities were changed to trading of mechanical, ventilation and air conditioning products and solar photovoltaic panels.
Micronaire Global Sdn. Bhd.	100%	100%	100%	100%	11 April 2014	Malaysia	Manufacturing, dealing, importing, exporting of air-conditioning products, components and accessories. On 15 December 2025, principal activities were changed to manufacturing of mechanical, ventilation and air-conditioning products.
Sum Technology Berhad	100%	100%	100%	100%	24 January 2025	Malaysia	Investment holding company.

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

4. OPERATING SEGMENTS

(a) Business segments

The Group has arrived at three (3) reportable segments, as described below, which are the strategic business units of the Group. The strategic business units offer different services and are managed separately based on information reported internally to the Executive Director and Chief Executive Officer (the chief operating decision maker) and the Board of Directors. The reportable segments are summarised as follows:

(i) Turnkey solutions
(ii) Manufacturing
(iii) Trading

Other operating segment includes investment holding, which is not of a sufficient size to be reported separately.

(b) The Group evaluates performance on the basis of profit or loss from operations before tax.

Inter-segment pricing is determined on negotiated basis.

The accounting policies of operating segments are the same as those described in the respective notes to the combined financial statements. These policies have been applied consistently throughout the financial years under review.

The chief operating decision maker of the Group monitors the operating results of its business units separately for the purpose of making decisions on resource allocation and performance assessment.

The inter-segment assets are adjusted against the segment assets to arrive at total assets reported in the combined statements of financial position.

The inter-segment liabilities are adjusted against the segment liabilities to arrive at total liabilities reported in the combined statements of financial position.

Segments assets and liabilities exclude tax assets/liabilities.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

4. OPERATING SEGMENTS (continued)

1.1.2022 to 31.12.2022 **Audited**	**Turnkey solutions RM**	**Manufacturing RM**	**Trading RM**	**Elimination RM**	**Total RM**
Revenue					
External customers	74,888,149	4,761,888	3,836,996	-	83,487,033
Inter-segment revenue	-	4,250,367	-	(4,250,367)	-
Total revenue	74,888,149	9,012,255	3,836,996	(4,250,367)	83,487,033
Finance costs	13,104	13,939	319	-	27,362
Depreciation of:					
- property, plant and equipment	101,202	18,151	1,362	-	120,715
- right-of-use assets	104,572	192,253	10,818	-	307,643
Segment profit before tax	**5,662,899**	**1,263,652**	**1,372,678**	**-**	**8,299,229**
Tax expense	1,391,983	217,417	205,741	-	1,815,141
Other material non-cash items:					
Capital expenditure	424,455	42,016	-	-	466,471
Net impairment loss on trade receivables	1,209	5,051	-	-	6,260
Assets					
Segment assets	38,203,330	4,773,252	2,510,916	(2,647,796)	42,839,702
Current tax assets					259,370
Deferred tax assets					91,381
Total assets					**43,190,453**
Liabilities					
Segment liabilities	31,060,501	3,001,587	44,876	(2,647,796)	31,459,168
Deferred tax liabilities					15,837
Total liabilities					**31,475,005**

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

4. OPERATING SEGMENTS (continued)

1.1.2023 to 31.12.2023 **Audited**	**Turnkey solutions RM**	**Manufacturing RM**	**Trading RM**	**Elimination RM**	**Total RM**
Revenue					
External customers	79,453,215	4,512,627	4,618,773	-	88,584,615
Inter-segment revenue	-	5,149,706	-	(5,149,706)	-
Total revenue	79,453,215	9,662,333	4,618,773	(5,149,706)	88,584,615
Finance costs	245,140	42,016	1,240	-	288,396
Depreciation of:					
- property, plant and equipment	139,329	25,276	412	-	165,017
- right-of-use assets	111,603	176,822	11,194	-	299,619
Segment profit before tax	**3,910,997**	**1,108,512**	**1,910,857**	**-**	**6,930,366**
Tax expense	1,045,408	300,835	449,075	-	1,795,318
Other material non-cash items:					
Capital expenditure	113,143	4,517,558	-	-	4,630,701
Net impairment loss of trade receivables	85	-	19,154		19,239
Assets					
Segment assets	30,835,959	11,404,065	4,449,307	(893,041)	45,796,290
Current tax assets					445,384
Deferred tax assets					136,078
Total assets					**46,377,752**
Liabilities					
Segment liabilities	21,122,953	8,863,693	410,170	(893,041)	29,503,775
Deferred tax liabilities					23,481
Total liabilities					**29,527,256**

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

4. OPERATING SEGMENTS (continued)

1.1.2024 to 31.12.2024 **Audited** **Revenue**	**Turnkey solutions RM**	**Manufacturing RM**	**Trading RM**	**Elimination RM**	**Total RM**
External customers	35,660,820	8,748,944	6,944,372	-	51,354,136
Inter-segment revenue	38,700	2,416,262	-	(2,454,962)	-
Total revenue	35,699,520	11,165,206	6,944,372	(2,454,962)	51,354,136
Finance costs	266,817	23,715	498	-	291,030
Depreciation of:					
- property, plant and equipment	134,834	30,533	366	-	165,733
- right-of-use assets	36,917	183,385	11,140	-	231,442
Segment profit before tax	**3,480,199**	**1,642,438**	**2,054,214**	**-**	**7,176,851**
Tax expense	954,791	362,622	467,933	-	1,785,346
Other material non-cash items:					
Capital expenditure	47,396	1,032,429	6,099	-	1,085,924
Net impairment loss on trade receivables	671,375	-	83,444	-	754,819
Assets					
Segment assets	24,961,145	10,465,921	6,756,682	(1,012,053)	41,171,695
Deferred tax assets					252,825
Total assets					**41,424,520**
Liabilities					
Segment liabilities	12,175,317	6,763,669	1,066,974	(1,012,053)	18,993,907
Current tax liabilities					136,214
Deferred tax liabilities					52,398
Total liabilities					**19,182,519**

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

4. OPERATING SEGMENTS (continued)

1.1.2025 to 31.12.2025 **Audited**	**Turnkey solutions RM**	**Manufacturing RM**	**Trading RM**	**Other RM**	**Elimination RM**	**Total RM**
Revenue						
External customers	47,498,904	9,355,433	8,815,836	-	-	65,670,173
Inter-segment revenue	-	5,648,018	-	-	(5,648,018)	-
Total revenue	47,498,904	15,003,451	8,815,836	-	(5,648,018)	65,670,173
Finance costs	252,776	63,313	1,119	-	-	317,208
Depreciation of:						
- property, plant and equipment	167,707	36,896	4,524	-	-	209,127
- right-of-use assets	65,579	131,009	10,186	-	-	206,774
- intangible asset	-	20,706	-	-	-	20,706
Segment profit before tax	**5,025,635**	**1,428,084**	**1,737,136**	**(77,474)**	**-**	**8,113,381**
Tax expense	1,287,515	347,384	419,779	-	-	2,054,678
Other material non-cash items:						
Capital expenditure	602,310	808,643	15,848	-	-	1,426,801
Net impairment loss on trade receivables	59,977	(10,011)	(26,068)	-	-	23,898
Assets						
Segment assets	35,115,857	15,273,670	9,118,627	81	(2,546,439)	56,961,796
Current tax assets						272,819
Deferred tax assets						61,545
Total assets						**57,296,160**
Liabilities						
Segment liabilities	18,275,433	10,486,412	2,141,458	77,554	(2,546,439)	28,434,418
Deferred tax liabilities						561,037
Total liabilities						**28,995,455**

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

4. OPERATING SEGMENTS (continued)

(c) Geographical information

The Group predominantly operates in Malaysia.

In determining geographical segment of the Group, revenue is based on the geographical location of customers.

	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
Primary geographical markets				
Malaysia	75,861,609	81,014,527	35,223,558	48,600,451
Philippines	6,698,101	5,873,310	10,003,088	13,439,699
Singapore	885,755	741,193	585,162	2,614,116
Australia	-	723,373	473,690	889,488
Bangladesh	41,568	184,349	-	-
India	-	47,863	40,324	41,679
Indonesia	-	-	604,801	84,740
Taiwan	-	-	4,423,513	-
	83,487,033	88,584,615	51,354,136	65,670,173

(d) Major customers

The following are major customers with revenue equal or more than ten percent (10%) of revenue of the Group:

	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
Customer A	64,823,288	23,714,490	10,374,729	*
Customer B	*	*	7,583,210	*
Customer C	*	30,439,598	*	*
Customer D	*	*	6,690,643	11,129,071
Customer E	*	14,465,871	*	*
Customer F	*	*	8,402,990	11,744,440
Customer G	*	*	*	23,631,177
	64,823,288	68,619,959	33,051,572	46,504,688

* Less than 10%

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

5. PROPERTY, PLANT AND EQUIPMENT

Audited	As at 1.1.2022 RM	Additions RM	As at 31.12.2022 RM
Cost			
Office equipment	86,437	28,848	115,285
Furniture and fittings	8,401	19,380	27,781
Computer and software	134,017	92,392	226,409
Motor vehicles	131,649	304,000	435,649
Renovation	24,823	1,879	26,702
Plant and machinery	51,611	11,850	63,461
Equipment and tools	50,536	8,122	58,658
	487,474	466,471	953,945

	As at 1.1.2022 RM	Charge for the year RM	As at 31.12.2022 RM
Accumulated depreciation			
Office equipment	20,190	10,902	31,092
Furniture and fittings	4,313	1,597	5,910
Computer and software	103,239	26,651	129,890
Motor vehicles	72,406	66,863	139,269
Renovation	12,903	3,794	16,697
Plant and machinery	19,555	5,406	24,961
Equipment and tools	14,028	5,502	19,530
	246,634	120,715	367,349

Audited	As at 1.1.2023 RM	Additions RM	Disposal RM	As at 31.12.2023 RM
Cost				
Office equipment	115,285	4,247	-	119,532
Furniture and fittings	27,781	30,370	-	58,151
Computer and software	226,409	120,398	-	346,807
Motor vehicles	435,649	-	-	435,649
Renovation	26,702	-	-	26,702
Plant and machinery	63,461	-	(23,500)	39,961
Equipment and tools	58,658	4,818	-	63,476
Capital work-in-progress	-	4,470,868	-	4,470,868
	953,945	4,630,701	(23,500)	5,561,146

	As at 1.1.2023 RM	Charge for the year RM	Disposal RM	As at 31.12.2023 RM
Accumulated depreciation				
Office equipment	31,092	11,875	-	42,967
Furniture and fittings	5,910	4,910	-	10,820
Computer and software	129,890	46,340	-	176,230
Motor vehicles	139,269	87,130	-	226,399
Renovation	16,697	4,005	-	20,702
Plant and machinery	24,961	4,584	(12,141)	17,404
Equipment and tools	19,530	6,173	-	25,703
	367,349	165,017	(12,141)	520,225

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Audited	As at 1.1.2024 RM	Additions RM	Written off RM	As at 31.12.2024 RM
Cost				
Office equipment	119,532	12,066	(1,499)	130,099
Furniture and fittings	58,151	21,479	(3,405)	76,225
Computer and software	346,807	57,606	(3,196)	401,217
Motor vehicles	435,649	-	-	435,649
Renovation	26,702	-	-	26,702
Plant and machinery	39,961	-	-	39,961
Equipment and tools	63,476	5,644	-	69,120
Capital work-in-progress	4,470,868	989,129	-	5,459,997
	5,561,146	1,085,924	(8,100)	6,638,970

	As at 1.1.2024 RM	Charge for the year RM	Written off RM	As at 31.12.2024 RM
Accumulated depreciation				
Office equipment	42,967	13,002	(662)	55,307
Furniture and fittings	10,820	6,620	(640)	16,800
Computer and software	176,230	65,058	(2,727)	238,561
Motor vehicles	226,399	67,381	-	293,780
Renovation	20,702	2,985	-	23,687
Plant and machinery	17,404	3,996	-	21,400
Equipment and tools	25,703	6,691	-	32,394
	520,225	165,733	(4,029)	681,929

Audited	As at 1.1.2025 RM	Additions RM	Written off RM	As at 31.12.2025 RM
Cost				
Office equipment	130,099	61,814	-	191,913
Furniture and fittings	76,225	137,071	-	213,296
Computer and software	401,217	95,976	-	497,193
Motor vehicles	435,649	9,700	-	445,349
Renovation	26,702	332,426	-	359,128
Plant and machinery	39,961	26,254	-	66,215
Equipment and tools	69,120	21,057	-	90,177
Capital work-in-progress	5,459,997	380,162	-	5,840,159
	6,638,970	1,064,460	-	7,703,430

	As at 1.1.2025 RM	Charge for the year RM	Written off RM	As at 31.12.2025 RM
Accumulated depreciation				
Office equipment	55,307	15,897	-	71,204
Furniture and fittings	16,800	11,513	-	28,313
Computer and software	238,561	82,251	-	320,812
Motor vehicles	293,780	61,608	-	355,388
Renovation	23,687	23,250	-	46,937
Plant and machinery	21,400	6,622	-	28,022
Equipment and tools	32,394	7,986	-	40,380
	681,929	209,127	-	891,056

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Carrying amount				
Office equipment	84,193	76,565	74,792	120,709
Furniture and fittings	21,871	47,331	59,425	184,983
Computer and software	96,519	170,577	162,656	176,381
Motor vehicles	296,380	209,250	141,869	89,961
Renovation	10,005	6,000	3,015	312,191
Plant and machinery	38,500	22,557	18,561	38,193
Equipment and tools	39,128	37,773	36,726	49,797
Capital work-in-progress	-	4,470,868	5,459,997	5,840,159
	586,596	5,040,921	5,957,041	6,812,374

(a) Material accounting policy information

(i) Recognition and measurement

All items of property, plant and equipment are initially measured at cost. Subsequent to the initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

(ii) Depreciation

Depreciation on property, plant and equipment is calculated to write down the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The estimated useful lives represent common life expectancies applied in the various business segments of the Group.

The principal annual depreciation rates are as follows:

Office equipment	10%
Furniture and fittings	10%
Computer and software	25%
Motor vehicles	20%
Renovation	15%
Plant and machinery	10%
Equipment and tools	10% - 20%

Capital work-in-progress included in property, plant and equipment are not depreciated until such time when the asset is available for use. Capital work-in-progress mainly comprised of building that is in the process of construction or completion.

(b) As at the end of the reporting period, the assets of the Group with a total carrying amount of RM5,840,159 (2024: RM5,459,997, 2023: RM4,470,868, 2022: Nil) have been charged to a licensed bank as security for banking facility granted to the Group, as disclosed in Note 14 to the Combined Financial Statements.

(c) Included in capital work-in-progress are term loan interest capitalised amounting to RM224,162 (2024: RM277,281, 2023: RM68,152, 2022: Nil) at an interest rate of 4.35% (2024: 4.35%, 2023: 4.35%, 2022: Nil).

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use assets

	[----------Buildings----------]			
	31.12.2022 Audited RM	**31.12.2023 Audited RM**	**31.12.2024 Audited RM**	**31.12.2025 Audited RM**
Carrying amount				
As at 1 January	292,429	472,583	149,343	156,467
Additions	477,319	-	238,566	221,494
Reassessment and remeasurement	10,478	-	-	(17,292)
Lease modifications	-	(23,621)	-	-
Depreciation charge for the financial year	(307,643)	(299,619)	(231,442)	(206,774)
As at 31 December	472,583	149,343	156,467	153,895

Lease liabilities

	[----------Buildings----------]			
	31.12.2022 Audited RM	**31.12.2023 Audited RM**	**31.12.2024 Audited RM**	**31.12.2025 Audited RM**
Carrying amount				
As at 1 January	303,529	481,197	154,473	158,029
Reassessment and remeasurement	10,375	-	-	(17,853)
Additions	477,319	-	238,566	221,494
Lease modification	-	(26,048)	-	-
Lease payments	(332,403)	(322,303)	(245,501)	(218,000)
Accretion of interest	22,377	21,627	10,491	13,477
As at 31 December	481,197	154,473	158,029	157,147

	[----------Buildings----------]			
	31.12.2022 Audited RM	**31.12.2023 Audited RM**	**31.12.2024 Audited RM**	**31.12.2025 Audited RM**
Represented by:				
Non-current liabilities	172,684	1,000	3,762	54,613
Current liabilities	308,513	153,473	154,267	102,534
	481,197	154,473	158,029	157,147
Lease liabilities owing to non-financial institutions	481,197	154,473	158,029	157,147

(a) Material accounting policy information

(i) Recognition and measurement

The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liabilities.

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

(a) Material accounting policy information (continued)

(ii) Depreciation

The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease terms. The lease terms of the right-of-use assets ranged from two (2) to six (6) years.

(iii) Recognition exemption

The Group has certain leases of assets with lease term of 12 months or less and low-value of leases of RM20,000 and below. The Group applies the 'short-term lease' and 'lease of low-value assets' exemptions for these leases.

(b) The following are the amounts recognised in profit or loss:

	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Included in cost of sales:				
- Expenses relating to leases of low value assets	19,019	25,732	26,083	21,785
- Expenses relating to leases of short-term leases	250,570	709,463	264,544	990,959
- Depreciation charge of right-of-use assets	192,253	176,822	183,385	131,009
Included in other income:				
- Gain on reassessment and remeasurement of leases	(103)	-	-	561
- Gain on lease modifications	-	(2,427)	-	-
Included in administrative expenses:				
- Depreciation charge of right-of-use assets	115,390	122,797	48,057	75,765
Included in finance costs:				
- Interest expense on lease liabilities	22,377	21,627	10,491	13,477
	599,506	1,054,014	532,560	1,233,556

(c) The following are total cash outflows for leases as a lessee:

	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Included in net cash from operating activities:				
- Payment relating to short-term lease and low value assets	269,589	735,195	290,627	940,744
Included in net cash from financing activities:				
- Payments of lease liabilities	332,403	322,303	245,501	218,000
Total cash outflows for leases	601,992	1,057,498	536,128	1,158,744

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

(d) The Group has lease contract that includes extension option. The option is negotiated by the Group to provide flexibility in managing the leased-asset portfolio and align with the business needs of the Group.

The following is the undiscounted potential future rental payment that is not included in the lease term:

	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Extension option expected not to be exercised				
- Within five years	-	-	204,000	-

(e) Information on financial risks of lease liabilities is disclosed in Note 25 to the Combined Financial Statements.

7. INTANGIBLE ASSETS

	[----------Development expenditure----------]			
	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Carrying amount				
As at 1 January	-	-	-	-
Additions	-	-	-	362,341
Depreciation charge for the financial year	-	-	-	(20,706)
As at 31 December	-	-	-	341,635

(a) Development expenditure comprises salaries of personnel involved in the development and design of products prior commencement of commercial production.

(b) Amortisation is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated userful lives. The principal amortisation periods are as follow:

Development expenditure	10 years

(c) The residual values, useful lives and amortisation methods are reviewed at the end of each reporting period.

8. DEFERRED TAX ASSETS/(LIABILITIES)

The deferred tax assets and liabilities are made up of the following:

	Note	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
As at 1 January		17,970	75,544	112,597	200,427
Recognised in profit or loss	21	57,574	37,053	87,830	(699,919)
As at 31 December		75,544	112,597	200,427	(499,492)

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

8. DEFERRED TAX ASSETS/(LIABILITIES) (continued)

The deferred tax assets and liabilities are made up of the following: (continued)

	[----------Development expenditure----------]			
	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Presented after appropriate offsetting as follows:				
Deferred tax assets	91,381	136,078	252,825	61,545
Deferred tax liabilities	(15,837)	(23,481)	(52,398)	(561,037)
	75,544	112,597	200,427	(499,492)

(a) The movement of deferred tax assets/(liabilities) during the financial years prior to offsetting are as follows:

Deferred tax assets

	Payables and allowances RM	Right-of-use assets RM	Offsetting RM	Total RM
As at 1 January 2022	36,019	1,723	(10,468)	27,274
Recognised in profit or loss	82,987	(259)	(18,621)	64,107
As at 31 December 2022/1 January 2023	119,006	1,464	(29,089)	91,381
Recognised in profit or loss	84,955	126	(40,384)	44,697
As at 31 December 2023/1 January 2024	203,961	1,590	(69,473)	136,078
Recognised in profit or loss	158,878	(406)	(41,725)	116,747
As at 31 December 2024/1 January 2025	362,839	1,184	(111,198)	252,825
Recognised in profit or loss	(767,196)	498	575,418	(191,280)
As at 31 December 2025	(404,357)	1,682	464,220	61,545

Deferred tax liabilities

	Property, plant and equipment RM	Offsetting RM	Total RM
As at 1 January 2022	(19,772)	10,468	(9,304)
Recognised in profit or loss	(25,154)	18,621	(6,533)
As at 31 December 2022/1 January 2023	(44,926)	29,089	(15,837)
Recognised in profit or loss	(48,028)	40,384	(7,644)
As at 31 December 2023/1 January 2024	(92,954)	69,473	(23,481)
Recognised in profit or loss	(70,642)	41,725	(28,917)
As at 31 December 2024/1 January 2025	(163,596)	111,198	(52,398)
Recognised in profit or loss	66,779	(575,418)	(508,639)
As at 31 December 2025	(96,817)	(464,220)	(561,037)

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

9. INVENTORIES

	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
At cost				
Raw materials	799,157	807,600	785,185	825,796
Work in progress	106,224	4,877	2,776	-
Finished goods	11,870	4,372	2,234	7,438
	917,251	816,849	790,195	833,234
Recognised in profit or loss:				
Inventories recognised as cost of sales	8,073,344	8,789,046	10,537,697	14,804,978

(a) Material accounting policy information

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and comprises purchase price plus cost incurred in bringing the inventories to their present condition and location.

10. CONTRACT COSTS

	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Costs to fulfil contracts with customers	16,342,966	7,249,084	6,728,183	9,469,697

(a) Material accounting policy information

(i) The costs to fulfil contracts with customers are capitalised as contract costs when they relate directly to a contract and generate or enhance resources of the Group that will be used in satisfying future performance obligations. These costs include direct labour and direct material costs and are expected to be recovered from the customer.

(ii) Contract costs are amortised to profit or loss when the performance obligations to which the contract costs relates are satisfied.

(iii) Impairment for contract costs are recognised to the extent that the carrying amount of the contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the services to which the contract costs relate, less the remaining costs that relate directly to providing those services and that have not been recognised as an expense.

(b) During the financial year, amortisation of contract costs recognised in cost of sales amounted to RM2,741,514 (2024: RM520,901, 2023: RM9,093,883, 2022: Nil).

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

11. TRADE AND OTHER RECEIVABLES

	Note	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Current assets					
Trade receivables					
Third parties	(b)	14,086,897	14,540,596	15,889,404	30,613,414
Retention sums	(b)	3,863,990	6,623,563	6,627,322	3,453,000
Amounts owing by related parties	(c)	350,509	-	125,314	42,869
		18,301,396	21,164,159	22,642,040	34,109,283
Less: Impairment losses on – Third parties		(11,220)	(161,238)	(916,057)	(321,163)
Less: Impairment losses on – Related parties		(115,396)	-	-	-
		18,174,780	21,002,921	21,725,983	33,788,120
Other receivables					
Amounts owing by related parties	(d)	269,232	-	-	-
Other receivables		249,110	33,049	336,748	153,443
Deposits		871,444	796,194	212,629	464,838
		1,389,786	829,243	549,377	618,281
Less: Impairment losses on – Related parties		(15,383)	-	-	-
Total receivables		19,549,183	21,832,164	22,275,360	34,406,401
Prepayments		17,593	30,490	31,882	91,082
Deferred expenditure		-	224,196	-	80
		17,593	254,686	31,882	91,162
		19,566,776	22,086,850	22,307,242	34,497,563

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

11. TRADE AND OTHER RECEIVABLES (continued)

(a) Material accounting policy information

(i) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach within MFRS 9 using the lifetime expected credit losses.

In measuring the expected credit losses on trade receivables, the probability of non-payment by the trade receivables is adjusted by forward looking information and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statement of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying amount of the asset would be written off against the associated impairment.

Individual assessment of impairment of trade receivables are separately assessed when it is probable that cash due will not be received in full.

Significant judgement is required in determining the probability of default by trade receivables and the appropriate forward-looking information.

(ii) Impairment for other receivables are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset by comparing the risk of default occurring over the expected life with the risk of default since initial recognition.

For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised. Credit impaired refers to individually determined debtors who are in significant financial difficulties and have defaulted on payments to be impaired as at the end of the reporting period.

The Group have identified the Malaysia gross domestic products ("GDP"), inflation and unemployment as the key macroeconomics factors.

The probability of non-payment by other receivables are adjusted by forward looking information on macroeconomic factors and multiplied by the amount of the expected loss arising from default to determine the twelve month or lifetime expected credit loss for other receivables.

(b) The credit terms offered by the Company in respect of trade receivables ranged from 30 to 90 days (2024: 30 to 90 days, 2023: 30 to 90 days, 2022: 30 to 90 days) from date of invoice. They were recognised at their original invoice amounts, which represented their fair values on initial recognition.

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

11. TRADE AND OTHER RECEIVABLES (continued)

(b) (continued)

The retention sums are due upon the expiry of the defect liability period stated in the service contract, which are expected to be collected as follows:

	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Within one (1) year	-	3,618,955	5,646,894	3,262,600
More than one (1) year	3,863,990	3,004,608	980,428	190,400
	3,863,990	6,623,563	6,627,322	3,453,000

(c) Trade amounts owing by related parties represent trade transactions, which are unsecured, interest-free and are subject to credit term of 30 days from the date of invoice. They were recognised at their original invoice amounts, which represented their fair values on initial recognition.

(d) Non-trade amounts owing by related parties represent advances and payments on behalf made, which were unsecured, interest-free and receivable upon demand or within the next twelve (12) months.

(e) The foreign currency exposure of the total receivables (excluding prepayments and deferred expenditure) are as follows:

	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
United States Dollar	551,889	3,931,153	8,323,470	11,310,952
Singapore Dollar	73,840	259,354	99,193	1,979,427
Chinese Renminbi	-	-	-	25,059
Ringgit Malaysia	18,923,454	17,641,657	13,852,697	21,090,963
	19,549,183	21,832,164	22,275,360	34,406,401

(f) Lifetime expected loss provision for trade receivables of the Group are as follows:

	Collective assessment			
		[-------Past due -------]		
2022	Not past due	1 to 90 days	More than 90 days	Total RM
Expected loss rate	0%	0%	25.68%	
Gross carrying amount (RM)	16,848,108	963,461	489,827	18,301,396
Impairment (RM)	-*	(817)	(125,799)	(126,616)
	16,848,108	962,944	364,028	18,174,780

	Collective assessment			
		[-------Past due -------]		
2023	Not past due	1 to 90 days	More than 90 days	Total RM
Expected loss rate	0%	0%	15.15%	
Gross carrying amount (RM)	18,036,610	2,068,669	1,058,880	21,164,159
Impairment (RM)	-*	(797)	(160,441)	(161,238)
	18,036,610	2,067,872	898,439	21,002,921

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

11. TRADE AND OTHER RECEIVABLES (continued)

(f) Lifetime expected loss provision for trade receivables of the Group are as follows: (continued)

		Collective assessment [-------Past due -------]			
2024	**Not past due**	**1 to 90 days**	**More than 90 days**	**Individual assessment**	**Total RM**
Expected loss rate	0%	4.52%	5.36%	100%	
Gross carrying amount (RM)	15,516,819	6,132,107	374,322	618,792	22,642,040
Impairment (RM)	-*	(277,204)	(20,061)	(618,792)	(916,057)
	15,516,819	5,854,903	354,261	-	21,725,983

		Collective assessment [-------Past due -------]		
2025	**Not past due**	**1 to 90 days**	**More than 90 days**	**Total RM**
Expected loss rate	0%	0.52%	5.78%	
Gross carrying amount (RM)	11,578,116	18,653,315	3,877,852	34,109,283
Impairment (RM)	-*	(96,932)	(224,231)	(321,163)
	11,578,116	18,556,383	3,653,621	33,788,120

** No expected credit losses were recognised as the amount is negligible.*

Trade receivables are not secured by any collateral or credit enhancement.

During the financial year, the Group did not renegotiate the terms of any trade receivables.

(g) Movements in the impairment allowance for trade receivables are as follows:

	Lifetime ECL allowance Audited RM	**Credit impaired Audited RM**	**Total allowance Audited RM**
Balance as at 1 January 2022	115,119	-	115,119
Charge for the financial year	11,497	-	11,497
Balance as at 31 December 2022/ 1 January 2023	126,616	-	126,616
Charge for the financial year	150,018	-	150,018
Reversal of impairment loss	(115,396)	-	(115,396)
Balance as at 31 December 2023/ 1 January 2024	161,238	-	161,238
Charge for the financial year	285,960	618,792	904,752
Reversal of impairment loss	(149,933)	-	(149,933)
Balance as at 31 December 2024/ 1 January 2025	297,265	618,792	916,057
Charge for the financial year	59,977	-	59,977
Reversal of impairment loss	(36,079)	-	(36,079)
Written off	-	(618,792)	(618,792)
Balance as at 31 December 2025	321,163	-	321,163

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

11. TRADE AND OTHER RECEIVABLES (continued)

(h) Movements in the impairment allowance for other receivables are as follows:

	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Balance as at 1 January	20,620	15,383	-	-
Reversal of impairment loss	(5,237)	(15,383)	-	-
Balance as at 31 December	15,383	-	-	-

(i) Information on financial risks of trade and other receivables is disclosed in Note 25 to the Combined Financial Statements.

12. CASH AND BANK BALANCES

	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Cash and bank balances	4,653,530	9,198,506	3,982,567	2,622,968
Deposits with licensed banks	300,000	1,254,737	1,250,000	2,230,430
As stated in combined statements of financial position	4,953,530	10,453,243	5,232,567	4,853,398
Less:				
- Fixed deposits pledged to licensed banks	(300,000)	(854,737)	(1,250,000)	(2,200,386)
- Fixed deposits with licensed banks with original maturity more than 3 months	-	-	-	(30,044)
As stated in combined statements of cash flows	4,653,530	9,598,506	3,982,567	2,622,968

(a) During the financial year, fixed deposits with a licensed bank amounting RM2,200,386 (2024: RM1,250,000, 2023: RM854,737, 2022: RM300,000) have been pledged to a licensed bank as security for banking facility granted to the Group as disclosed in Note 14 to the Combined Financial Statements.

(b) The currency exposure profile of cash and bank balances is as follows:

	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Ringgit Malaysia	3,779,619	8,445,539	4,525,017	4,273,554
United States Dollar	1,173,704	2,005,208	705,251	562,683
Philippines Peso	207	2,496	2,299	17,161
	4,953,530	10,453,243	5,232,567	4,853,398

(c) No expected credit loss is recognised arising from the cash and bank balances as the probability of default by these financial institutions are negligible.

(d) Information on financial risks of cash and bank balances is disclosed in Note 25 to the Combined Financial Statements.

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

13. INVESTED EQUITY

For the purpose of these Combined Financial Statements, the invested equity at the end of the respective financial years is the aggregate of the share capital of the Other Combining Entities, namely Sum Technology Berhad, Sum Technic Sdn.Bhd., Sum System Solution Sdn. Bhd. and Micronaire Global Sdn. Bhd..

	31.12.2022 Audited		31.12.2023 Audited		31.12.2024 Audited		31.12.2025 Audited	
	Number of shares	RM	Number of shares	RM	Number of shares	RM	Number of shares	RM
Issued and fully paid ordinary shares with no par value:								
As at 1 January	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Issuance of ordinary share							1	1
As at 31 December	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,001	1,800,001

(a) During the financial year ended 31 December 2025, Sum Technology Berhad was incorporated with an issued share capital of RM1.00 comprising 1 ordinary share of RM1.00 per share each as subscriber's share.

(b) The holders of ordinary shares are entitled to receive dividends as and when declared by the Group and are entitled to one (1) vote per ordinary share at general meeting of the Group. All ordinary shares rank pari passu with regard to the Group's residual assets.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

14. BORROWINGS

	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Non-Current				
Term loan	-	4,524,000	5,304,010	5,184,716
Current				
Bankers' acceptances	283,000	488,000	284,000	914,000
Term loan	-	-	-	275,294
Invoice financing	-	7,062,027	2,688,958	12,571,622
	283,000	7,550,027	2,972,958	13,760,916
Total borrowings	283,000	12,074,027	8,276,968	18,945,632

(a) Borrowings are classified as financial liabilities and measured at amortised cost.

(b) The borrowings of the Group are secured by the following:

(i) Joint and several guarantees from the Directors of the Group;
(ii) Guarantee by Government of Malaysia;
(iii) Pledge of fixed deposits of the Group with licensed banks as disclosed in Note 12 to the Combined Financial Statements;
(iv) Memorandum of charge over fixed schedule placement of sinking fund in the form of fixed deposits as disclosed in Note 12 to the Combined Financial Statements;
(v) Fixed charge over the capital work-in-progress of the Group as disclosed in Note 5 to the Combined Financial Statements; and
(vi) Assignment of Mortgage Reducing Term Takaful (MRTT) with Refund of Contribution (ROC) certificate issued by Sun Life Malaysia Takaful Berhad for the sum covered not less than RM1,516,200.

(c) Borrowings are denominated in RM.

(d) Information on financial risks of borrowings is disclosed in Note 25 to the Combined Financial Statements.

15. CONTRACT LIABILITIES

	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Advances from customers	2,108,124	2,700,413	2,532,911	-

(a) Advances from customers arises from supply contract entered into with the customers at the end of the reporting period for goods to be delivered. Contract liabilities are recognised as revenue when performance obligations are satisfied.

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

15. CONTRACT LIABILITIES (continued)

(b) The movements of contract liabilities are as follows:

	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Balance as at 1 January	747,713	2,108,124	2,700,413	2,532,911
Revenue recognised during the financial year	(747,713)	(2,322,954)	(2,504,502)	(2,532,911)
Invoiced during the financial year	2,108,124	2,915,243	2,337,000	-
Balance as at 31 December	2,108,124	2,700,413	2,532,911	-

16. TRADE AND OTHER PAYABLES

	Note	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Trade payables					
Third parties	(a)	24,497,869	9,154,867	3,639,396	7,092,758
Amounts owing to related parties	(a)	57,926	847,258	438,501	-
		24,555,795	10,002,125	4,077,897	7,092,758
Other payables					
Amounts owing to Directors	(b)	10,345	2,100	2,100	-
Amount owing to a related party	(b)	-	-	6,696	-
Amount owing to shareholders	(b)	-	-	-	590,000
Accruals		3,441,009	3,958,682	3,549,631	1,129,505
Other payables		579,698	590,655	389,675	519,376
Deposits		-	21,300	-	-
		4,031,052	4,572,737	3,948,102	2,238,881
Total trade and other payables		28,586,847	14,574,862	8,025,999	9,331,639

(a) Trade payables, including trade amounts owing to related parties are non-interest bearing and the normal trade credit term granted to the Group is 30 days (2024: 30 days, 2023: 30 days, 2022: 30 days) from date of invoice.

(b) Amounts owing to Directors, a related party and shareholders included in other payables represent advances and payments made on behalf, which are unsecured, non-interest bearing and payable within next twelve (12) months in cash and cash equivalents.

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

16. TRADE AND OTHER PAYABLES (continued)

(c) The currency exposure profile of trade and other payables are as follows:

	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
United States Dollar	1,231	53,867	29,527	503,892
Ringgit Malaysia	28,585,616	14,520,995	7,996,472	8,827,747
	28,586,847	14,574,862	8,025,999	9,331,639

(d) Information on financial risk of trade and other payables is disclosed in Note 25 to the Combined Financial Statements.

17. REVENUE

	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
Revenue from contracts with customers				
Recognised at point in time:				
Sale of goods	8,598,884	9,131,400	15,693,316	18,171,269
Rendering of services	9,930,969	6,039,276	5,619,891	6,326,335
	18,529,853	15,170,676	21,313,207	24,497,604
Recognised over time:				
Rendering of services	64,957,180	73,413,939	30,040,929	41,172,569
	64,957,180	73,413,939	30,040,929	41,172,569
Total revenue	83,487,033	88,584,615	51,354,136	65,670,173

(a) Disaggregation of revenue from contracts with customers

	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
Primary geographical markets				
Malaysia	75,861,609	81,014,527	35,223,558	48,600,451
Philippines	6,698,101	5,873,310	10,003,088	13,439,699
Singapore	885,755	741,193	585,162	2,614,116
Australia	-	723,373	473,690	889,488
Bangladesh	41,568	184,349	-	-
India	-	47,863	40,324	41,679
Indonesia	-	-	604,801	84,740
Taiwan	-	-	4,423,513	-
	83,487,033	88,584,615	51,354,136	65,670,173

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

17. REVENUE (continued)

(b) Nature of goods and service

(i) Revenue from design and construction services

Revenue from the design and construction services is recognised over time using the output method by reference to the progress towards complete satisfaction of that performance obligation if control of the asset transfers over time. The output method recognises revenue on the basis of direct measurements of value to the customer of the construction work performed to date related to the remaining construction work promised under the contract, which is based on the contract work certified to date over the estimated total contract sum.

(ii) Revenue from sales and maintenance services

Revenue from sales and maintenance services performed at customers' request is recognised at point in time when the customer has acknowledged the completion of the services and when the performance obligation is met.

(iii) Revenue from sale of goods

Revenue from the sale of goods is recognised at a point in time when the goods have been transferred, i.e. when goods have been shipped to the specific location (delivery) of the customers.

There is no right of return and warranty provided to the customers on the sale of goods and services rendered.

There is no significant financing component in the revenue arising from sale of goods and services rendered as the sales are made on the normal credit terms not exceeding twelve (12) months.

18. DIVIDEND

	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
In respect of financial year ended 31 December 2022:				
Interim single-tier dividend of RM3.40 per ordinary share , paid on 9 August 2022	1,020,000	-	-	-

19. FINANCE COSTS

	Note	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
Interest expense on:					
- lease liabilities	6	22,377	21,627	10,491	13,477
- borrowings		2,026	256,832	273,457	303,731
- others		2,959	9,937	7,082	-
		27,362	288,396	291,030	317,208

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

20. PROFIT BEFORE TAX

	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
Profit before tax is arrived at after charging:				
Auditors' remuneration	58,500	55,650	58,450	69,000
Unrealised loss on foreign exchange	63	1,911	3,732	587,633
Realised loss on foreign exchange	1,215	8,236	293,762	299,730
Loss on disposal of property, plant and equipment	-	6,859	-	-
Property, plant and equipment written off	-	-	4,071	-
Contract costs recognised in cost of sales	20,996,178	68,321,719	24,779,181	35,838,850
And crediting:				
Unrealised gain on foreign exchange	(31,592)	(13,988)	(344,462)	(74,969)
Realised gain on foreign exchange	(212,870)	(135,623)	(387,349)	(204,192)
Fair value gain on non-current receivables	(16,018)	-	-	-
Interest income	(6,789)	(27,434)	(76,428)	(60,663)

21. TAX EXPENSE

	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
Income tax:				
Current tax expense based on profit for the financial years	1,892,103	1,173,852	1,807,835	1,405,167
(Over)/Under provision of tax expense in prior years	(19,388)	658,519	65,341	(50,408)
	1,872,715	1,832,371	1,873,176	1,354,759
Deferred tax (Note 8):				
Relating to (reversal)/origination of temporary differences in current year	(57,392)	462,364	(80,360)	699,919
Over provision in prior years	(182)	(499,417)	(7,470)	-
	(57,574)	(37,053)	(87,830)	699,919
	1,815,141	1,795,318	1,785,346	2,054,678

(a) The Malaysian income tax is calculated at statutory tax rate of twenty-four percent (24%) (2024: 24%, 2023: 24%, 2022: 24%) of the estimated taxable profit for the financial years.

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

21. TAX EXPENSE (continued)

(b) The numerical reconciliations between the tax expense at the applicable tax rate and the effective tax rate of the Group are as follows:

	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
Profit before tax	8,299,229	6,930,366	7,176,851	8,113,381
Tax at Malaysian statutory tax of 24%	1,991,815	1,663,288	1,722,444	1,947,211
Tax effects arising from:				
Non deductible expenditure	20,390	80,155	118,218	321,647
Deferred tax assets not recognised	7,049	17	-	-
Income not subject to tax	-	(23,244)	(12,125)	-
Utilisation of deferred tax assets previously unrecognised	-	-	(17,062)	(28,772)
Effect of different tax rate on incremental chargeable income	(184,543)	(84,000)	(84,000)	(135,000)
	1,834,711	1,636,216	1,727,475	2,105,086
(Over)/Under provision of income tax expense in prior years	(19,388)	658,519	65,341	(50,408)
Over provision of deferred tax expenses in prior years	(182)	(499,417)	(7,470)	-
	1,815,141	1,795,318	1,785,346	2,054,678

(c) The amount of temporary differences for which no deferred tax assets have been recognised in the statement of financial position are as follows:

	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
Deductible temporary differences	71,163	71,092	119,884	-

Deferred tax assets have not been recognised in respect of these items as it is not probable that future taxable profits would be available against which the deductible temporary differences could be utilised.

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

22. EMPLOYEE BENEFITS

	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
Salaries, bonus, overtime and allowances	3,132,098	5,263,200	5,788,450	7,114,912
Contributions to defined contribution plan	343,843	501,121	588,004	729,747
Social security contributions	30,238	52,322	63,101	83,791
Other employee benefits	114,411	107,686	279,083	139,836
	3,620,590	5,924,329	6,718,638	8,068,286

Included in the employee benefits of the Group are Directors' remuneration and other emoluments amounted to RM782,674 (2024:RM784,594, 2023: RM704,518, 2022: RM668,156).

23. RELATED PARTY DISCLOSURE

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individual or other entities.

Related parties of the Group include:

(i) Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly, and indirectly, including any Director (whether Executive or otherwise) of the Group; and

(ii) Companies in which certain Directors have substantial financial interest.

(b) The Group had the following transactions with related parties during the financial years under review:

	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
Sales				
- Channel Systems Asia Sdn. Bhd.	270,000	130,000	114,000	152,000
- Micron Cleanroom Philippines,Inc	372	-	136,329	5,152
- Micron (M) Sdn. Bhd.	-	-	-	656,180
- Unisem (M) Berhad	-	-	-	11,129,071
- SSPI Inc	1,904,832	-	-	-
Purchases				
- Channel Systems Asia Sdn. Bhd.	(5,132,951)	(1,472,009)	(23,770)	-
- CSA Technic Sdn. Bhd.	(64,156)	(19,000)	(12,325)	(116,001)
- Micron (M) Sdn. Bhd.	(241,095)	(500,022)	(110,500)	-
- Micron Technology Sdn Bhd	-	-	(8,750)	-

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

23. RELATED PARTY DISCLOSURE (continued)

(b) (continued)

(continued)	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
Rental and utilities				
- Micron (M) Sdn. Bhd.	(89,703)	(91,100)	(92,145)	(21,382)
- JQX Ventures Sdn. Bhd.	-	-	-	(55,000)
Staff recruitment expenses				
- Micron (M) Sdn. Bhd.	-	(1,380)	-	-

These transactions have been entered into the normal course of business and have been established under negotiated commercial terms.

Information regarding outstanding balances arising from related party transactions as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 are disclosed in Note 11 and 16 to the Combined Financial Statements.

(c) Compensation of key management personnel
Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any Director (whether executive or otherwise) of the Group.

The remuneration of the Directors and key management personnel of the Group, during the financial years under review were as follows:

	1.1.2022 to 31.12.2022 Audited RM	1.1.2023 to 31.12.2023 Audited RM	1.1.2024 to 31.12.2024 Audited RM	1.1.2025 to 31.12.2025 Audited RM
Salaries and bonus	607,100	635,000	703,620	1,343,140
Defined contribution plan	59,052	67,200	78,540	142,260
Social security contributions	2,004	2,318	2,434	6,389
	668,156	704,518	784,594	1,491,789

The estimated monetary value of benefits-in-kind received by the key management personnel other than in cash from the Group amounted to RM13,050 (2024: Nil, 2023: Nil, 2022: Nil).

Included in the key management personnel compensation are Directors' remuneration of RM71,820 (2024: Nil, 2023: Nil, 2022: Nil), which was capitalised as development expenditure under intangible assets.

[THE REST OF THE PAGE IS INTENTIONALLY LEFT BLANK]

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
Chartered Accountants
Kuala Lumpur

24. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

(i) Amortised cost ("AC")

	Carrying amount RM	AC RM
31.12.2022		
Financial assets		
Trade and other receivables (excluding prepayments and deferred expenditure)	19,549,183	19,549,183
Cash and bank balances	4,953,530	4,953,530
	24,502,713	24,502,713
Financial liabilities		
Borrowings	283,000	283,000
Trade and other payables	28,586,847	28,586,847
	28,869,847	28,869,847
31.12.2023		
Financial assets		
Trade and other receivables (excluding prepayments and deferred expenditure)	21,832,164	21,832,164
Cash and bank balances	10,453,243	10,453,243
	32,285,407	32,285,407
Financial liabilities		
Borrowings	12,074,027	12,074,027
Trade and other payables	14,574,862	14,574,862
	26,648,889	26,648,889
31.12.2024		
Financial assets		
Trade and other receivables (excluding prepayments and deferred expenditure)	22,275,360	22,275,360
Cash and bank balances	5,232,567	5,232,567
	27,507,927	27,507,927
Financial liabilities		
Borrowings	8,276,968	8,276,968
Trade and other payables	8,025,999	8,025,999
	16,302,967	16,302,967

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

24. FINANCIAL INSTRUMENTS (continued)

(a) Categories of financial instruments (continued)

The table below provides an analysis of financial instruments categorised as follows: (continued)

(i) Amortised cost ("AC") (continued)

	Carrying amount RM	AC RM
31.12.2025		
Financial assets		
Trade and other receivables (excluding prepayments and deferred expenditure)	34,406,401	34,406,401
Cash and bank balances	4,853,398	4,853,398
	39,259,799	39,259,799
Financial liabilities		
Borrowings	18,945,632	18,945,632
Trade and other payables	9,331,639	9,331,639
	28,277,271	28,277,271

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management objective is to optimise value creation for the shareholders whilst minimising the potential adverse impact arising from fluctuations in interest rates and the unpredictability of the financial markets.

The Group does not trade in any derivative financial instruments and is exposed mainly to credit risk, interest rate risk, liquidity and cash flow risk, and foreign currency risk. Information on the management of the related exposures is detailed below.

(a) Credit risk

Cash deposits and receivables may give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted. The counter parties are major licensed financial institutions and reputable organisations. It is the Group's policy to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The Group's primary exposure to credit risk arises through its trade and other receivables. The Group's trading terms with its customers are mainly on credit, except for new customers, where deposits in advance are normally required. The credit period is generally for a period of one month, extending up to two months for major customers. Each customer has a maximum credit limit and the Group seeks to maintain strict control over its outstanding receivables via a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management.

Exposure to credit risk

As at the end of each reporting period, no collateral has been obtained by the Group. The maximum exposure of the Group to credit risk is represented by the carrying amount of each class of financial assets recognised in the combined statements of financial position.

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(a) Credit risk (continued)

Credit risk concentration profile

As at 31 December, other than the amounts owing from two major customer (2024: three major customers, 2023: three major customers, 2022: one major customer) constituting approximately 54% (2024: 75%, 2023: 71%, 2022: 67%) of the total trade receivables of the Group, the Group does not have any significant concentration of credit risk related to any individual customer or counterparty. The Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the combined statements of financial position.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments would fluctuate because of changes in market interest rates.

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arises mainly from the Group's lease liabilities and borrowings. The Group does not use derivative financial instruments to hedge this risk.

The following table sets out the carrying amounts, the effective interest rates as at the end of the reporting period and the remaining maturities of the Group's financial instruments that are exposed to interest rate risk:

	Effective interest rate %	Within 1 year RM	1 - 5 years RM	More than 5 years RM	Total RM
At 31 December 2022					
Fixed rates					
Lease liabilities	3.25 - 7.90	308,513	172,684	-	481,197
Floating rates					
Borrowings	4.94	283,000	-	-	283,000
At 31 December 2023					
Fixed rates					
Lease liabilities	4.94 – 8.15	153,473	1,000	-	154,473
Floating rates					
Borrowings	4.44 – 5.65	7,550,027	825,882	3,698,118	12,074,027
At 31 December 2024					
Fixed rates					
Lease liabilities	4.94 - 7.90	154,267	3,762	-	158,029
Floating rates					
Borrowings	4.40 – 5.85	2,972,958	725,905	4,578,105	8,276,968
At 31 December 2025					
Fixed rates					
Lease liabilities	4.94 – 8.18	102,534	54,613	-	157,147
Floating rates					
Borrowings	2.76 - 5.24	13,760,916	1,321,412	3,863,304	18,945,632

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Interest rate risk (continued)

Sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial instruments at fair value through profit or loss, and the carrying amount of fixed rate financial instruments of the Group are measured at amortised cost. Therefore, no sensitivity analysis for fixed rate instruments was prepared as the change in market interest rate at the end of the reporting period would not affect profit or loss.

Sensitivity analysis for floating rate instruments

The following table demonstrates the sensitivity analysis of the floating rate borrowings of the Group if interest rate at the end of each reporting period changed by one hundred fifty (150) basis points with all other variables held constant:

	31.12.2022 Audited RM	31.12.2023 Audited RM	31.12.2024 Audited RM	31.12.2025 Audited RM
Profit after tax and equity				
- increase by 1.5%	(3,226)	(137,644)	(94,357)	215,980
- decrease by 1.5%	3,226	137,644	94,357	(215,980)

(c) Liquidity and cash flow risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and bank balances deemed adequate to finance the Group's activities.

The Group is actively managing its operating cash flows to ensure all commitments and funding needs are met. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group aims at maintaining flexibility in funding by keeping committed credit lines available.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations:

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
As at 31 December 2022				
Financial liabilities				
Trade and other payables	28,586,847	-	-	28,586,847
Lease liabilities	330,903	178,500	-	509,403
Borrowings	283,000	-	-	283,000
Total undiscounted financial liabilities	29,200,750	178,500	-	29,379,250

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Liquidity and cash flow risk (continued)

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
As at 31 December 2023				
Financial liabilities				
Trade and other payables	14,574,862	-	-	14,574,862
Lease liabilities	158,500	1,000	-	159,500
Borrowings	7,780,283	1,493,609	5,141,494	14,415,386
Total undiscounted financial liabilities	22,513,645	1,494,609	5,141,494	29,149,748
As at 31 December 2024				
Financial liabilities				
Trade and other payables	8,025,999	-	-	8,025,999
Lease liabilities	159,800	3,800	-	163,600
Borrowings	2,972,958	920,414	5,843,198	9,736,570
Total undiscounted financial liabilities	11,158,757	924,214	5,843,198	17,926,169
As at 31 December 2025				
Financial liabilities				
Trade and other payables	9,331,639	-	-	9,254,085
Lease liabilities	111,085	58,800	-	169,885
Borrowings	13,906,740	1,837,159	4,785,672	20,529,571
Total undiscounted financial liabilities	23,271,910	1,895,959	4,785,672	29,953,541

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency exchange risk on transactions that are denominated in currencies other than the Group's functional currency.

The Group monitors the movement in foreign currency exchange rates closely to ensure their exposures are minimised.

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

NOTES TO THE COMBINED FINANCIAL STATEMENTS (continued)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(d) Foreign currency risk (continued)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity analysis of the Group's profit after tax and equity to a reasonably possible change in the United States Dollar ("USD"), Singapore Dollars ("SGD"), Philippine Peso ("PHP") and Chinese Renminbi ("RMB") exchange rate against the functional currency of the Group, with all other variables held constant. 10% for SGD and 15% for USD, PHP and RMB is the sensitivity rate used when reporting foreign currency risk exposures internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates.

		----------Profit after tax and equity----------			
		2022	**2023**	**2024**	**2025**
		RM	**RM**	**RM**	**RM**
USD/RM	- strengthen by 15%	196,577	670,604	1,025,908	1,296,151
	- weaken by 15%	(196,577)	(670,604)	(1,025,908)	(1,296,151)
SGD/RM	- strengthen by 10%	5,612	19,711	7,539	150,436
	- weaken by 10%	(5,612)	(19,711)	(7,539)	(150,436)
PHP/RM	- strengthen by 15%	24	285	262	1,956
	- weaken by 15%	(24)	(285)	(262)	(1,956)
RMB/RM	- strengthen by 15%	-	-	-	2,857
	- weaken by 15%	-	-	-	(2,857)

26. CAPITAL MANAGEMENT

The primary objective of capital management of the Group is to ensure that the Group would be able to continue as a going concern whilst maximising return to the shareholders through the optimisation of the debt and equity ratios. The overall strategy of the Group remain unchanged from that in the previous financial year.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 respectively.

The Group is not subject to any externally imposed capital requirements.

27. CAPITAL COMMITMENT

	2022	**2023**	**2024**	**2025**
	RM	**RM**	**RM**	**RM**
Capital expenditure				
Approved and contracted	-	1,092,000	312,000	156,000
Approved but not contracted	-	-	-	1,310,000
	-	1,092,000	312,000	1,466,000

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

28. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIODS

In conjunction with the listing of and quotation for the entire enlarged issued share capital of Sum Technology on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing"), the Company had on 23 September 2025 entered into the following conditional share sale agreements ("SSA"):

(a) SSA for the acquisition of Sum Technic Sdn. Bhd. ("Sum Technic Acquisition") for a total consideration of RM12.94 million, which was fully satisfied by the issuance of 193,576,819 new ordinary shares of the Company at an issue price of 6.68 sen each. The total purchase consideration for the Sum Technic Acquisition was arrived at after taking into consideration the audited net assets ("NA") of Sum Technic as at 31 December 2024 of RM12.94 million. The transaction was completed on 7 April 2026;

(b) SSA for the acquisition of Sum System Solution Sdn. Bhd. ("Sum System Solution Acquisition") for a total consideration of RM5.59 million, which was fully satisfied by the issuance of 83,623,989 new ordinary shares of the Company at an issue price of 6.68 sen each. The total purchase consideration for the Sum System Solution Acquisition was arrived at after taking into consideration the audited NA of Sum System Solution as at 31 December 2024 of RM5.58 million. The transaction was completed on 7 April 2026;

(c) SSA for the acquisition of Micronaire Global Sdn. Bhd. ("Micronaire Global Acquisition") for a total consideration of RM3.73 million, which was fully satisfied by the issuance of 55,799,191 new ordinary shares of the Company at an issue price of 6.68 sen each. The total purchase consideration for the Micronaire Global Acquisition was arrived at after taking into consideration the audited NA of Micronaire Global as at 31 December 2024 of RM3.72 million. The transaction was completed on 7 April 2026.

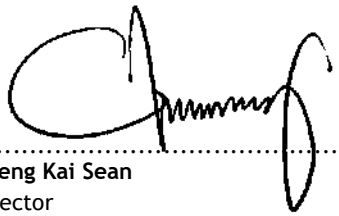
Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
(201906000013 (LLP0018825-LCA) & AF 0206)
Chartered Accountants
Kuala Lumpur

STATEMENT BY DIRECTORS

We, Lee Thiam Hing and Cheng Kai Sean, being the Director of Sum Technology Berhad state that, in the opinion of the Directors, the Combined Financial Statements set out on pages 4 to 50 are drawn up so as to give a true and fair view of the financial position of the Group as at 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 and of the financial performance and cash flows of the Group for the financial years ended 31 December 2022, 31 December 2023, 31 December 2024 and 31 December 2025 in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards and Chapter 10, Part II Division 1: Equity of the Prospectus Guidelines issued by the Securities Commission Malaysia.

Signed on behalf of the Board of Directors in accordance with a resolution dated 5 May 2026.

Lee Thiam Hing
Director
5 May 2026



Cheng Kai Sean
Director
5 May 2026

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

BDO

Tel : +603 2616 2888
Fax : +603 2616 3190 / 3191
www.bdo.my

Level 8
BDO @ Menara CenTARa
360 Jalan Tuanku Abdul Rahman
50100 Kuala Lumpur
Malaysia

The Board of Directors
Sum Technology Berhad
Unit No. D-2-6 & D-3-6,
Pacific Place Commercial Centre,
Jalan PJU 1A/4, Ara Damansara,
47301 Petaling Jaya, Selangor.

Date: 5 May 2026

Our Ref: BDO/SHA/LML/ut

Dear Sirs,

Sum Technology Berhad ("Company") and its combining entities ("Group")
Report on the Compilation of Pro Forma Statements of Financial Position Included in the Prospectus

We have completed our assurance engagement to report on the compilation of the pro forma statements of financial position of the Group as at 31 December 2025 ("Pro Forma Statements of Financial Position"). The Pro Forma Statements of Financial Position together with the accompanying notes thereon, for which we have stamped for purpose of identification, have been compiled by the Board of Directors of the Company ("Board of Directors") for inclusion in the prospectus of the Company ("the Prospectus") in connection with the listing and quotation of the entire enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad ("Listing").

The applicable criteria on the basis of which the Board of Directors has compiled the Pro Forma Statements of Financial Position are described in the Notes thereon to the Pro Forma Statements of Financial Position and are in accordance with the Prospectus Guidelines issued by Securities Commission Malaysia ("Prospectus Guidelines").

The Pro Forma Statements of Financial Position have been compiled by the Board of Directors to illustrate the impact of the events or transactions as set out in the Notes to the Pro Forma Statements of Financial Position on the financial position of the Group as at 31 December 2025 had the Listing been affected as at 31 December 2025. As part of this process, information about the financial position of the Group has been extracted by the Board of Directors from the Group's audited combined statements of financial position as at 31 December 2025.

Directors' Responsibility for the Pro Forma Statements of Financial Position

The Board of Directors is solely responsible for compiling the Pro Forma Statements of Financial Position on the basis as described in the Notes thereon to the Pro Forma Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines and with the Malaysian Institute of Accountants ("MIA") Guidance Note for Issuers of Pro Forma Financial Information.

BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), Chartered Accountants, a Limited Liability Partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

Our Independence and Quality Management

We are independent of the Group in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

The firm applies Malaysian Approved Standard on Quality Management, ISQM 1, *Quality Management for Firms that Perform Audits and Reviews of Financial Statements, or Other Assurance and Related Services Engagements* and accordingly requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibility

Our responsibility is to express an opinion, as required by the Prospectus Guidelines, about whether the Pro Forma Statements of Financial Position have been compiled, in all material respects, by the Board of Directors on the basis described in Notes to the Pro Forma Statements of Financial Position.

We conducted our engagement in accordance with International Standard on Assurance Engagement (ISAE) 3420, *Assurance Engagement to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus,* issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Board of Directors has compiled, in all material respects, the Pro Forma Statements of Financial Position on the basis set out in Notes thereon to the Pro Forma Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Statements of Financial Position. In providing this opinion, we do not accept any responsibility for such reports or opinions beyond that owed to those to whom those reports or opinion were addressed by us at the dates of their issue.

The purpose for inclusion of the Pro Forma Statements of Financial Position included in the Prospectus is solely to illustrate the impact of significant events or transactions on unadjusted financial information of the entity as if the events had occurred or the transactions had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions at that date would have been as presented.

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

Reporting Accountants' Responsibility (continued)

A reasonable assurance engagement to report on whether the Pro Forma Statements of Financial Position have been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Board of Directors in the compilation of the Pro Forma Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Statements of Financial Position reflect the proper application of those adjustments to the unadjusted statements of financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the Pro Forma Statements of Financial Position have been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Pro Forma Statements of Financial Position of the Group have been compiled, in all material respects, on the basis set out in the Notes thereon to the Pro Forma Statements of Financial Position.

Other Matters

This report has been prepared solely for the purpose stated above, in connection with the Listing. As such, this Report should not be used for any other purpose without our prior written consent. Neither the Firm nor any member or employee of the Firm undertakes responsibility arising in any way whatsoever to any party in respect of this report contrary to the aforesaid purpose.

Yours faithfully,

BDO PLT

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Shahira Binti Shahar
03646/03/2028 J
Chartered Accountant

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

1. INTRODUCTION AND BASIS OF PREPARATION

1.1 Introduction

The Pro Forma Statements of Financial Position of Sum Technology Berhad ("Sum Technology" or the "Company") and its combining entities (collectively referred to as the "Group") as at 31 December 2025 ("Pro Forma SOFP") together with the notes thereon, for which the Directors of the Company are solely responsible, has been prepared for illustrative purposes only for the purpose of inclusion in the prospectus in connection with the listing and quotation of the entire enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad ("Listing").

1.2 Basis of preparation

The applicable criteria on the basis of which the Board of Directors of the Company ("Directors") have compiled the Pro Forma Consolidated Statement of Financial Position are as described below. The Pro Forma SOFP is prepared in accordance with the requirements of Chapter 9 of the Prospectus Guidelines issued by the Securities Commission Malaysia and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants.

The Pro Forma SOFP have been prepared based on the audited combined statements of financial position of the Group as at 31 December 2025, which were prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), IFRS Accounting Standards, and in a manner consistent with the format of financial statements and accounting policies of the Group.

The combining entities are accounted for by applying the pooling of interest method. A business combination involving entities under common control is a business combination in which all the combining entities are ultimately controlled by the same party and parties both before and after the business combination, and that control is not transitory. Under the pooling of interest method, the results of combining entities are presented as if the business combination had been affected throughout the current and previous financial years. The assets and liabilities combined are accounted for based on their carrying amounts. On consolidation, the difference between costs of acquisitions (as defined in Note 2.1) and the nominal value of share capital of the combining entities is taken to merger reserve as disclosed below:

	RM
New ordinary shares issued by Sum Technology pursuant to the Acquisitions	22,600,000
Reversal of issued share capital of combining entities pursuant to the pooling of interest method	(1,800,000)
Merger reserve	**20,460,000**

The Pro Forma SOFP have been prepared for illustrative purposes only to show the effects of the transactions as set out in Note 2 on the audited combined statements of financial position of the Group as at 31 December 2025 had the transactions been effected on 31 December 2025, and should be read in conjunction with the notes thereon. Due to its nature, the Pro Forma SOFP is not necessarily indicative of the financial position of the Group that would have been attained had the effects of the transactions as set out in Note 2 actually occurred at the respective dates. Further, such information does not purport to predict the future financial position of the Group.

The audited combined statements of financial position of the Group for the financial year ended 31 December 2025 used in the preparation of the Pro Forma SOFP was not subject to any audit qualification.

2. LISTING SCHEME

Sum Technology Berhad was incorporated and domiciled in Malaysia under the Companies Act 2016 on 24 January 2025 as a private limited liability company. The Company was incorporated with a share capital of RM1 comprising 1 ordinary share of RM1 for the purpose of being an investment holding company and the listing vehicle of the Group.

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
Chartered Accountants
Kuala Lumpur

2. LISTING SCHEME (continued)

The acquisitions of Sum Technic Sdn. Bhd., Sum Sytem Solution Sdn. Bhd. and Micronaire Global Sdn. Bhd. (as defined in Note 2.1) and Initial Public Offering ("IPO") as disclosed in Notes 2.1 and 2.2 respectively are included in the Pro Forma SOFP to show the effects of the transactions on the audited combined statements of financial position of the Group as at 31 December 2025 had the transactions been effected on 31 December 2025 in accordance with the Prospectus Guidelines.

2.1 Acquisitions

In conjunction with the listing of and quotation for the entire enlarged issued share capital of Sum Technology on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing"), the Company had on 23 September 2025 entered into the following conditional share sale agreements ("SSA"):

(a) SSA for the acquisition of Sum Technic Sdn. Bhd. ("Sum Technic Acquisition") for a total consideration of RM12.94 million, which was fully satisfied by the issuance of 193,576,819 new ordinary shares of the Company at an issue price of 6.68 sen each. The total purchase consideration for the Sum Technic Acquisition was arrived at after taking into consideration the audited net assets ("NA") of Sum Technic as at 31 December 2024 of RM12.94 million;

(b) SSA for the acquisition of Sum System Solution Sdn. Bhd. ("Sum System Solution Acquisition") for a total consideration of RM5.59 million, which was fully satisfied by the issuance of 83,623,989 new ordinary shares of the Company at an issue price of 6.68 sen each. The total purchase consideration for the Sum System Solution Acquisition was arrived at after taking into consideration the audited NA of Sum System Solution as at 31 December 2024 of RM5.58 million;

(c) SSA for the acquisition of Micronaire Global Sdn. Bhd. ("Micronaire Global Acquisition") for a total consideration of RM3.73 million, which was fully satisfied by the issuance of 55,799,191 new ordinary shares of the Company at an issue price of 6.68 sen each. The total purchase consideration for the Micronaire Global Acquisition was arrived at after taking into consideration the audited NA of Micronaire Global as at 31 December 2024 of RM3.72 million;

2.2 Listing exercise

In conjunction with the Listing, the Company will undertake an IPO comprising of a public issue of 117,000,000 new Shares in the Company ("Public Issue") at an issue price of RM0.28 per Share.

Upon completion of the Proposed Listing, the enlarged issued share capital of RM53,452,837 comprising 450,000,000 ordinary shares in the Company will be listed and quoted on the ACE Market of Bursa Malaysia Securities Berhad.

Utilisation of proceeds

The proceeds from the Public Issue of RM32,760,000 are expected to be utilised as follows:

Details of utilisation		Estimated timeframe for utilisation upon Listing	RM'000	Percentage of gross proceeds %
(i)	Business expansion[1]	Within 24 months	5,580	17.03
(ii)	Establishment of office in Philippines [2]	Within 24 months	2,862	8.74
(iii)	Design and development activities [3]	Within 24 months	2,500	7.63
(iv)	Working capital[4]	Within 36 months	17,918	54.70
(v)	Estimated listing expenses[5]	Within 1 month	3,900	11.90
Total			**32,760**	**100.00**

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
Chartered Accountants
Kuala Lumpur

2. LISTING SCHEME (continued)

2.2 Listing exercise

Utilisation of proceeds (continued)

Notes:

(1) The Group has earmarked RM5.58 million of the total gross proceeds for its working capital for the expansion of office and headquarters in Pacific Place Commercial Centre, Ara Damansara in relation to the following:

Description	RM'000
Office set up costs and rental expenses	3,000
Recruitment of personnel	2,580
Total	**5,580**

As at the latest practicable date of 31 March 2026, the Company has yet to enter into any contractual binding arrangements or issued any purchase orders in relation to the above business expansion. Accordingly, such use of proceeds earmarked for the business expansion is not reflected in the Pro Forma SOFP.

(2) The Group has earmarked RM2.862 million for working capital for set up of a new office in Manilla, Philippines.

Description	RM'000
Office set up costs and rental expenses	150
Recruitment of personnel	2,712
Total	**2,862**

As at the latest practicable date of 31 March 2026, the Company has yet to enter contractual binding arrangements or issued any purchase orders in relation to the above establishment of office. Accordingly, such use of proceeds earmarked for the office establishment is not reflected in the Pro Forma SOFP.

(3) The Group has earmarked RM2.5 million of the total gross proceeds to intensify design and development activities in relation of the following:

Description	RM'000
Software and equipment	1,310
Recruitment of personnel and salaries	1,190
Total	**2,500**

As at the latest practicable date of 31 March 2026, the Company has yet to enter contractual binding arrangements or issued any purchase orders in relation to the above design and development activities. Accordingly, such use of proceeds earmarked for the design and development activities is not reflected in the Pro Forma SOFP.

(4) This utilisation of proceeds is not adjusted in the Pro Forma II to the Pro Forma Statement of Financial Position as at 31 December 2025.

(5) The estimated listing expenses totaling RM3,900,000 to be borne by the Company comprise underwriting fees, placement fees, brokerage fees, regulatory fees, professional fees and miscellaneous expenses relating to the IPO and the Listing. RM1,378,265 of these expenses have been expensed off and paid as at 31 December 2025. Upon completion of the Listing, a total of RM1,567,164 of the estimated listing expenses is assumed to be directly attributable to the Public Issue and as such, will be debited against the share capital of the Company and the remaining expenses of RM954,571 will be expensed off to the profit or loss.

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
Chartered Accountants
Kuala Lumpur

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

3. PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

The Pro Forma SOFP of the Group as at 31 December 2025 have been prepared for illustrative purposes only to show the effects on the audited combined statements of financial position of the Group as at 31 December 2025 based on the assumptions that transactions set out in Note 2 had been effected on 31 December 2025, and should be read in conjunction with notes accompanying to the Pro Forma SOFP.

	Note	As at 31 December 2025 RM	Adjustments for Acquisition RM	Pro Forma I After the Acquisitions RM	Adjustments for listing exercise RM	Pro Forma II After Pro Forma I and listing exercise RM
ASSETS						
Non-current assets						
Property, plant and equipment		-	6,812,374	6,812,374	-	6,812,374
Right-of-use assets		-	153,895	153,895	-	153,895
Intangible assets		-	341,635	341,635	-	341,635
Deferred tax assets		-	61,545	61,545	-	61,545
		-	7,369,449	7,369,449	-	7,369,449
Current assets						
Inventories		-	833,234	833,234	-	833,234
Trade and other receivables		80	34,497,483	34,497,563	-	34,497,563
Contract costs		-	9,469,697	9,469,697	-	9,469,697
Current tax assets		-	272,819	272,819	-	272,819
Cash and bank balances	3.2.1	1	4,853,397	4,853,398	30,238,265	35,091,663
		81	49,926,630	49,926,711	30,238,265	80,164,976
TOTAL ASSETS		81	57,296,079	57,296,160	30,238,265	87,534,425

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
Chartered Accountants
Kuala Lumpur

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

3. PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (continued)

	Note	As at 31 December 2025 RM	Adjustments for Acquisitions RM	Pro Forma I After the Acquisitions RM	Adjustments for listing exercise RM	Pro Forma II After Pro Forma I and listing exercise RM
EQUITY AND LIABILITIES						
Equity attributable to owners of the combining entities						
Share capital	3.2.2	1	22,260,000	22,260,001	31,192,836	53,452,837
Merger reserve	3.2.2	-	(20,460,000)	(20,460,000)	-	(20,460,000)
Retained earnings	3.2.2	(77,474)	26,578,178	26,500,704	(954,571)	25,546,133
TOTAL EQUITY		(77,473)	28,378,178	28,300,705	30,238,265	58,538,970
Non-current liabilities						
Borrowings		-	5,184,716	5,184,716	-	5,184,716
Lease liabilities		-	54,613	54,613	-	54,613
Deferred tax liabilities		-	561,037	561,037	-	561,037
		-	5,800,366	5,800,366	-	5,800,366

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
Chartered Accountants
Kuala Lumpur

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

3. PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (continued)

	As at 31 December 2024 RM	Adjustments for Acquisitions RM	Pro Forma I After the Acquisitions RM	Adjustments for listing exercise RM	Pro Forma II After Pro Forma I and listing exercise RM
EQUITY AND LIABILITIES (continued)					
Current liabilities					
Contract liabilities	-	-	-	-	-
Trade and other payables	77,554	9,254,085	9,331,639	-	9,331,639
Borrowings	-	13,760,916	13,760,916	-	13,760,916
Lease liabilities	-	102,534	102,534	-	102,534
	77,554	23,117,535	23,195,089	-	23,195,089
TOTAL LIABILITIES	77,554	28,917,901	28,995,455	-	28,995,455
TOTAL EQUITY AND LIABILITIES	81	57,296,079	57,296,160	30,238,265	87,534,425
Net assets (RM)	(77,473)	28,378,178	28,300,705	30,238,265	58,538,970
Number of ordinary shares assumed in issue	-	333,000,000	333,000,000	117,000,000	450,000,000
Net assets attributable to equity holders per ordinary share			0.08		0.13

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
Chartered Accountants
Kuala Lumpur

3. PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (continued)

3.1 Pro Forma adjustments to the Pro Forma Statements of Financial Position

3.1.1 Pro Forma I

Pro Forma I incorporated the effects of acquisitions as set out in Note 2.1.

3.1.2 Pro Forma II

Pro Forma II incorporates the effects of Pro Forma I and the effects of listing exercise as set out in Note 2.2.

3.2 Notes to the Pro Forma Statements of Financial Position

3.2.1 Cash and bank balances

	RM
As at 31 December 2025	1
Adjustments for acquisitions	4,853,397
Pro Forma I	4,853,398
Proceeds from the public issue	32,760,000
Adjustments for utilisation of proceeds	(2,521,735)
Pro Forma II	35,091,663

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
Chartered Accountants
Kuala Lumpur

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

3. PRO FORMA STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (continued)

3.2 Notes to the Pro Forma Statements of Financial Position (continued)

3.2.2 Share capital and reserves

	Share capital RM	Merger reserve RM	*Distributable* Retained earnings RM	Equity attributable to owners of the combining entities RM
Balance as at 31 December 2025	1	-	(77,474)	(77,473)
Adjustments for acquisitions	22,260,000	(20,460,000)	26,578,178	28,378,178
Pro Forma I	22,260,001	(20,460,000)	26,500,704	28,300,705
Proceeds from the public issue	32,760,000	-	-	32,760,000
Estimated listing expenses attributable to Public Issue	(1,567,164)	-	-	(1,567,164)
Estimated other listing expenses	-	-	(954,571)	(954,571)
	31,192,836	-	(954,571)	30,238,265
Pro Forma II	53,452,837	(20,460,000)	25,546,133	58,538,970

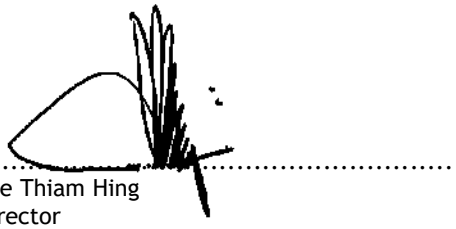
Stamped for the purpose of identification only
05 MAY 2026
BDO PLT
Chartered Accountants
Kuala Lumpur

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION *(Cont'd)*

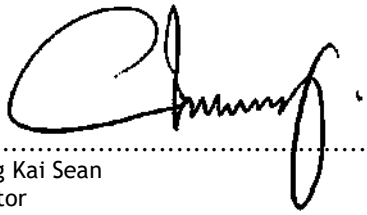
APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted by the Board of Directors of Sum Technology Berhad in accordance with a resolution dated 5 May 2026.

Signed on behalf of the Board of Directors.



.....
Lee Thiam Hing
Director



.....
Cheng Kai Sean
Director

5 May 2026

15. STATUTORY AND OTHER INFORMATION

15.1 SHARE CAPITAL

(a) As at the date of this Prospectus, we have 1 class of shares in our Company, namely, ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.

(b) Save for the new Shares to be issued under the Pink Form Allocations as disclosed in Section 4.3.1 of this Prospectus,

(i) no Director or employee of our Group has been or is entitled to be given or has exercised any option to subscribe for any shares of our Company or our subsidiaries; and

(ii) there is no scheme involving the directors and employees of our Group in the shares of our Company or our subsidiaries.

(c) Save for the new Shares issued for the Acquisitions as disclosed in Section 6.1.2 of this Prospectus and to be issued pursuant the IPO as disclosed in Section 4.3.1 of this Prospectus respectively, no shares of our Company have been issued or are proposed to be issued as fully or partly paid-up, in cash or otherwise, within the past 3 years immediately preceding the LPD.

(d) Save for our IPO as disclosed in Section 4.3.1 of this Prospectus, there is no intention on the part of our Directors to further issue any Shares.

(e) As at the date of this Prospectus, we do not have any outstanding warrants, options, convertible debt securities or uncalled capital.

15.2 CONSTITUTION

The following provisions are extracted from our Company's Constitution. Terms defined in our Constitution shall have the same meanings when used here unless they are otherwise defined here, or the context otherwise requires. The following provisions extracted from our Company's Constitution are based on the Listing Requirements, the Act and the Depository Rules.

(a) Remuneration, voting and borrowing power of Directors

The provisions in our Constitution dealing with remuneration, voting and borrowing power of Directors are as follows:

Clause 103 – Remuneration

The fees and any benefits payable to the Directors shall be such fixed sum as shall from time to time be determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such fees are payable shall be entitled only to rank in such division for a proportion of the fees related to the period during which he has held office PROVIDED ALWAYS that:-

(a) fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover;

(b) salaries payable to executive Directors may not include a commission on or percentage of turnover;

15. STATUTORY AND OTHER INFORMATION *(Cont'd)*

(c) fees of directors, and any benefits payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting; and

(d) any fee paid to an alternate Director shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Clause 108 – Directors' borrowing powers

108.1 The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertakings, property and uncalled capital, or any part thereof, and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or of any related third party PROVIDED ALWAYS that nothing contained in this Constitution shall authorise the Directors to borrow any money or mortgage or charge any of the Company's undertaking, property or any uncalled capital or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.

108.2 The Directors shall cause a proper register to be kept in accordance with Section 362 of the Act of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified or otherwise.

108.3 If the Directors or any of them, or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

Clause 123 – Declaration of interest and restriction of voting

A Director who is in any way, whether directly or indirectly interested in a contract or proposed contract or arrangement with the Company, shall declare the nature of his interest in accordance with the provisions of the Act. A Director shall not vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly an interest and if he should do so, his vote should not be counted, but this prohibition shall not apply to:-

(a) any arrangement for giving any Director any security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the Company or any of its subsidiaries; or

(b) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of a security.

15. STATUTORY AND OTHER INFORMATION *(Cont'd)*

Clause 124 – Directors retained from voting in interested transactions

Every Director shall comply with the provisions of Sections 219 and 221 of the Act in connection with the disclosure of his shareholding and interest in any contract or proposed contract with the Company and in connection with the disclosure of the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly duties or interests might be created in conflict with his duty or interest as a Director of the Company.

(b) Changes to share capital and variation of class rights

The provisions in our Constitution dealing with changes to share capital and variation of class rights are as follows:

Clause 7 – Authority of Directors to allot shares

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and subject to the provisions of this Constitution, Listing Requirements and the Act and the Central Depositories Act and to the provisions of any resolution of the Company, shares in the Company may be issued by the Directors, who may allot or otherwise dispose of such shares to such persons on such terms and conditions with such (whether in regard to dividend, voting or return of capital) preferred, deferred or other special rights and either at a premium or otherwise, and subject to such restrictions and at such time or times as the Directors may think fit but the Directors in making any issue of shares shall comply with the following conditions:-

7.1 no issue of shares shall be made which will have the effect of transferring a controlling interest in the Company to any person, company or syndicate without the prior approval of the Members in a general meeting;

7.2 in the case of shares, other than ordinary shares, no special rights shall be attached until the same have been expressed in this Constitution or in the resolution creating the same;

7.3 except in the case of an issue of shares or option on a pro-rata basis to all Members, every issue of shares or options to employees and/or Directors shall be approved by the Members in a general meeting and:-

a) Such approval shall specifically detail the amount of shares or options to be issued to such employees and/or Directors; and

b) A Director not holding office in an executive capacity may so participate in an issue of shares pursuant to a share option scheme;

7.4 in the case of shares offered to the public for subscription, the amount payable on application on each share shall not be less than five per centum (5%) of the issue price;

15. STATUTORY AND OTHER INFORMATION *(Cont'd)*

7.5 the Company must ensure that all new issue of shares for which listing is sought shall be made by way of crediting the Securities Accounts of the allottees or entitled persons in the Depository with such securities save and except where the Company is specifically exempted from doing so. The Company shall notify the Depository of the names of the allottees or the entitled persons together with all such particulars as may be required by the Depository to enable it to make the appropriate entries in the Securities Accounts of such allottees or entitled persons; and

7.6 the Company must allot and issue Securities, dispatch notices of allotment to the allottees and make an application for the listing of and quotation for such securities within such periods as may be prescribed by the Exchange.

Clause 51 – Increase of share capital

The Company may from time to time, whether all the shares for the time being issued shall have been fully paid up or not, by ordinary resolution passed at the general meeting increase its share capital, such new capital to be of such amount and to be divided into shares of such rights to or be subject to such conditions or restriction in regard to dividend, return of capital or otherwise as the Company by the resolution authorising such increase directs, and if no direction to be given, as the Directors shall determine and in particular, but without prejudice to the rights attached to any preference shares that may have been issued, such new shares may be issued with a preferential or qualified right to dividends, and in the distribution of the assets of the Company and with a special or restricted or without any right of voting.

Clause 52 – Issue of new shares to existing Members

In accordance with Rule 7.08 of the Listing Requirements, subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the directors may dispose of those shares or securities in such manner as they think most beneficial to the company. The directors may likewise also dispose of any new share or security which (by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the directors, be conveniently offered under this Constitution. For the avoidance of doubt, where the approval of Members is obtained in a general meeting for any issuance of shares or convertible securities, including approvals obtained under Sections 75 and 76 of the Act, such approval shall be deemed to be a direction to the contrary given in general meeting which will render the pre-emptive rights above waived. In any case and in respect of any issuance of shares or convertible securities, the application of pre-emptive rights of Members are strictly as contained in the Constitution and accordingly, the provisions of Section 85 of the Act in respect of pre-emptive rights to new shares, shall not apply.

15. STATUTORY AND OTHER INFORMATION *(Cont'd)*

(c) Transfer of shares

The provision in our Constitution dealing with transfer of securities is as follows:

Clause 42 – Transfer of securities

The transfer of any Listed Security or class of Listed Security of the Company, shall be by way of book entry by the Depository in accordance with the Rules and, notwithstanding Sections 105, 106 or 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the Listed Security.

(d) Rights, preferences, and restrictions attached to each class of securities relating to voting, dividend, liquidation, and any special rights

The provisions in our Constitution dealing with rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation, and any special rights are as follows:

Clause 18 – Alteration of class rights

Whenever the capital of the Company is divided into different classes of shares or groups, the special rights attached to any class or group may subject to the provisions of this Constitution (unless otherwise provided by the terms of issue of the shares of the class), either with the consent in writing of the holders of three-quarters (3/4) of the issued shares capital of the class or group, or with the sanction of any special resolution passed at a separate general meeting of such holders (but not otherwise), be modified or abrogated, and may be so modified or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, and such writing or resolution shall be binding upon all the holders of shares of the class. To every such separate general meeting all the provisions of this Constitution relating to general meetings or to the proceedings thereat shall, mutatis mutandis, apply, except that the necessary quorum shall be two persons at least holding or representing by proxy (but so that if an adjourned meeting of such holders a quorum as above defined is not present those Members who are present shall be a quorum), that any holder of shares in the class present in person or by proxy may demand a poll and that the holders of shares of the class or group shall, on a poll, have one (1) vote in respect of every share of the class or group held by them respectively. To every such special resolution, the provisions of Section 292 of the Act shall, with such adaptations as are necessary, apply.

15.3 DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS

As our Shares are proposed for quotation on the Official List, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of our Shares must deposit his Shares with Bursa Depository on or before the date is fixed, failing which our Share Registrar will be required to transfer the Shares to the Minister of Finance, and such Shares may not be traded on Bursa Securities.

Dealing in our Shares deposited with Bursa Depository may only be effected by a Depositor by means of entries in the securities account/ CDS Account of that Depositor.

15. STATUTORY AND OTHER INFORMATION *(Cont'd)*

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares shall be deemed to be our shareholder and shall be entitled to all rights, benefits, powers, and privileges and be subject to all liabilities, duties, and obligations in respect of, or rising from, such Shares.

15.4 GENERAL INFORMATION

(a) Save for the Directors' remuneration as disclosed in Section 5.2.4 of this Prospectus, dividends paid to our Promoters as disclosed in Section 12.16 of this Prospectus, no other amount or benefit has been paid or given within the past 2 years immediately preceding the date of this Prospectus, nor is it intended to be so paid or given, to any of our Promoters, Directors or substantial shareholders.

(b) Save as disclosed in Section 10.1 of this Prospectus, none of our Directors or substantial shareholders has any interest, direct or indirect, in any contract or arrangement subsisting at the date of this Prospectus and which is significant in relation to the business of our Group.

(c) The manner in which copies of this Prospectus together with the official application forms and envelopes may be obtained and the details of the procedures for application of our Shares are set out in Section 16 of this Prospectus.

(d) There is no limitation on the right to own securities including limitation on the right of non-residents or foreign shareholders to hold or exercise their voting rights on our Shares.

15.5 MATERIAL CONTRACTS

Save as disclosed below, our Group has not entered into any material contract which is not in the ordinary course of our Group's business within the Financial Years Under Review and up to the date of this Prospectus:

(a) sale and purchase agreement between Micronaire Global (as purchaser) and Worldklang Group Properties Sdn Bhd (as vendor) dated 15 March 2023 in relation to the purchase of the Jenjarom Factory for a purchase consideration of RM6,240,000. The total purchase value of the aforementioned factory is RM5,374,512, after a discount of RM865,488 granted by the vendor. The sale and purchase of the aforementioned factory was completed on 19 January 2026;

(b) conditional share sale agreement dated 23 September 2025 between our Company (as purchaser) and Ng Yew Sum, Chin Sze Kee, Law Eng Hock, Yap Chui Fan, Lee Thiam Hing, Francis Chia Mong Tet and Datuk Lim Tong Lee (collectively as vendors) to acquire 100% equity interest in Sum Technic for a purchase consideration of RM12,940,000 to be satisfied by way of the issuance and allotment of 193,576,819 Shares of our Company to the vendors at an issue price of approximately RM0.0668 per Share, which was completed on 7 April 2026;

(c) conditional share sale agreement dated 23 September 2025 between our Company as purchaser) and Ng Yew Sum, Chin Sze Kee, Law Eng Hock, Yap Chui Fan, Francis Chia Mong Tet, Lim Kai Seng and Datuk Lim Tong Lee (collectively as vendors) to acquire 100% equity interest in Sum System for a purchase consideration of RM5,590,000 to be satisfied by way of the issuance and allotment of 83,623,989 Shares of our Company to the vendors at an issue price of approximately RM0.0668 per Share, which was completed on 7 April 2026;

15. STATUTORY AND OTHER INFORMATION *(Cont'd)*

(d) conditional share sale agreement dated 23 September 2025 between our Company as purchaser) and Ng Yew Sum, Chin Sze Kee, Law Eng Hock, Yap Chui Fan, Lee Thiam Hing, Francis Chia Mong Tet, Lim Kai Seng, Cheng Kai Sean and Datuk Lim Tong Lee (collectively as vendors) to acquire 100% equity interest in Micronaire Global for a purchase consideration of RM3,730,000 to be satisfied by way of the issuance and allotment of 55,799,191 Shares of our Company to the vendors at an issue price of approximately RM0.0668 per Share, which was completed on 7 April 2026; and

(e) the Underwriting Agreement.

15.6 EXCHANGE CONTROLS

All corporations in Malaysia are required to adopt a single-tier system. As such, all dividends distributed by Malaysian corporations under this system are not taxable. Further, the Malaysian Government does not levy withholding tax on dividends payment. Therefore, there is no withholding tax imposed on dividends paid to non-residents by Malaysian corporations. There is no Malaysian capital gains tax arising from the disposal of listed shares. However, in the event the capital gain arising from the disposal of listed shares is revenue in nature, such gain can be subject to income tax.

As at the date of this Prospectus, we do not have any foreign subsidiary or associated company. As such, there are no law, decree, regulation or other requirement which may affect the repatriation of capital and remittance of profits by or to our Group.

15.7 CONSENTS

(a) The respective written consents of the Principal Adviser, Sponsor, Underwriter, Placement Agent, Solicitors, Company Secretary, Internal Control Reviewer, Share Registrar, and Issuing House for the inclusion in this Prospectus of their names and all references in the form and context in which such names appear have been given before the issue of this Prospectus, and such consents have not subsequently been withdrawn;

(b) The written consent of the External Auditors and Reporting Accountants for the inclusion in this Prospectus of its name, Accountants' Report and Reporting Accountants' Report on the compilation of Pro Forma Combined Statements of Financial Position as at 31 December 2025 and all references thereto, in the form and context in which they are contained in this Prospectus have been given before the issue of this Prospectus, and such consent has not subsequently been withdrawn; and

(c) The written consent of the IMR for the inclusion in this Prospectus of its name and the IMR Report and all references thereto, in the form and context in which they are contained in this Prospectus have been given before the issue of this Prospectus, and such consent has not subsequently been withdrawn.

15.8 DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of our Company during normal business hours for a period of 6 months from the date of this Prospectus:

(a) our Constitution;

(b) the audited financial statements of Sum Technology for the period from 24 January 2025 (date of incorporation) to 31 December 2025;

(c) the audited financial statements of Sum Technic, Sum System and Micronaire Global for the Financial Years Under Review;

(d) the Accountants' Report as set out in Section 13 of this Prospectus;

(e) the Reporting Accountants' Report on the compilation of Pro Forma Combined Statements of Financial Position as at 31 December 2025 as set out in Section 14 of this Prospectus;

(f) the IMR Report as set out in Section 8 of this Prospectus;

(g) the material contracts as set out in Section 15.5 of this Prospectus; and

(h) the letters of consent as set out in Section 15.7 of this Prospectus.

15.9 RESPONSIBILITY STATEMENTS

Our Directors and Promoters have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there are no false or misleading statements or other facts which if omitted, would make any statement in this Prospectus false or misleading.

Malacca Securities being our Principal Adviser, Sponsor, Underwriter and Placement Agent in relation to our IPO, acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

[The rest of this page is intentionally left blank]

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

THIS SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR IPO SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE "DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE" ACCOMPANYING THE ELECTRONIC PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT THE ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in our Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

16.1 OPENING AND CLOSING OF APPLICATION

Applications for our IPO Shares will be accepted and closed at the time and date stated as below:

OPENING OF THE APPLICATION PERIOD: 10:00 A.M., ON 20 MAY 2026

CLOSING OF THE APPLICATION PERIOD: 5:00 P.M., ON 4 JUNE 2026

In the event there is any change to the timetable, we will advertise the notice of the changes in a widely circulated English and Bahasa Malaysia daily newspapers within Malaysia.

Late Applications will not be accepted.

16.2 METHODS OF APPLICATIONS

16.2.1 Retail Offering

Application must accord with the terms of our Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

Types of Application and category of investors	Application Method
Applications by our Eligible Persons	Pink Application Form only
Applications by the Malaysian Public:	
(a) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(b) Non-Individuals	White Application Form only

[The rest of this page is intentionally left blank]

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

16.2.2 Private Placement

Types of Application	Application Method
Applications by: (a) Selected investors	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.
(b) Bumiputera Investors approved by MITI	MITI will contact the Bumiputera Investors directly. They should follow MITI's instructions.

Selected investors and Bumiputera Investors approved by MITI may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

16.3 ELIGIBILITY

16.3.1 General

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs as stated in the list of ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities. The CDS account must be in your own name. **Invalid, nominee or third party CDS accounts will not be accepted for the Applications.**

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 IPO SHARES OR MULTIPLES OF 100 IPO SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

16.3.2 Application by the Malaysian Public

You can only apply for our IPO Shares if you fulfill all of the following:

(a) You must be one of the following:

(i) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares; or

(ii) a corporation / institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors / trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or

(iii) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.

(b) You must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and

(c) You must submit Applications by using only one of the following methods:

(i) White Application Form;

(ii) Electronic Share Application; or

(iii) Internet Share Application.

16.3.3 Application by the Eligible Persons

Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation as well as detailed procedures on how to subscribed to the allocated IPO Shares. Applicants must follow the notes and instructions on the said documents and where relevant, in this Prospectus.

The Eligible Persons who have made applications using the Pink Application Form may still apply for our IPO Shares allocated to the Malaysian Public using the White Application Form or through the Electronic Share Application or the Internet Share Application.

16.4 APPLICATION BY WAY OF APPLICATION FORMS

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions printed therein or which are illegible will not be accepted.

The FULL amount payable is RM0.28 for each IPO Share.

Payment must be made out in favour of ***"*TIIH SHARE ISSUE ACCOUNT NO**. **829*"*** and crossed **"A/C PAYEE ONLY"** and endorsed on the reverse side with your name and address.

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

(i) despatch by **ORDINARY POST** in the official envelopes provided, to the following address:

Tricor Investor & Issuing House Services Sdn Bhd
(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur

(ii) **DELIVER BY HAND AND DEPOSIT** in the issuing house drop-in box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur so as to arrive not later than 5:00 p.m. on 4 June 2026 or by such other time and date specified in any change to the time or date for the closing of the applications for our IPO shares.

We, together with the Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all enquiries in respect of the White Application Form to the Issuing House.

16.5 APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

Only Malaysian individuals may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Participating Financial Institutions.

16.6 APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS

Only Malaysian individuals may use the Internet Share Application to apply for our IPO Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the following Internet Participating Financial Institutions or Participating Securities Firms, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, Malayan Banking Berhad, Public Bank Berhad, RHB Bank Berhad CGS International Securities Sdn Bhd, Hong Leong Investment Bank Berhad, iFast Capital Sdn Bhd, Kenanga Investment Bank Berhad, Malacca Securities Sdn Bhd, Moomoo Securities Malaysia Sdn Bhd, TA Securities Holdings Berhad and UOB Kay Hian (M) Sdn. Bhd. (formerly known as UOB Kay Hian Securities (M) Sdn Bhd). A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions or Participating Securities Firms.

16.7 AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE

The Issuing House, on the authority of our Board reserves the right to:

(a) reject Applications which:

(i) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or

(ii) are illegible, incomplete or inaccurate; or

(iii) are accompanied by an improperly drawn up, or improper form of, remittance; or

(b) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and

(c) bank in all Application monies (including those from unsuccessful / partially successful applicants) which would subsequently be refunded, where applicable (without interest), in accordance with Section 16.9 of this Prospectus below.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the Issuing House at anytime within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

16.8 OVER / UNDER SUBSCRIPTION

In the event of over-subscription, the Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our IPO Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of our IPO shares and the balloting results in connection therewith will be furnished by the Issuing House to Bursa Securities, at all major Bahasa Malaysia and English newspapers as well as posted on the Issuing House's website at https://srmy.vistra.com within one Market Day after the balloting date.

Pursuant to the Listing Requirements, we are required to have a minimum of 25.00% of our Company's issued share capital to be held by at least 200 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event this requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of our IPO Shares by the Malaysian Public and/or Eligible Persons, subject to the clawback and reallocation provisions as set out in Section 4.3.2 of this Prospectus, any of the abovementioned IPO Shares not applied for will then be subscribed by our Underwriter based on the terms of the Underwriting Agreement.

[The rest of this page is intentionally left blank]

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

16.9 UNSUCCESSFUL / PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful / partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner.

16.9.1 For applications by way of Application Forms

(a) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary / registered post to your registered or correspondence address last maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.

(b) If your Application is rejected because you did not provide a CDS account number, your Application monies will be refunded via banker's draft sent by ordinary / registered post to your address as stated in the NRIC or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.

(c) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (a) and (b) above (as the case may be).

(d) The Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend / distribution) or by issuance of banker's draft sent by ordinary / registered post to your registered or correspondence address last maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (b) above (as the case may be).

16.9.2 For applications by way of Electronic Share Application and Internet Share Application

(a) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited (without interest) into your account with the Participating Financial Institution or Internet Participating Financial Institution or Participating Securities Firms (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from the Issuing House.

(b) You may check your account on the 5th Market Day from the balloting date.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

(c) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institution or Internet Participating Financial Institution or Participating Securities Firm will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institution or Internet Participating Financial Institution or Participating Securities Firm will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House.

16.10 SUCCESSFUL APPLICANTS

If you are successful in your application:

(a) Our IPO Shares allotted to you will be credited into your CDS account.

(b) A notice of allotment will be despatched to you at your registered or correspondence address last maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.

(c) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our IPO Shares issued / offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.

(d) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

16.11 ENQUIRIES

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services at telephone no. +603 2783 9299
Electronic Share Application	The relevant Participating Financial Institution
Internet Share Application	The relevant Internet Participating Financial Institution or Participating Securities Firm and Authorised Financial Institution

The results of the allocation of IPO Shares derived from successful balloting will be made available to the public at the Issuing House website at https://srmy.vistra.com, 1 Market Day after the balloting date.

You may also check the status of your Application at the above website, 5 Market Days after the balloting date or by calling your respective ADA during office hours at the telephone number as stated in the list of ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.